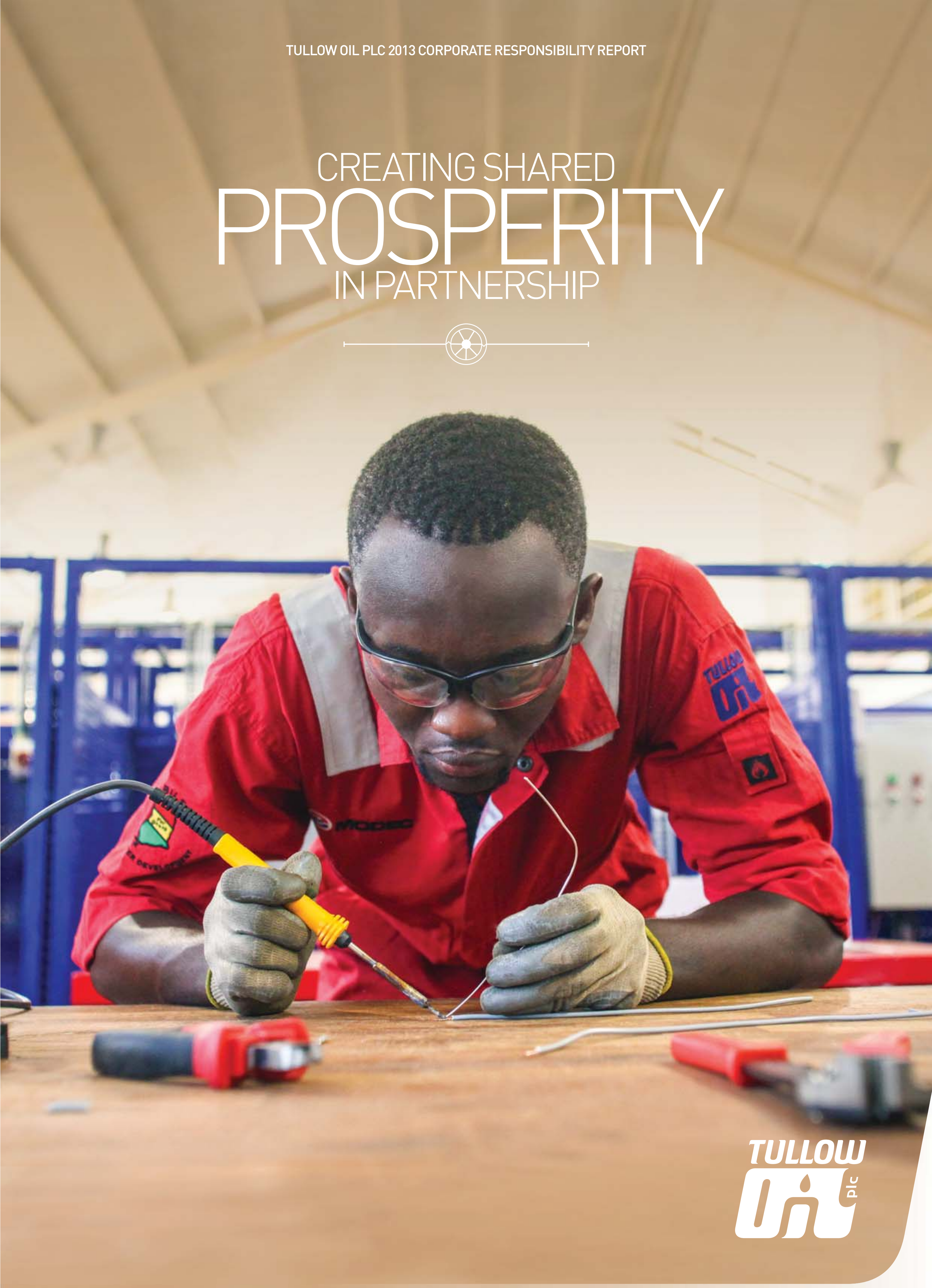
TULLOW OIL PLC 2013 CORPORATE RESPONSIBILITY REPORT

CREATING SHARED PROSPERITY IN PARTNERSHIP



Tullow Oil is a leading independent oil and gas, exploration and production group. Our focus is on finding oil in Africa and the Atlantic Margins, combined with selective development projects and high-margin production to fund our exploration-led strategy.

Our portfolio of over 145 licences spans 24 countries and is organised into three regions. We are headquartered in London and have corporate offices in Ireland, Ghana, Uganda, Kenya and South Africa.

1
2013 OVERVIEW

This section provides highlights on the progress we have made during the year to deliver our Corporate Responsibility strategy. Our Chairman and Chief Executive Officer reflect on the challenges and achievements in 2013.

Our front cover

Ishmeal Gyimah is a student at the Jubilee Technical Training Centre, a Jubilee Partner funded vocational training institute in Ghana. The centre is the first of its kind in West Africa, offering National Vocational Qualification (NVQ) accredited courses.

2

GOVERNANCE

This section highlights our core governance systems, our approach to tackling bribery and corruption, and how we manage political risk.

3

SOCIO-ECONOMIC IMPACT

Our socio-economic impacts include the taxes we pay to government, the people we employ, the opportunities we create for local businesses and our engagement with local communities.

4

RESPONSIBLE OPERATOR

Here we report on our Environmental Health & Safety (EHS) performance and our approach to supply chain management.

5

SUPPLEMENTARY INFORMATION

This section includes detail on the GRI guidelines we follow; the assurance performed by our auditors; and the detailed data on our EHS, Social and Local Content performance.

About this report

Our Corporate Responsibility (CR) Report details the key sustainability issues that arose in 2013 and early 2014. Our performance in these key areas for the period 1 January – 31 December 2013 is also reported on.

This year, we have made improvements and strengthened our approach to identifying and reporting on our most important sustainability issues by evolving our materiality review, taking more inputs from stakeholders in our countries of operation.

In line with best practice, this report contains Standard Disclosures from the new Global Reporting Initiative (GRI) G4 guidelines. The GRI guidelines encourage companies to report on practices and performance that relate to sustainability in a manner that is transparent and uses a globally shared framework of indicators. A copy of the GRI index and basis of reporting can be found at **www.tullowoil.com/crr2013/gri**.

We welcome your feedback on how we can improve our disclosure in this or any aspect of our reporting. Write to us at **csp@tullowoil.com**.

2013 Highlights → **4**

Encouraging foreign direct investment

GHANA

Following the Jubilee discovery in 2007, Ghana's Oil & Gas sector has attracted foreign direct investment, created local job opportunities and boosted economic growth. Tullow contracted the services of Expro, an international well services company, to provide well engineering services to the Jubilee and TEN development projects. Expro relocated their regional office to Accra in 2011 and have since invested almost $1 million in an operational support facility and $140,000 in national capacity development programmes. Over half of their employees are Ghanaian nationals.

1

2013 OVERVIEW

CREATING SHARED PROSPERITY IN PARTNERSHIP

Our strategic priority related to shared prosperity is to nurture long-term relationships with local governments, communities and key stakeholders, with the ultimate aim of creating a positive and lasting contribution to economic and social development in the communities and countries where we operate.

Creating shared prosperity is synonymous with our Corporate Responsibility strategy, and focuses on eight components. Our financial performance underpins our ability to meet our commitments to our employees, suppliers and providers of capital. Our approach to governance, the Environment, Health & Safety (EHS), people, supply chain, Local Content and Social Performance directly affect our ability to run our business successfully. Stakeholder engagement is critical to all aspects of our business, helping to ensure we operate effectively and responsibly. We measure our progress in each of the eight focus areas, with the exception of stakeholder engagement, against a scorecard which can be found in the relevant sections of this report. Detail on our financial & operational performance can be found in our 2013 Annual Report & Accounts online.

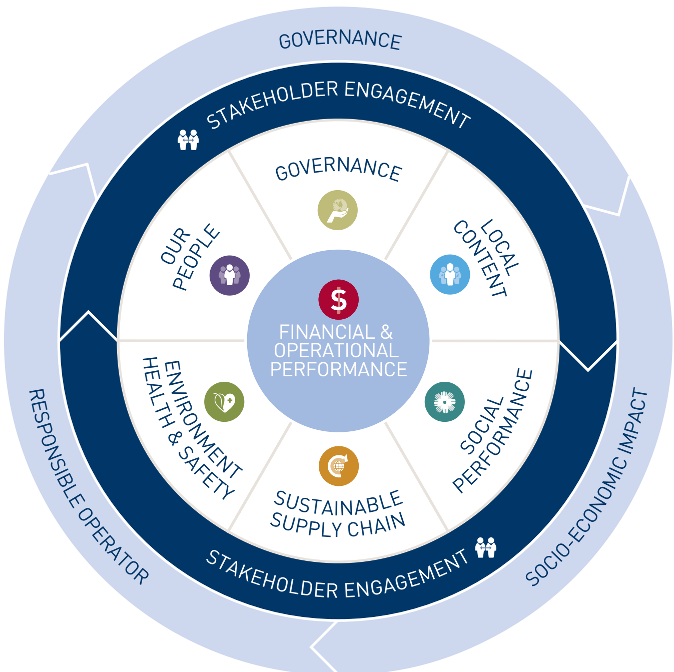
In 2013, we undertook a systematic review of the issues that are most material to Tullow's ability to execute our business strategy and those that have the greatest social, environmental and economic impact on our stakeholders. The majority of our material issues are aligned to the eight focus areas of creating shared prosperity and detail our responsibilities and opportunities to contribute to economic and social development across the breadth of our business model. The highlights opposite pull out the key milestones achieved over the last 12 months and demonstrate what our vision to create shared prosperity looks like in action.

Governance
Manage our business ethically and with integrity

Our People
Create a rewarding, challenging and great place to work

Environment, Health & Safety
Keep people safe and minimise our environmental footprint

Financial
Deliver returns to shareholders and providers of capital



Local Content
Create real opportunities for local people and local enterprise development

Social Performance
Manage our business in a way that respects local communities and the impact our business has on them

Sustainable supply chain
Build long-term sustainable supplier relationships

Stakeholder engagement
Engage with and respond to all our stakeholders

$1.6

BILLION SOCIO-ECONOMIC CONTRIBUTION

Tullow's payments to major stakeholders, including governments, brought our total socio-economic contribution to $1.6 billion in 2013. Our disclosure in this report is in line with the requirements of the EU Accounting Directive.

Socio-economic impact → 34

85%

OF AFRICAN STAFF WERE NATIONALS

In 2013, 85% of our African staff were nationals (2012: 86%). All of our key operating African Business Units (BUs) are now led by General Managers who are nationals of their countries.

Our people → 40

$217

MILLION SPENT WITH LOCAL SUPPLIERS

In 2013, Tullow spent $217 million with local businesses. Spend in the prior year is not directly comparable with 2013. Nevertheless this is a 49% increase on 2012 (2012: $145 million). Spend in Ghana represents over half of this amount.

Local Content → 45

$870

MILLION PAID TO GOVERNMENTS

In 2013, we paid $870 million to governments (2012: $696 million), including 3.8 million barrels of oil equivalent (2012: 2.9 million), which equates to payments in kind at average realised oil prices for the year of more than $350 million.

Transparency → 35

$8

MILLION SPENT ON TRAINING

Group spend on training and development in 2013 across all BUs was $8 million which represents an average spend of $5,000 per Tullow employee. Development of our people is key to the success of our business and the retention of talent.

Developing our people → 42

88%

CODE OF CONDUCT AWARENESS

At the beginning of 2013, 88% of our workforce had participated in Code awareness training sessions which aimed to improve employee understanding of the key information and requirements to achieve full compliance with the Code.

Corporate Governance → 27

19/30

EHS SCORECARD

In 2013, our EHS score which includes 10 leading and lagging indicators was 19 out of 30. While we made good progress in the majority of our leading indicators, we did not achieve our high safety targets and have work to do to reduce our minor spills targets.

EHS performance → 57

$17.4

MILLION SOCIAL INVESTMENT

We made a discretionary investment of $17.4 million in 2013 (2012: $19.9 million). We focused on creating an immediate impact at community level and longer-term local and national capacity building and enterprise development projects.

Social investment → 53

100+

SCHOLARSHIPS

We provided 100+ postgraduate scholarships in eight countries through the Tullow Group Scholarship Scheme (TGSS). The courses help build skills in Oil & Gas disciplines and related fields, to encourage local participation in the industry.

Scholarship scheme → 53

OUR RESPONSIBILITIES ACROSS THE OIL LIFE CYCLE

At Tullow, we are committed to ensuring the Oil & Gas industry brings sustainable, transparent and tangible benefits to our shareholders, local communities and the people of the host countries where we operate.

THE OIL LIFE CYCLE

The oil life cycle describes the stages an oil exploration and production company goes through from its initial entry into a country, through to when natural hydrocarbon reserves are depleted.

Licence to operate

In order to explore we must first be granted a licence by the government of the country we wish to invest in. We identify those countries through careful evaluation of geological and non-technical risks. We look for hydrocarbons in regions where we have proven expertise as well as in new, unexplored territories.

We work closely with the government and other statutory bodies across our activities. This ranges from licence approvals, to environmental and social impact management. Our commitment is to reaching an agreement that will benefit all parties; one that will stand the test of time and is economically viable.

Engagement with government

Read more on page → **18**

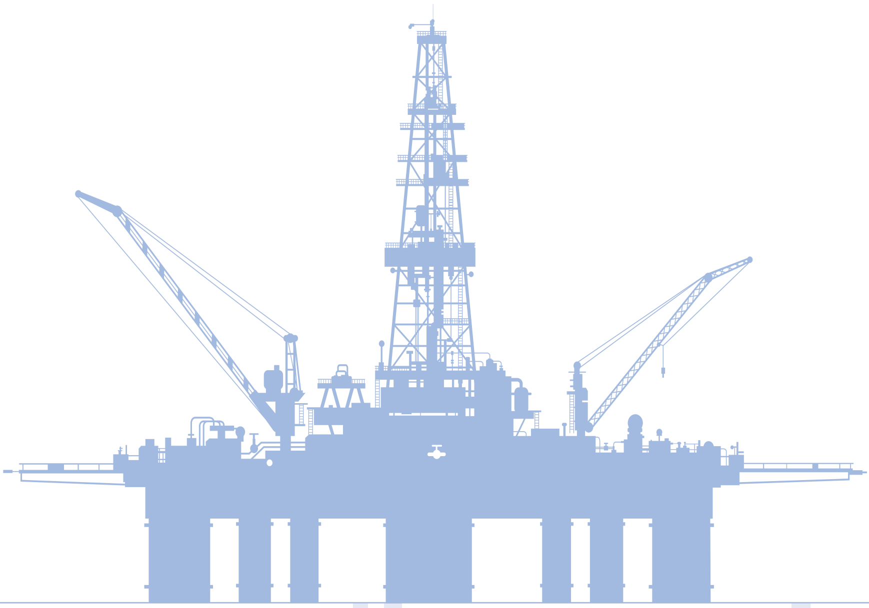
Exploration surveys

We collect seismic data and other geophysical data to produce 2D and 3D pictures of what lies beneath the surface. The interpretation of seismic data allows us to gather geological information on the structures beneath us without drilling. After extensive analysis we plan exploration campaigns to try and discover oil and gas in these structures and potentially open up new basins.

We work, where possible, with government and non-government institutions to leverage our exploration and seismic activities to contribute to the knowledge and understanding about the biodiversity or cultural and historical heritage of our exploration areas.

Cultural heritage preservation

Read more on page → **65**



Exploration drilling
We drill an initial well to establish the presence of oil or gas. If there is none, or if it will not be commercially viable, the well is abandoned. After a significant discovery, we drill appraisal wells to determine the size and quality of the discovery. Further exploration wells may be drilled to determine the extent of the geological play over a much larger area.

Development of discoveries
We begin work on a Plan of Development (PoD) once we have confirmed that the oil discovery we have made is commercially viable. The PoD involves extensive stakeholder engagement and must consider environmental, social, economic and operational issues. These plans are approved by governments and regulatory authorities and their implementation is carefully monitored.

Production of oil and gas
Successful developments should be carried out in the most cost effective way, without compromising high safety standards, regard for the environment and local communities who may be affected by our work. Production can last many decades; however, oil and gas resources are finite. When production ceases, facilities are decommissioned and the location is remediated and reinstated.

Our unique approach to creating opportunities for local businesses is driven primarily through our contracting strategy with international suppliers. This encourages foreign direct investment and local capacity building.

Growing local business participation in Kenya's Oil & Gas industry
Read more on page → 44

Engagement with our host communities and understanding their concerns, issues and needs is a fundamental part of our approach to any project. This takes place through formal multi-stakeholder engagement as well as informal meetings with individuals and groups.

Community consultation on the TEN Development Project
Read more on page → 19

We uphold transparent disclosure of payments to government and are committed to helping our stakeholders understand the various stages at which capital is invested by international oil companies (IOCs) and revenues received by host governments.

Payments in Ghana
Read more on page → 36

OUR PORTFOLIO OF EXPLORATION & PRODUCTION ASSETS

Our balanced portfolio of assets spans 24 countries and over 145 licences. We are focused on areas of high-impact exploration opportunity combined with areas of development potential and stable high margin production to fund the Group's exploration-led strategy.

WEST & NORTH AFRICA

The West & North Africa region contributes the majority of Tullow's production, providing valuable cash flow to fund the Group's exploration and development activity. The area remains highly prospective, with high-impact exploration campaigns ongoing in the region.

2013 key activity:

- Gross production from Ghana's Jubilee field, Tullow's key producing asset, averaged approximately 100,000 barrels of oil per day (bopd) in 2013;
- The TEN Development Project, Tullow's second major operated development in Ghana, made significant progress in 2013, following Plan of Development approval.

SOUTH & EAST AFRICA

Tullow considers its South & East Africa region to have great potential for exploration and future cash flow. The Group has made seven discoveries out of eight wells drilled in the South Lokichar basin in Kenya in the past two years and is considering development options for discovered resources in both Uganda and Kenya.

2013 key activity:

- Three consecutive oil discoveries in Kenya highlighted the emerging world-class exploration and production potential within our Rift Basin acreage;
- The discoveries in Kenya and successful flow tests put the resources found above the threshold for development.

EUROPE, SOUTH AMERICA & ASIA

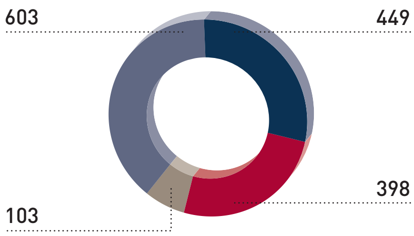
Tullow's Europe, South America & Asia region consists of some of Tullow's most mature producing assets and areas of frontier exploration. In 2013, Tullow announced the sale of its mature Asia gas businesses to allow focus on exploring for light oil.

2013 key activity:

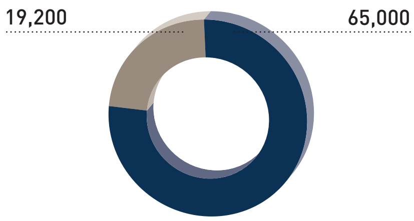
- Following the acquisition of Spring Energy, Tullow commenced a high-impact exploration programme in Norway and made a play opening light oil discovery in the Hoop-Maud Basin in the Barents Sea.

2013 Payments to governments by region ($ million)

2013 Number of employees



2013 Group working interest production (boepd)



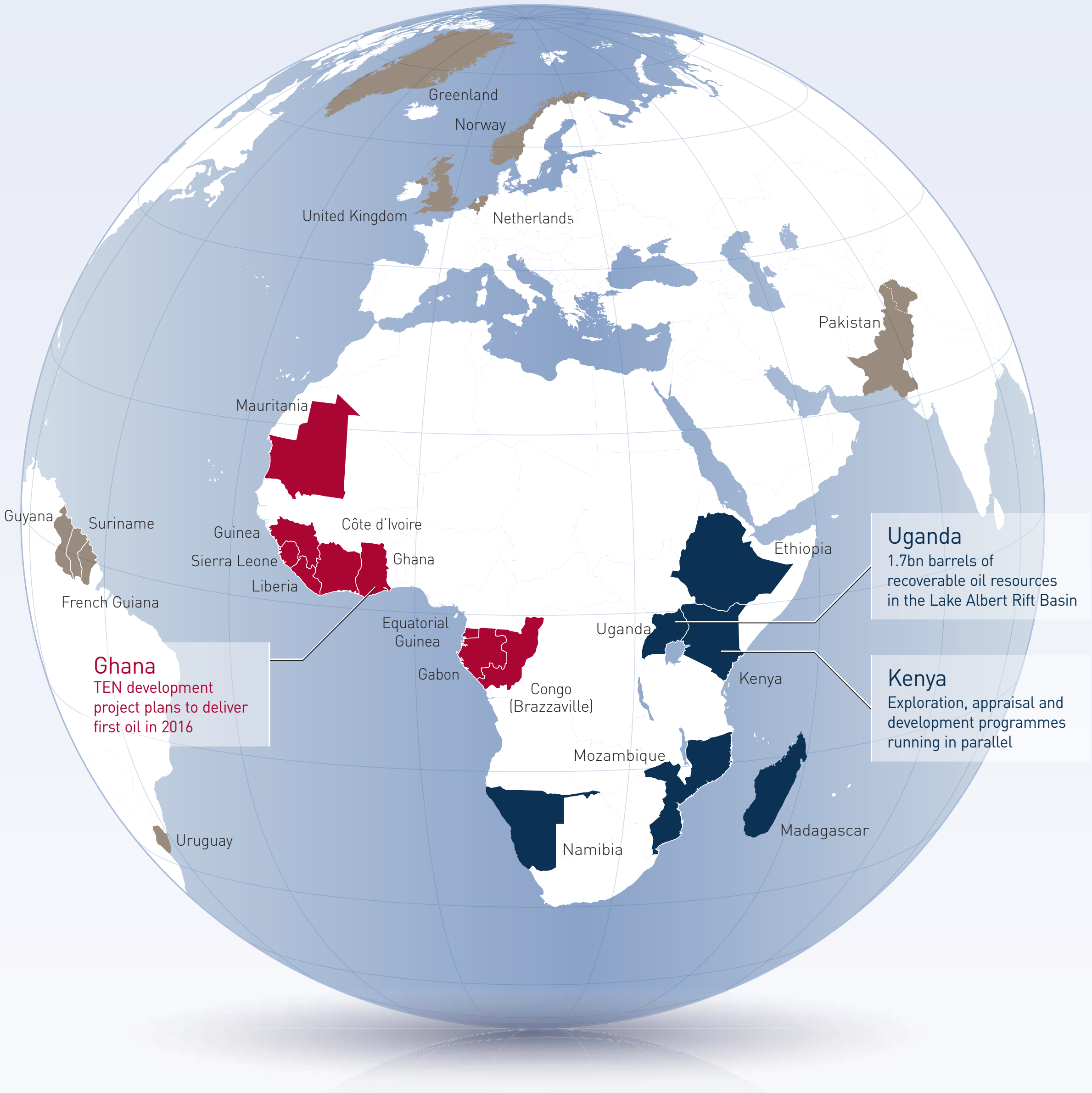
● West & North Africa ● South & East Africa ● Europe, South America & Asia ● Corporate

24
COUNTRIES WITH OPERATIONS

145
LICENCES

321,521 SQ KM
ACREAGE

1,409 MMBOE
RESERVES & RESOURCES



$2.6 BILLION
SALES REVENUE

$1.9 BILLION
CASH FLOW

$381 MILLION
OPERATING PROFIT

$216 MILLION
PROFIT AFTER TAX

REFLECTING ON OUR PROGRESS IN ACHIEVING SHARED PROSPERITY

Simon Thompson, our Chairman, and Aidan Heavey, our Chief Executive Officer, reflect on our 2013 performance, the complex challenges and opportunities facing the business as our exploration activities move increasingly onshore and how partnerships are key to the delivery of shared prosperity.

SIMON THOMPSON CHAIRMAN – **AIDAN HEAVEY** CHIEF EXECUTIVE OFFICER

Q&A

A joint question and answers interview with Simon Thompson and Aidan Heavey

Q How did Tullow perform during 2013 in its commitment to creating shared prosperity?

SIMON: In my view we achieved a mixed but generally positive performance last year. We have taken a leadership position on transparency, demonstrating the economic contribution that we make in each of the countries where we operate. Governance across the Group remains robust and we have significantly increased the amount of our expenditure directed to local suppliers. I see good progress too in continuing to build local capacity and job creation. However, we have faced some challenges in our community relationships, particularly as our major exploration and appraisal activities are now onshore and located in the heart of those communities. Also our Environment, Health & Safety (EHS) performance did not achieve our targets, with just an average result for our leading and lagging EHS scorecard, which, in turn, links to Executive Remuneration. So, in summary, some solid achievements, but much more to do.

Q What has changed within Tullow over the past year?

AIDAN: As a growing business with more assets, there are many more above-ground challenges and risks that can impact our business. We know that our operational performance is directly related to building relationships, managing expectations and fulfilling our commitments at a local and national level in host countries. I don't think previously we were set up to meet those challenges as effectively as we could have been so we have made a number of critical organisational changes in structure and resourcing. We have a new Executive Committee of 15 key people from across the business including me and my fellow Executive Directors. This is to provide greater depth and focus to the leadership of the business and the delivery of our strategy. We also established a new function which manages safety, sustainability and external affairs as one combined team. We did this because most of our non-technical risks are inter-related, inter-dependent and require an integrated approach.

> "PART OF OUR RESPONSIBILITY IS TO TRY TO CREATE COALITIONS OF INTERESTS, MAKING PEOPLE AWARE OF THE OPPORTUNITIES AND CHALLENGES & BUILDING A COMMON VISION OF THE OUTCOMES WE ALL ASPIRE TO."
>
> **SIMON THOMPSON**
> CHAIRMAN

Q Kenya is one of Tullow's biggest areas of focus but operations were shut down by protests by the local community in 2013. How are you addressing this issue?

SIMON: I think it is important to give some background and context. Our activities in Kenya are mainly in Turkana, a remote, arid and poor region in the North West of the country. The region is inhabited by pastoral and nomadic tribes and subject to periodic armed skirmishes between different tribes competing for scarce pasture and water resources. For the past 50 years or more Turkana has received very little investment from the central government in Nairobi or the private sector. Under the new constitution, significant powers have been devolved from central government to the County of Turkana, but implementation of this constitutional change is still work-in-progress and local governance structures are embryonic. At the same time, the region is suffering a major drought. Our arrival, and the rapid expansion of our operations, have inevitably added to these underlying tensions. The local community is understandably focused on what benefits our presence will bring and we have to learn how to successfully manage very high expectations and enormously complex wider social and environmental issues, including security and human rights, equal opportunity, land rights, water scarcity and so on. This is clearly not something we can do alone. We need to work in partnership with the communities, with government and with civil society to manage these complex and inter-dependent issues.

AIDAN: In Kenya, we have had seven consecutive wildcat discoveries with estimated resources of 600 million barrels of oil, which is above the commercial threshold for development. In late 2013, we temporarily shut down our operations after concerns about local employment and business opportunities triggered a disorderly demonstration at one of our sites. We wanted to get back to work quickly and safely so we agreed a Memorandum of Understanding with the Government, the Governor of Turkana and local MPs. This provided us with a framework for building stronger community relations and improving our engagement with the local Turkana community. Over 2,000 jobs have been created through our presence and Turkana people fill the majority of these. Tullow and our partners have invested over $2.73 million in social projects including our sponsorship of Kenyan scholars in the Tullow Group Scholarship Scheme. We also now have three field-based offices and a community support team of close to 40 people.

Ghana local content development

In 2013, Tullow Ghana spent $128 million with local businesses on behalf of the Jubilee partnership, up from $69.2 million in 2012. In addition, Tullow and the Jubilee Partners are investing $5 million in a Government led Enterprise Development Centre that will support capacity development for small and medium sized enterprises in Ghana.

$128 MILLION

million spent with Ghanaian businesses in 2013

Q Along with Tullow's exploration success in Kenya and Uganda, East Africa is emerging as a powerhouse in future global energy markets. What role will Tullow play in the socio-economic development of this region?

SIMON: We need to play a very active role, and we are acutely aware of that responsibility, but at the same time we need to ensure that we do not start to act in a quasi-governmental capacity. Prime responsibility for ensuring that oil and gas revenues contribute to the alleviation of poverty, and help to propel Kenya and Uganda on the path to sustainable economic development, clearly rests with central and local government. However, the oil industry, the wider business community and civil society also have a role to play. Part of our responsibility is to try to create coalitions of interests, making people aware of the opportunities and challenges and building a common vision of the outcomes we all aspire to.

AIDAN: We are long-term investors in Africa and as a result we are working to create the foundations of a strong industry both for today and far into the future, the benefits of which will be realised over the next 40 years and more. In emerging oil countries what happens across the life of an oil field is often not well understood. We are building breadth and depth into how we work with others on issues such as local supply chains, skills transfer, environmental protection and meeting immediate local community needs. All of these are integral to our business but getting our message and our role across takes a lot of effort, particularly when you consider the extent to which circumstances, priorities and cultures differ.

Q Local Content is becoming increasingly important to the governments of our host countries. How is Tullow addressing this issue?

AIDAN: Local Content is important to Tullow because not only is it a priority for the governments of our host countries, it also makes good commercial sense, and most importantly, it's the right thing to do. We've spent the last three years voluntarily building our commitment to Local Content in our markets and we're proud of the results we're starting to see. All our tenders with international suppliers now include an evaluation of Local Content contributions. This encourages significant foreign direct investment into local economies, supporting job creation, technology transfer and building local capability.

We also invest in the development of local suppliers and help local businesses and entrepreneurs to understand what major international companies want and require from their suppliers. For example, we help local businesses to meet our standards in critical areas like health and safety and zero tolerance of bribery and corruption.

> "CREATING SHARED PROSPERITY IS A NEVER ENDING JOURNEY. WHAT I WANT IS FOR TULLOW TO DELIVER YEAR-ON-YEAR PROGRESS THAT CONTINUES TO SHOW HOW SERIOUSLY WE TAKE OUR RESPONSIBILITIES."
>
> **AIDAN HEAVEY**
> CHIEF EXECUTIVE OFFICER

I'm proud to say that the impact of this investment in Ghana is particularly visible, where our Local Content expenditure since 2011 is close to $400 million.

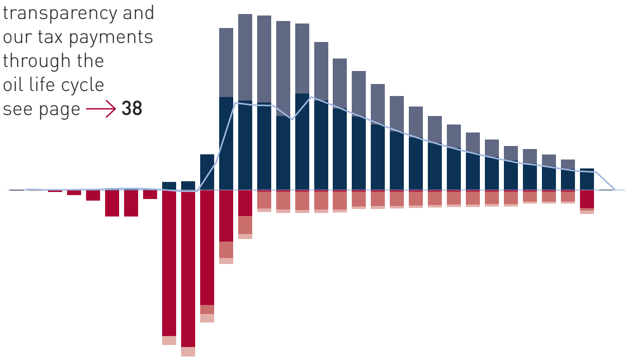
SIMON: The more people who have a stake in our success, the more we will be accepted within the communities where we work. There are, however, trade-offs to be made to make sure, for example, that EHS standards are not compromised, that local supply chains are sustainable and that projects that require billions of dollars of investment make long-term commercial sense. Our arrival in-country, and exploration success, sets an expectation of immediate opportunities, often out of all proportion to the scale and timeframe of our activities and the capacity and skills of the workforce or suppliers in-country. This is the immediate challenge we face. Longer-term, governments need to invest resource revenues and taxes in education and infrastructure to encourage further growth and diversification of the economy. The oil industry should act rather like an 'anchor tenant' for this longer-term sustainable economic development.

Q Tullow has received a lot of attention for its transparency disclosure ahead of the EU Directive being implemented. What's next for transparency and Tullow?

SIMON: Transparency of payments to governments is an important first step, but it is just the first step. Linking oil wealth management to national development plans is the real opportunity. Tullow clearly doesn't have the democratic mandate to influence this, but what we can do is work in partnership with others to ensure that the debate on how best to use oil revenues in the national interest is well informed. Collaboration with governments, civil society and local business is a big part of our activity right now. Our role is to try to build a better understanding of the financial flows and other developmental benefits throughout the project life cycle.

Payments through the oil life cycle

Find out more about transparency and our tax payments through the oil life cycle see page → 38



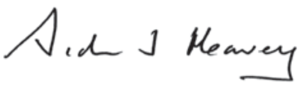
Q Looking more internally do you believe that the company's culture and values, which are so central to Tullow's success, are being adequately sustained as the company grows?

AIDAN: We undertook a Group-wide employee survey this year which achieved a 77% engagement score. This is good but not as good as two years ago. In part, we see this as growing pains that are inevitable. But, we do want to make sure that as an organisation we are responsive and address the feedback received through the survey and in the workshops that the Executive undertook across the business during the year. The good news is that managing performance, safety and responsibility as well as vision and direction are all very favourable. The opportunities we have are in the areas of efficiency, change management, fair treatment, teamwork and communication.

Q So what further changes can we expect in the year ahead as the business works to create shared prosperity?

AIDAN: As Simon said earlier, we have much done but lots more do to and I see a number of clear priorities in terms of our responsibilities over the next few years. We have to improve how we manage our Social Performance and our relationships with local communities. Our EHS performance needs to get on a firm path to top quartile industry performance. Local Content is a growing political agenda in Africa and we need to ensure that we play our part in the debate and in building further on our success in this area. I have always believed that Tullow's people are our biggest asset. This is particularly true when you think of the range of skills, diversity and reach of our activities. A big internal focus is for us to address and resolve the concerns employees have so that we retain our unique culture. In truth, creating shared prosperity is a never-ending journey. What I want is for Tullow to deliver year-on-year progress that continues to show how seriously we take our responsibilities.

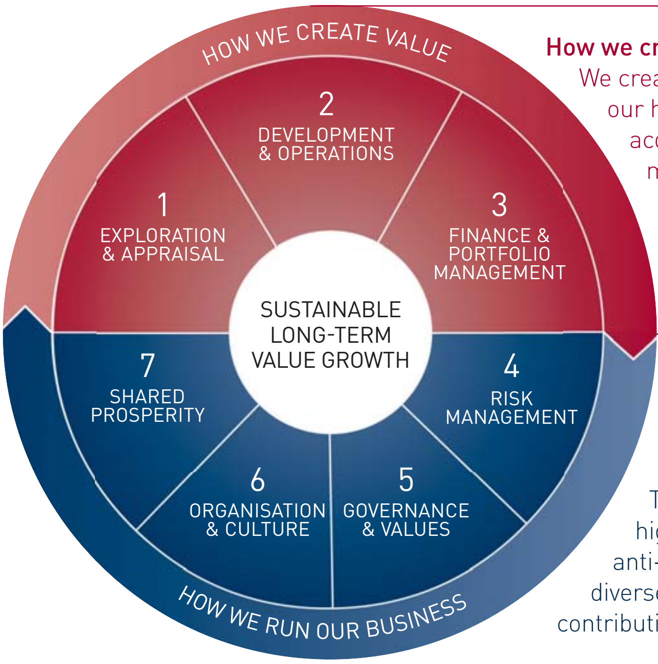
Simon R Thompson, Chairman



Aidan Heavey, Chief Executive Officer

Building a business with an unrivalled competitive advantage

Our vision is to be a leading global independent exploration and production company and our strategy to achieve this is exploration-led growth. Success will be sustainable value growth for Tullow, long-term returns to shareholders and shared prosperity for our stakeholders.



How we create value

We create value in two ways. We find oil through our high-impact exploration programme, strategic acquisitions and New Ventures. We sell oil by monetising assets across the oil life cycle or by developing exploration discoveries through to production. This generates cash flow for investment in the business and supports a strong balance sheet and financial flexibility.

How we run our business

Our approach to running our business reflects the most material issues for our continued success and delivery of our business plans. These include strong and effective risk management, high standards of governance, transparency and anti-corruption, developing a multi-disciplined and diverse team and making a positive and lasting contribution where we operate.

OUR INTEGRATED GOVERNANCE & RISK FRAMEWORK

Strong and effective risk management is central to how we run our business and supports the delivery of our strategic objectives. It also ensures we remain focused on developing long-term relationships with host governments and safeguarding the communities and the environments we work within, ultimately protecting our business, people and reputation.

Our integrated governance and risk framework demonstrates the key risks associated with each of our strategic priorities and how they could impact our performance. The framework also identifies the Executive Directors that have overall responsibility for each risk and the internal committees that are responsible for the ongoing management and monitoring of our risk exposure.

More detail on our integrated governance and risk framework can be found in our 2013 Annual Report & Accounts.

	Strategic priorities	Performance indicator
	Sustainable long-term value growth	• Long-term Total Shareholder Return
HOW WE CREATE VALUE	**1. Exploration & Appraisal** Execute selective high-impact E&A programmes.	• Resource growth • Exploration success ratio • Portfolio replenishment • Finding costs per boe
	2. Development & Operations Deliver all major projects and production operations increasing cash flow and commercial reserves, while ensuring safe people, procedures and operations and minimising environmental impacts.	• Yearly operations targets • EHS scorecard • Timely delivery of projects
	3. Finance & Portfolio Management Manage financial and business assets to enhance our portfolio, replenish upside and support funding needs.	• Operating cash flow • Debt profile and capacity • Gearing and cash operating costs • Capital expenditure and cost management targets • Realised commodity prices • Funding of projects
HOW WE RUN OUR BUSINESS	**4. Risk Management** Maintain an appropriate balance between risk and reward.	• Successful management of major technical and non-technical risks
	5. Governance & Values Achieve strong governance across all Tullow activities and continue to build trust and reputation with all stakeholders.	• Code of Conduct training and certification • Compliance issues and whistle blowing calls and investigations
	6. Organisation & Culture Build a strong unified team with excellent commercial, technical and financial skills and entrepreneurial flair.	• Staff turnover • Recruitment for key roles • Localisation
	7. Shared Prosperity Create sustainable, transparent and tangible benefits from the presence of oil in host countries.	• Local Content • Social Performance

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Risk management

The Board is collectively responsible for risk management and each Executive Director is responsible for designated strategic risks. In early 2014, a new Executive Committee was formed that assists the Executive Directors in running the business. It comprises the Executive Directors and 10 senior regional and functional business leaders.

The Business Unit leadership teams are responsible for managing day-to-day operations and the safe delivery of the Group's business plan. Corporate functions are responsible for managing designated Group-wide corporate risks and assurance of Business Unit activities and operational and financial performance.

Board of Directors

- 12 members
- Five Executive Directors
- Seven non-executive Directors
- Four Board Committees

Executive Committee

Includes the Executive Directors and 10 regional business and corporate function leaders

Regional & Business Units

Corporate Functions

Key risks to our performance	Risk owner	Risk assurance
• Strategy focus to meet shareholder expectations	**Aidan Heavey** Chief Executive Officer	• Board and the Executive Directors
• Sustained exploration failure	**Angus McCoss** Exploration Director	• Executive Committee • Global Exploration Leadership Team
• Key operational or development failure • EHS failure or security incident	**Paul McDade** Chief Operating Officer	• Executive Committee • Board EHS Committee • Development & Operations Leadership Team • EHS Strategy Group
• Insufficient liquidity, inappropriate financial strategy • Cost and capital discipline • Oil and gas price volatility	**Ian Springett** Chief Financial Officer	• Executive Committee • Financial Risk Committee
• Major technical and non-technical risks	**Executive Directors**	• Board • Executive Committee
• Bribery and corruption • Governance and legal risk	**Graham Martin** Executive Director & Company Secretary	• Board • Compliance Committee • Executive Committee
• Loss of key staff and succession planning	**Graham Martin** Executive Director & Company Secretary	• Executive Committee
• Supply chain failure • Failure to manage social and socio-economic impacts • Political risk	**Graham Martin** Executive Director & Company Secretary **Paul McDade** Chief Operating Officer	• Executive Committee

UNDERSTANDING OUR MATERIAL ISSUES

We define our material issues as those that have the greatest potential to impact the execution of our exploration-led growth strategy and three-year business plan as well as the issues that have the most significant prospective social, environmental and economic impacts on our host countries.

Identifying our material issues

In 2013, we undertook a systematic review of the issues that are most material to Tullow as a business and to our many and varied stakeholder groups. The review process involved understanding the most significant issues in our countries of operation through interviews with our country leaders and input from quarterly reviews of our Business Units. In addition, we analysed the social, environmental, economic and governance issues that were the focus of:

- media articles at a Group and local level;
- our regulatory environment;
- our peers' Corporate Responsibility and Annual Reports;
- internal subject matter experts;
- external stakeholder groups, such as Non-Governmental Organisations (NGOs) and Socially Responsible Investor (SRI) analysts; and
- standards recommended by global and industry-specific reporting bodies, including GRI and IPIECA.

Our 2013 materiality review identified that the eight components of creating shared prosperity remain valid and continue to be very important to both Tullow and our external stakeholders. The new perspective of our country audiences in this year's review meant greater emphasis was given to issues relating to our ability to create a positive socio-economic impact, through new business opportunities, job creation and our investment in social projects locally.

Governance

The most material issue identified in Governance is business ethics and integrity, a core element of which is our approach to bribery and corruption. Political risk is another material issue for the business and some of our investor audiences.

Socio-economic impact

Material issues that cover our broad socio-economic impact include taxes paid to governments; salaries paid to employees, particularly in host countries; goods and services procured directly from local businesses and indirectly through our wider supply chain; management of the effect our operations have on the communities who live near or whose livelihoods are dependent on the land or water close to our activities; and social projects we invest in to address immediate and longer-term community needs.

Responsible operator

The environmental impact of our operations is one of our most material issues. The Health & Safety of our staff, contractors and local communities; the security of our employees, contractors, operations and assets; and the sustainable management of our activities through our supply chain are other material issues for our wider stakeholder groups.

Material issue	Why this issue is important
Governance	
Governance • Ethics and integrity	Our Board and the Executive prioritise good governance and effective risk management because they make good business sense and are in accordance with our values and culture. Failure of governance and legal risk management procedures can result in contractual or other liability claims, causing unplanned financial, reputational or operational impact on business continuity. As a publicly quoted business, we comply with the UK Corporate Governance Code.
Bribery and corruption • Compliance with legislation • Corruption risks in the supply chain	Our Board and the Executive uphold strong business ethics and a zero tolerance of bribery and corruption. Corrupt actions or practices could lead to prosecutions or investigations, impacting our reputation. Under the UK's Bribery Act (2010) we maintain effective anti-bribery policies and systems.
Political risk • Fiscal and regulatory regime • Political lobbying/ engagement	Close partnerships with host governments are key to the timely approval of licences, production sharing agreements, development plans, and other key project milestones. Sanctity of contracts is integral to the success of our industry.
Socio-economic impact	
Transparency • Payments to government • Licensing in country	Our commitment to transparency reinforces our reputation as a responsible operator. This helps us to retain our licence to operate, allowing Tullow to maintain and grow our acreage position. The EU Accounting Directive (2013) will require extractive companies to disclose payments made to governments by project in each country of operation.
Local Content • Local procurement • Capacity building	Building Local Content into our supply chain activities is essential to gaining trust with all our stakeholders. Maximising opportunities for local companies to enter our supply chain can lower operational costs and project risks. Insufficient Local Content expenditure may jeopardise our licence to operate, and in a number of countries could lead to a breach of legislation.
People • Local employment • Diversity • Human rights • Talent retention	Providing job opportunities for the people of our host countries; the diversity of our workforce including the representation of women among our management teams; and, upholding the human rights of employees, contractors and communities are all part of our people responsibilities. The loss of key staff members and succession planning is a long-term performance risk for the business.
Social Performance • Social investment • Community consultation • Managing impact on traditional livelihoods • Land rights and compensation	Erosion of our social licence to operate presents a strategic risk to our business, with the potential to impact the delivery of projects through local disruptions, delays in project schedules and increased project costs. Impacts on our external stakeholders include the effect of our activities on traditional livelihoods, land acquisition and resettlement, and the generation of local employment and business opportunities.
Responsible operator	
Environment • Waste management • Impact on water and biodiversity • Flaring and local air quality • Emergency preparedness: oil spill response	Poor environmental performance represents a strategic risk to our business. Our management of environmental issues comes under scrutiny from a wide range of stakeholders at a local community, national and international level. In addition to the listed issues, our materiality review identified site restoration and Green House Gas emissions management as related material issues.
Health & Safety • Employee, contractor and community Health & Safety, and wellbeing	The Health & Safety of our people as well as safe procedures and operations is essential to our social and contractual licence and is one of the Group's strategic priorities. The nature of the work involved in oil and gas operations can pose potential health and safety risks for our staff, contractors and communities, so our management of this risk is of critical importance.
Security • Employees and contractors • Operations and assets	The security of our teams and neighbouring communities is key to the success of our operations. The Voluntary Principles on Security and Human Rights provide guidance to extractives on maintaining security within a framework that respects human rights.
Sustainable supply chain • Impact of operations through supply chain	In 2013 the majority of our \$2 billion capital expenditure was spent with suppliers and over 80% of all hours worked on Tullow projects was by contractors. Contractor performance is key to managing our EHS impacts and the human rights of our wider workforce and local communities.

POSITIVE ENGAGEMENT

Strong relationships and understanding between Tullow and the governments and communities of our host countries, as well as industry partners and opinion formers is essential to building a sustainable external operating environment.

Our approach to stakeholder engagement

Tullow can only succeed by building respectful and mutually beneficial partnerships with our stakeholders. This involves understanding, and being responsive to, the interests and concerns of governments, investors, communities, the business community, employees, NGOs, Civil Society Organisations (CSOs), and the media.

Mismanagement of relationships or mis-communication about our activities can lead to a loss of trust with stakeholders and ultimately compromise our ability to run our operations effectively. This can have significant consequences for the business, including project delays and unforeseen costs.

Stakeholder engagement is daily business practice at every level of the organisation. The Executive, through to our field engagement teams, regularly communicate with a wide range of stakeholder groups through formal meetings, open forums and on-the-ground engagement.

Throughout 2013, we have continued to engage with a full range of external stakeholders, not only to inform them about our operations, but to gain vital input on the way we run our business.

PAUL McDADE CHIEF OPERATING OFFICER

"WE STRIVE TO CONTINUOUSLY IMPROVE & MAINTAIN PROACTIVE, POSITIVE ENGAGEMENT WITH OUR STAKEHOLDERS."

Engagement with government

The governments of our host countries grant us licences to explore, develop and produce oil. They also oversee each stage of our operations, ensuring we meet the licence commitments we have made, from the number of wells drilled to our environmental management and local job creation.

Strong relationships between Tullow, the government and our industry partners are essential to achieving the timely execution of our exploration campaigns and development plans. We work to achieve effective, constructive and open engagement with governments, to unlock the value of our licences and production sharing agreements.

We believe we have a responsibility to understand the expectations of governments and to be clear about what we as a company need to do to be successful. In turn, we believe governments have a responsibility to listen, engage and create an environment in which our industry can make a positive long-term difference.

Tullow does not support any political party and does not make any political donations, either through direct funding or assistance in kind.

Engagement on transparency

Throughout 2013 we continued to engage on transparency of payments. This included providing input to the UK Government's G8 agenda on Transparency, Tax and Trade. We also participated in industry consultation on the introduction of the EU Directive, requiring extractive companies to report their payments to governments. Our Chairman, Simon Thompson, and Vice President, Safety, Sustainability & External Affairs, Sandy Stash, took part in panel discussions on Oil & Gas development in East Africa, as part of the Brookings Institution Africa Growth Initiative, an event co-hosted by Brookings and Oxfam America. This event brought together African scholars to provide policy makers with high quality research and expertise in five critical areas for promoting and sustaining growth in Africa, including managing natural resource exploitation. The initiative also collaborates with research partners in Africa – such as Uganda's Economic Policy Research Centre, the Kenya Institute for Public Policy Research and Analysis, and the University of Ghana.

Community consultation – Ghana

As part of our Environment and Social Impact Assessment for the TEN Development, following the approval of the Plan of Development, we consulted the community in Takoradi, in the Western Region of Ghana. Over 100 representatives from local government, fishing communities, traditional and community leaders, NGOs, the media and local suppliers, attended the forum. Key issues raised during the session were Tullow's procedures to respond to emergency situations, such as oil spills; our social investment programme; the impact of our operation on traditional livelihoods; and employment and business opportunities.

+100

Number of representatives who were consulted on the issues relating to the Environmental Impact Assessment

Read about our engagement on transparency on page → 35

Capacity building in the O&G industry

To build awareness and understanding of the different stages involved in the oil life cycle, we continue to run 'Introduction to Oil & Gas' courses for a range of external audiences, taught by Robert Gordon University (RGU). In early 2014, we provided this training to employees, political leaders and key representatives from the media in Kenya and Uganda. The course covers the basics of Oil & Gas exploration and production, some of the key decisions and risks taken by oil companies, and challenges faced by national governments in developing a sustainable oil industry.

"THE COURSE PROVIDED GREAT INSIGHT INTO THE SCALE AND COMPLEXITY OF OIL & GAS OPERATIONS. UNDERSTANDING THE VARIOUS STAGES WILL ENABLE US TO MAKE INFORMED DECISIONS THAT WILL SUPPORT THE GROWTH OF THE SECTOR."

HON. JAMLECK KAMAU
PARLIAMENTARY COMMITTEE CHAIRMAN

Community and county government engagement – Kenya

Following the suspension of our operations in Turkana in late 2013, we increased our engagement with our host communities. In early 2014, we recruited more Community Liaison Officers (CLOs) from the local area, bringing the total headcount of the Social Performance field stakeholder engagement team to 36. The main issues the communities raised were land access, security, the health of their communities and their live-stock, access to water, job opportunities and education. Since early 2014, Tullow has begun to hold quarterly meetings with the Turkana Leadership Forum to ensure they get regular updates on our operational activities, Local Content initiatives and social investment programmes.

36

Field engagement personnel

Collaboration with the environmental authorities – Kenya

We collaborate with Kenya's National Environmental Management Authority (NEMA) to ensure they are kept abreast of our activities and sanction any changes to our programme that have potential environmental impacts. In 2013 we worked with them to identify the best drilling muds to use. To date we have been using water-based muds (WBMs), but instead we wanted to propose a switch to synthetic-based muds (SBM), which have several environmental and operational advantages over WBMs. SBMs have been proven to reduce cuttings volumes, waste, emissions, water and energy usage. Operational advantages include increased wellbore stability, better lubricity, high temperature stability and improved rate of drilling penetration. Following our best practical environmental option (BPEO) study for the disposal of SBM drill cuttings, our proposal to change drilling muds was approved by NEMA, and Tullow started implementing this approach in early 2014.

Working with environmental groups – Gabon

Our $1.5 million investment in a marine environmental study in Gabon in partnership with Wildlife Conservation Society (WCS) aims to deliver biodiversity data that will help quantify and qualify the vast offshore habitat.

In 2013, as part of the WCS programme, we worked with Manga, a local environmental organisation that works with local communities to raise awareness about environmental issues in the Cap region north of Libreville. Together with Manga, we established a beach cleaning programme, to address the coastal flotsam pollution which impacts nesting turtles.

Tullow supplied Manga with cleaning materials and support to encourage local communities to clean the beaches and the residential areas on a fortnightly basis. This programme has helped identify the main types of pollution for Gabon's environmental agencies and the Libreville authorities. It has also mobilised local communities, who could be hired by Tullow in the event of an oil spill.

$1.5 MILLION

invested in a marine environmental research programme

Stakeholder engagement – Suriname

As the Operator of Block 47 offshore Suriname, we conducted an Environmental and Social Impact Assessment (ESIA) ahead of plans to drill an exploration well in 2015. Although the decision to drill the well has not yet been taken, Tullow initiated the impact assessment process in January 2013. In July 2013, we held a stakeholder consultation meeting where the proposed drilling project was presented, environmental and social sensitivities discussed and the work around oil spill modelling was highlighted. Tullow's framework and guiding principles for managing the marine environment were explained to the audience, which was largely made up of environmental groups.

The meeting provided invaluable feedback, as we were able to hear from environmentalists about their areas of interest. The information gathered was included in the next phase of the ESIA study.

The ESIA continues to progress and Tullow expects to have another public consultation meeting later in 2014.

Read about our engagement with NGOs on human rights page → 44

Investors & SRIs	Our people	Governments
Access and influence in the capital markets	Maintaining our organisation and culture	Making sure we are the partner of choice
Why we engage		
Our strategic objective is to deliver substantial returns to shareholders. We engage to make sure that our shareholders understand and support our strategy so that we can continue to pursue and successfully execute our business plans. We engage with SRIs to provide extra detail on how we are managing our non-technical risks.	An engaged and motivated workforce is essential to our continued growth and success. Internal communications ensures our people understand and are committed to helping execute the Group's activities and preserves and enhances a values-based entrepreneurial culture as we grow.	To explore, develop and produce oil and gas, we need to obtain licences from governments. Ongoing dialogue with national and local governments helps create an informed environment, from new country entry through licence award to rehabilitation after production ceases.
How we engage		
We engage our investors and major shareholders on a regular basis. In 2013, we met with over 350 institutions in the UK, Europe, North American and Africa. We also participated in 13 investor conferences and 10 Sales Force briefings. We held an inaugural Investor Relations road show in Asia Pacific, in Kuala Lumpur, Singapore, Hong Kong, Tokyo and Sydney. We also engaged with institutions in the debt markets and provided detailed CR information to help secure our $650 million bond issue.	Our Executive and senior managers hold regular engagements with employees. In 2013, the Executive held a series of workshops involving 320 employees across seven countries. We also carried out an employee engagement survey to better understand what matters most to our employees. 82% of employees responded to the survey. Tullow World, an employee magazine, was launched. Three issues were published during the year and received positive feedback. Employees also receive a company newsletter, country-specific internal magazines and have access to news and information on the intranet.	Engagements with governments take place at local and national levels and include ministries and regulators. In 2013, we engaged with Ghana's Petroleum Commission on the new Local Content legislation; provided introduction to Oil & Gas courses in partnership with the Robert Gordon University (RGU) to Kenya's Parliamentary Commission; and discussed environmental improvements with Kenya's NEMA. We host government visitors at our sites to provide first-hand insight into our operational activities.
Key issues raised		
• Social Performance issues around our onshore developments; • In-country legislative developments; • Effective risk management in politically unstable countries; and • EHS performance and management, including how we maintain high environmental standards when operating in sensitive areas.	• Efficiency of our organisational structures and processes; • Collaboration across teams, offices and throughout the organisation; • Behaviours: being more cost conscious and accountable for our actions; and • Translating our long-term strategy into key milestones and medium-term deliverables.	• Providing strategic plans for Local Content development; • Providing technical and vocational capacity building initiatives to support local employment and local business opportunities through our supply chain; • More proactive communication and information flow on our operations and the issues that affect our stakeholders; and • Meeting regulatory requirements on biodiversity and forestry conservation, water resource management, and compensation.

1

Communities	Local and international businesses	NGOs & other opinion formers
Obtaining our social licence to operate	Growing skills and building capacity for our industry	Industry and peer group issues and benchmarking
Oil exploration and development can have significant impacts on the lives of the communities where we operate. Regular engagement helps us identify and mitigate the key impacts, and understand the concerns of our stakeholders. This is a fundamental part of our approach to any project.	Supplier development is a key aspect of our Local Content programme and is designed to provide support to local SMEs, help them to respond to tenders, and improve their business processes, allowing them to compete with international suppliers.	We maintain a number of industry memberships and affiliations that enable us to participate in, learn from and contribute to industry positions on new policy and regulations and to benchmark our practices, particularly in operational areas. We also take part in debate on key policy issues to help develop our own position and identify opportunities for collaborative working.
We meet formally and informally with communities and other stakeholder groups in our areas of operation. Our teams provide information about our activities in local languages. In Kenya, we have strengthened our teams in the field so that communities can more easily access information, make enquiries and register any grievances.	We undertook supplier engagement workshops with over 300 local companies in Ghana to provide information on tender and pre-qualification requirements to promote local participation in the Oil & Gas sector. We also ran Local Content forums for local suppliers in Uganda and Kenya to assist in providing relevant information about the Oil & Gas sector that will encourage further local participation in the sector.	Tullow engages with policy makers, multi-laterals, international aid agencies, NGOs, industry peers, the wider private sector, relevant government interest groups and subject matter experts through formal meetings and conferences. In 2013, we held engagements with the UK Department for International Development (DFID), the World Bank, IFC and a variety of international NGOs and think tanks on the transparency agenda and the importance of capacity building for effective resource revenue management.
• Improve community consultation; • Impact of operations on the environment and traditional livelihoods; • Local employment and business opportunities; • Land rights, and compensation for limitation of access or damage to land; and • Ensuring local communities receive a fair share of oil revenue.	• Opportunities for local companies to enter our supply chain; • Transparency on Tullow's contracting policy and process; • How local companies can meet industry standards to qualify as potential suppliers; and • Providing regular updates to competing companies on the progress of the tender process.	• Transparency of payments to governments; • Capacity-building for resource revenue management in new oil countries; • Effectiveness of our human rights management framework for the environment we operate in and how we apply new industry guidelines; • Tullow's ability to respond to an oil spill; and • Operating in internationally recognised protected areas.

High standards in Corporate Governance

Achieving the highest standards of corporate governance is a strategic priority for our business. Our commitment is underpinned by our core values and governance framework that is overseen by our Board of Directors. To promote awareness of good governance practice, the Board and senior executive members have been actively involved in engagements with employees across the business. Alongside these engagements, Code of Business Conduct awareness programmes are undertaken to reinforce our message and commitment to achieving good governance.

2

GOVERNANCE

We manage governance issues in a variety of ways including:

- Code of Business Conduct;
- Anti-bribery and corruption programmes;
- 'Speaking up'; and
- Political risk management.

CORPORATE GOVERNANCE

Our approach ensures the right structures, processes, standards and people are in place. Our Code of Business Conduct defines our commitment to: Corporate Responsibility; high EHS standards; treating employees, partners and communities fairly and with respect; and our zero tolerance of bribery and corruption.

This section of the report provides an overview of our Code of Business Conduct (the Code) and describes the progress we have made in embedding the principles behind the Code in our ways of working. Political risk is an area some investors are keen to understand more about and in this section we outline our approach and key milestones for 2013. The scorecard by which we measure our compliance activities is outlined in this section, together with our performance against targets for the year.

CREATING SHARED PROSPERITY FOCUS AREA

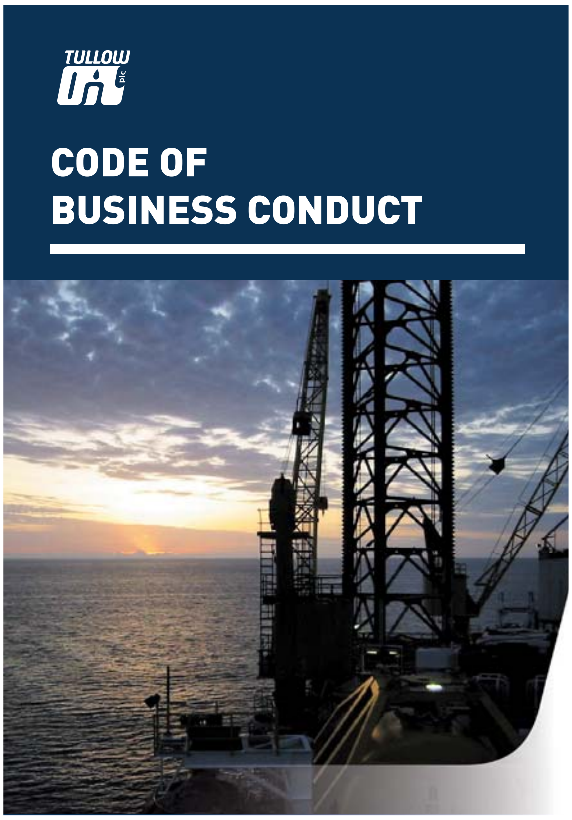
Governance
Manage our business ethically and with integrity

MATERIAL ISSUES

Governance
- Ethics and integrity

Bribery and corruption
- Compliance with legislation
- Corruption risks in the supply chain

Political risk
- Fiscal and regulatory regime
- Political lobbying/ engagement



PROMOTING GOOD GOVERNANCE

We operate to the highest standards of corporate governance in accordance with our own Code of Business Conduct and the UK Corporate Governance Code. We are strong advocates of transparency and are one of the first in our sector to publish taxes paid to governments.

Risks and opportunities
We aim to demonstrate accountability and strong ethics through our business activities and to play a supporting role in building stronger foundations for economic growth and social development in our countries of operation.

We have identified three corporate risks in relation to our approach to this area: governance and legal; bribery and corruption; and political risk. Lack of governance and legal risk management procedures can result in contractual or other liability claims, causing unplanned financial, reputational or operational impact on business continuity. Unclear fiscal and regulatory regimes have the potential to undermine the validity of contracts. Corrupt actions or practices in the Group's activities could lead to prosecutions or investigations, impacting our reputation.

Ultimately, the impact of these risks could erode shareholder value. While change to political regimes is a risk largely outside our control, it can lead to re-negotiation of licence and agreement terms or delays in licence approvals or other state action.

Our strategy and management approach
Upholding strong governance is a strategic priority within our business model.

2013 HIGHLIGHTS

88%
of our employees and contractors[1] had participated in Code awareness training sessions

26
Our 'speaking up' channels received 26 reports of concern

11
Eleven compliance champions helped raise awareness of the Code and three new staff joined our compliance function

"GOOD GOVERNANCE & EFFECTIVE RISK MANAGEMENT MAKE GOOD BUSINESS SENSE, & ARE IN ACCORDANCE WITH OUR VALUES & CULTURE."

GRAHAM MARTIN
EXECUTIVE DIRECTOR & COMPANY SECRETARY

Our core company values of 'commitment' and 'integrity', underpin the standards set and followed by our Board and the Executive. In order to earn and maintain trust with our stakeholders, these standards are expected of our staff and anyone who does business with Tullow. The significance of good governance and strong values to Tullow is reflected in the Board's ongoing objectives.

Our commitment to the business and to each other as colleagues, our integrity and our zero tolerance of corruption, are driven across the organisation through our Code of Business Conduct. This Code and its principles apply to all of our business activities.

We have taken a leading stance on transparency of payments to governments and are corporate supporters of the Extractive Industries Transparency Initiative (EITI). Information on our approach to transparency and detailed disclosure can be found on pages 35 and 77 of this report respectively.

Our Board provides oversight to our governance processes and risk management and a full report on their performance and activities in 2013 is in our Annual Report & Accounts. Executive responsibility for governance and legal, and managing bribery and corruption risks rests with Graham Martin, Executive Director & Company Secretary.

1. Based on Jan 2013 headcount

Graham chairs the Compliance Committee, which was formed at the beginning of 2012. Membership includes Ann Grant, a non-executive Director, as well as a cross-section of senior management.

Our bribery and corruption risks are mitigated through applying consistent ethical standards, via our Code of Business Conduct. We conduct regular reviews of our compliance requirements together with periodic Board reporting. In 2013, specific activities aimed to address our bribery and corruption risks included rolling out the Code of Business Conduct certification process to all staff and strengthening the resources within our compliance team.

Executive responsibility for our political risk is managed by Paul McDade, Chief Operating Officer, who keeps the Board abreast of key political risks tracked across the business on a quarterly basis. Our portfolio management tool includes a review of political regimes and our management plans address political impacts associated with existing or planned operations. We also mitigate political risk by ensuring that Tullow continues to develop appropriate resourcing and competency to identify, analyse and advise on political risk management. Specific risk mitigation activities in 2013 included political stakeholder mapping within key countries of operation, and the identification of and appropriate planning for political stakeholder engagement. We also developed a practical political risk guide for Business Units, to help them implement best practice processes, tools and governance models for political/risk identification and mitigation.

PERFORMANCE SUMMARY

In 2013, we continued to develop our Anti-Bribery and Corruption (ABC) programme, which focuses on the Group-wide implementation of Tullow's Code of Business Conduct. This helps us address the requirements of anti-corruption legislation including the UK Bribery Act. It also helps demonstrate our zero tolerance of bribery and corruption, one of the founding principles of the business. During 2013, we developed and implemented a new bribery and corruption risk assessment process where we ran eight formal workshops across our larger BUs and provided a questionnaire for BUs with a lower level of activity or number of staff. The mitigation actions resulting from these risk assessments are being tracked to ensure completion. We developed an enhanced risk-based due diligence process which is being used across Tullow. This also includes carrying out periodic international sanctions and watch list checks against our supplier database. These activities all form part of Tullow's adequate procedures to prevent bribery in line with guidance issued by the UK Ministry of Justice.

Code of Business Conduct awareness

Since 2012 we have held over 100 face-to-face awareness sessions on Tullow's Code of Business Conduct for our staff. Based on January 2013 headcount, 88% of our staff had attended the Code of Business Conduct awareness programme (60%: 2012). Due to a 14% increase in our workforce during 2013 the awareness programme is ongoing. We raised awareness of the Code further through 'Code Companion' communication campaigns, which provide key information on individual topics within the Code. To date these have covered gifts and hospitality; speaking up, asking for advice; conflicts of interest; resisting facilitation payments; and seeking permission before dealing in shares.

Corporate governance scorecard

2013 Targets	Progress	Performance
Delivery of a new bribery risk management process and implementation of an updated due diligence strategy	Meeting target	New bribery and corruption risk assessment process developed and implemented Due diligence strategy implemented
80% of employees and contractors to have attended the Code awareness training sessions	Meeting target	Based on our January 2013 headcount, 88% of our staff have attended the Code of Business Conduct awareness programme
Early involvement of compliance function to mitigate risk of bribery and corruption in projects and transaction	Meeting target	Achieved early involvement in all developments and provided over 60 supplier compliance evaluations

2014 Targets

- Focused training on our 'speaking up' processes
- An update of our Code of Business Conduct, which was first introduced in 2011
- Development and implementation of a mandatory bribery and corruption e-learning programme
- Enhancement of our monitoring and reporting procedures to ensure that our ABC programme is embedded and effective
- A further independent, external review of our ABC programme by the Good Corporation

Meeting target · Within 10% of target or on track for delivery · Failing to meet target

An overview of our Code of Business Conduct

- Complying with all applicable laws;
- Committed to high EHS Standards;
- Treating employees, Industry Partners and local communities fairly and with respect;
- Not making or accepting illegal payments;
- Committed to Corporate Responsibility;
- Ensuring all documentation, including financial accounts and records, are accurate, complete and truthful;
- Protecting our assets and respecting those of others;
- Competing fairly; and
- Reporting all concerns and violations in a spirit of openness and transparency.

Our compliance champions, located across our operations, help promote awareness of the Code in and around their full time roles. Their efforts, supported by the leadership of each country, mean we have good representation throughout the business. Following the introduction of an annual Code of Business Conduct certification process in 2012, all of our staff including the Board members certified that they had read, understood and complied with the Code.

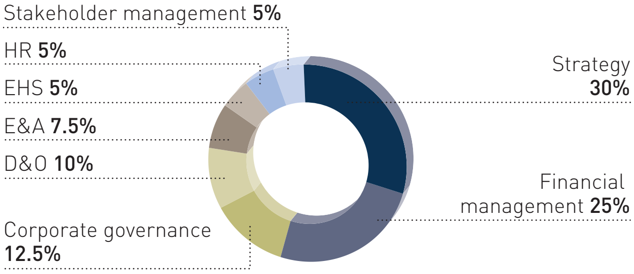
Early involvement of compliance in business activities

In 2013, the compliance function provided over 60 compliance evaluations to support the business. These ensured that prospective suppliers had implemented sufficiently robust ABC programmes prior to any contract award being made.

Compliance Committee

The Compliance Committee met as planned three times during 2013. The Committee recommended that the annual Code of Business Conduct certification process be extended to all employees and contract staff in 2013, which was successfully achieved. They endorsed decisions to enhance and implement our bribery and corruption risk assessment process, carry out proactive compliance monitoring and investigations and to update our Code of Business Conduct in 2014.

Board time



Monitoring and assurance

In 2013, we conducted 33 compliance audits in Ghana, Uganda, Kenya, Ethiopia, Mauritania, Dublin and the UK. Recommendations to improve controls are being reported to management and the Audit Committee. Following the Good Corporation's 2012 review of our ABC compliance programme, we have implemented many of the recommendations made. Another independent review of our progress against these recommendations will be carried out in 2014.

'Speaking Up'

Our employees and contractors are encouraged to raise issues or concerns internally or via an independent, external 'speaking up' line. In 2013, we received 26 'speaking up' cases, which led to 24 investigations, eight individuals leaving the Group and two supplier contracts being terminated as a result. Of the 24 internal investigations, two uncovered cases of fraud. While these breaches are clearly disappointing, we are encouraged by the increased awareness of the Code and confidence of staff to raise their concerns.

26

Speaking up cases in 2013

Supplier compliance

We rely heavily upon the integrity and capability of our supplier base. In collaboration with the supply chain management and technical functions, the compliance team worked to strengthen the risk-based due diligence process that we carry out on new suppliers and potential joint venture partners. We raise awareness of our Code with suppliers through meetings held prior to contract award.

In Ghana we carried out educational forums where we invited senior representatives of suppliers to attend a half day seminar covering safety, local procurement processes and anti-bribery. These sessions help to demonstrate our commitment to operating safely and with integrity and set out the expectations we have of our suppliers. In total, three sessions were attended by over 160 suppliers from all areas of our supply chain. We explained how we would work with any supplier who was experiencing difficulties or challenges in meeting our expectations and we provided contact details for our internal speaking up processes and independent reporting line.

We will continue to engage with the supplier communities in this way as it promotes a good understanding of our ethical standards and a shared commitment to achieving these.

Political risk management

Throughout 2013, the Group focused on several key areas within our risk portfolio, including our broader non-technical risks. Specific political risk mitigation activities included a two-day workshop in Guinea, which aimed to increase our understanding of the external context of our operations and evaluate the strategic political and social risks. In Ethiopia, following a political and social risk evaluation, we now report on these risks in the quarterly business review.

In Kenya, Tullow undertook a major review of our non-technical risk management strategy for Kenya in light of our exploration success and the suspension of our operations in October. The review identified several themes that would inform our strategy, including access to water and land resources; devolution and institutional capacity; distribution of benefits and opportunities; security; governance and transparency. Critical success factors for delivering the business objectives were identified in the context of these themes and related action plans are being implemented by the Kenya BU. Effective and broad-based stakeholder engagement is the foundation of this non-technical risk management strategy, based on the creation of shared agendas at host community, county, national and international level.

A process for the ongoing management of political risk in Kenya has now been established. We have developed a practical political and social risk guide for BUs, to assist them in implementing best practice processes. This includes tools and governance models for political/policy risk identification and mitigation, as well as an issues management framework, risk identification processes and strategic external engagement planning.

"WE ARE COMMITTED TO INSTILLING THE RIGHT CULTURE & VALUES, SO THAT PEOPLE INSTINCTIVELY DO THE RIGHT THING, FEEL EMPOWERED TO RAISE CONCERNS WHERE APPROPRIATE, RECOGNISE & LEARN FROM MISTAKES, & ARE RECEPTIVE TO OTHER POINTS OF VIEW."

SIMON THOMPSON CHAIRMAN

Embedding our Code of Business Conduct

A Code of Business Conduct is only of value if it is properly implemented by our staff and the principles followed by our suppliers who perform services for us. 'Living the Code' is encouraged via a wide range of activities. Our aim is to ensure that all leadership and staff understand our requirements and are aware of the mechanisms to openly raise concerns.

Activities in support of embedding the Code include:

- A strong induction process to demonstrate our expectations from the start;
- Code awareness sessions and team discussions on various Code topics;
- An annual certification process for all staff;
- Advice and support to the business in solving ethical dilemmas;
- Coaching and mentoring our leadership and staff in key positions;
- Availability of local compliance champions and advisers to provide immediate local support; and
- Ensuring transparency in all of our decision making.

100

Face-to-face training sessions on Tullow's Code of Business Conduct for our employees

Enforcing the Code

Inevitably there are occasions where a breach of the Code is suspected. This might be raised via internal channels, by contacting our external reporting line managed by Safecall or detected through our own monitoring processes. In all such cases we strive to obtain the facts and where it is proven that an individual has breached our Code then we take action up to and including dismissal or termination of contracts.

Activities in support of enforcing the Code include:

- Provision of various 'Speaking Up' channels for our staff or suppliers to report concerns;
- Active monitoring across a range of activities to identify anomalies or potential issues;
- Formal, approved investigations designed to obtain the facts;
- Established disciplinary process in accordance with local laws;
- Consistent enforcement for breaches of the Code; and
- Appropriate feedback to the organisation when breaches occur.

The above activities are all designed to ensure that we are open and transparent in our dealings. They also give staff the confidence that they are fully supported in 'doing the right thing' and can raise concerns in a safe environment. There is also a clear message to all staff that we have a zero tolerance approach to any form of corruption.

Safecall website

Capacity Building

GHANA

In 2013, Tullow and the Jubilee Partners invested $5 million in creating the Jubilee Technical Training Centre (JTTC) in Takoradi, Ghana, which opened in June. The JTTC is the first vocational training institute in West Africa offering National Vocational Qualification (NVQ) accredited courses. In 2013, 32 students took part in the pilot programme. So far in 2014, 16 students have enrolled in courses. The centre aims to promote and encourage capacity development of local talent in order to build Ghana's skill base and further promote local participation in the country's Oil & Gas sector.

3

SOCIO-ECONOMIC IMPACT

Our socio-economic impact in the countries where we operate consists of:

- Taxes paid to host governments;
- People employed both internationally and in our host countries and the development opportunities we provide them with;
- Goods and services procured directly with local businesses and indirectly through our wider supply chain;
- Management of the impacts our operations have on the communities who live near or whose livelihoods are dependent on the land or sea close to our well sites; and
- Social projects we invest in to mitigate the impacts of our operations by addressing immediate and longer-term community needs.

SOCIO-ECONOMIC IMPACT

As a good corporate citizen and as a business which has had a presence in Africa for several decades, we recognise the significant role we have to play in delivering a positive socio-economic impact and legacy and in being transparent and accountable to all our stakeholders.

This section of the report provides an overview of how we manage our socio-economic impacts and the corporate KPIs and scorecard metrics which we use to measure our progress in the areas of People, Local Content and Social Performance. Our Transparency section sets out our payments to major stakeholders including governments. Transparency forms part of both our financial performance and our governance on tax, but crucially makes up the most significant economic impact we have in our countries of operation.

MATERIAL ISSUES

Transparency
- Payments to government
- Licensing in country

Local Content
- Local procurement
- Capacity building

People
- Local employment
- Diversity
- Human rights
- Talent retention

Social Performance
- Social Investment
- Community consultation
- Managing impact on traditional livelihoods
- Land rights and compensation

CREATING SHARED PROSPERITY FOCUS AREAS

Our People
Create a rewarding, challenging and great place to work

Local Content
Create real opportunities for local people and local enterprise development

Social Performance
Manage our business in a way that respects local communities and the impact our business has on them

OUR TOTAL ECONOMIC CONTRIBUTION

Through transparency we demonstrate our commitment to good corporate governance. We believe revenue transparency enables governments, citizens and international opinion formers to participate in debate and the exchange of ideas on how wealth from oil resources should be managed sustainably and equitably.

We are committed to transparency, both in the way we run our business and in our disclosure of payments to major stakeholders. Our tax payments represent the largest economic contribution we make in the countries in which we work.

Reporting ahead of the EU Accounting Directive

To demonstrate our commitment to the transparent disclosure of payments we published our payments to government for the first time in our 2012 Corporate Responsibility Report, acting ahead of any regulatory requirements. In June 2013, an EU Accounting Directive was finalised which requires companies in the extractive industries to disclose payments made to governments by project or at company level in each country of operation. EU member states must enact relevant legislation by 2015, and the UK is expected to do so in 2014.

This year we are reporting in line with the incoming legislation, making three significant changes. Our reporting is:

- In line with the payment categories specified in the Directive;
- On a cash basis, i.e. taxes physically paid in the reporting year. For clarity and comparison we have restated our 2012 disclosures, which were previously reported on an accounting basis; and
- On a project or Company level, depending on where the tax liability is payable.

IAN SPRINGETT CHIEF FINANCIAL OFFICER

"TULLOW IS ONE OF THE FIRST OIL COMPANIES TO DISCLOSE ITS PAYMENTS TO GOVERNMENT IN LINE WITH THE 2013 EU DIRECTIVE."

We have disclosed payments based on where the obligation for the payment arose. Where a payment is due at project level it has been disclosed at a project level, and where payments are due at a corporate level it has been disclosed on that basis. However, where a payment or series of related payments do not exceed €100,000, they are disclosed at a corporate level in accordance with the Directive.

In addition, to provide a fuller understanding of the payments we make to the governments of our host countries, we have also provided a range of voluntary disclosures in relation to other payments to governments such as Value Added Tax (VAT) and withholding tax.

2013 disclosure

Our payments to governments, including payments in kind, amounted to $870 million in 2013 (2012: $696 million). Total payments including employees, suppliers and communities, as well as governments, brought our total socio-economic contribution to $1.6 billion for the year (2012: $1.3 billion). This included $217 million spent with local suppliers, $304 million in payroll globally and $17 million in discretionary spend on social projects.

Not included in this summary are: local employment or the Local Content of our international suppliers; and social investments we make as part of our contractual obligations.

African governments receive the majority of the payments we make and in 2013 they received $881 million from Tullow. This amount is larger than our total Group tax bill, due to the $100 million tax rebate we receive from the Norwegian Government on exploration costs. These payments included production entitlements, royalties, bonus payments, licence fees, infrastructure improvements, VAT, withholding tax, Pay as you earn (PAYE) and national insurance, carried interests and training allowances.

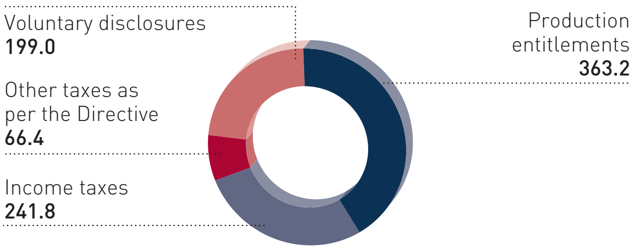
Income taxes to African governments totalled $321 million. Disregarding tax rebates from the Norwegian Government, we paid 92% of our income taxes to African governments.

Our transparency disclosure brings together payments made to governments in 22 of our countries of operation and three countries where we have corporate offices. We do not pay taxes in five of the countries where we hold licences because we do not yet have active operations.

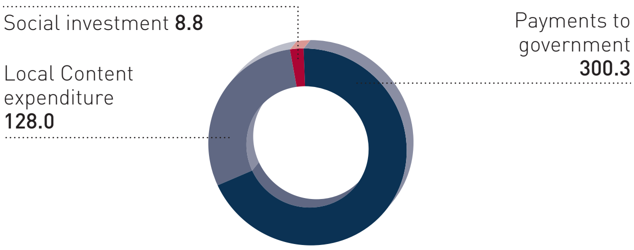
Payments in Ghana

The Jubilee field is Tullow's flagship operated offshore asset which contributed around 40% of the Group's production last year. In 2013, we paid our first income tax to the Government of Ghana of $107 million. Withholding tax on imports almost doubled from $38 million to $61 million between 2012 and 2013 as the TEN project moved into the development phase. Spend by Tullow on behalf of our industry partners with local suppliers increased by 85% to $128 million (2012: $69 million). Total payments to the Government of Ghana, including production entitlements in barrels of oil, was over $300 million.

2013 payments to governments ($ million)

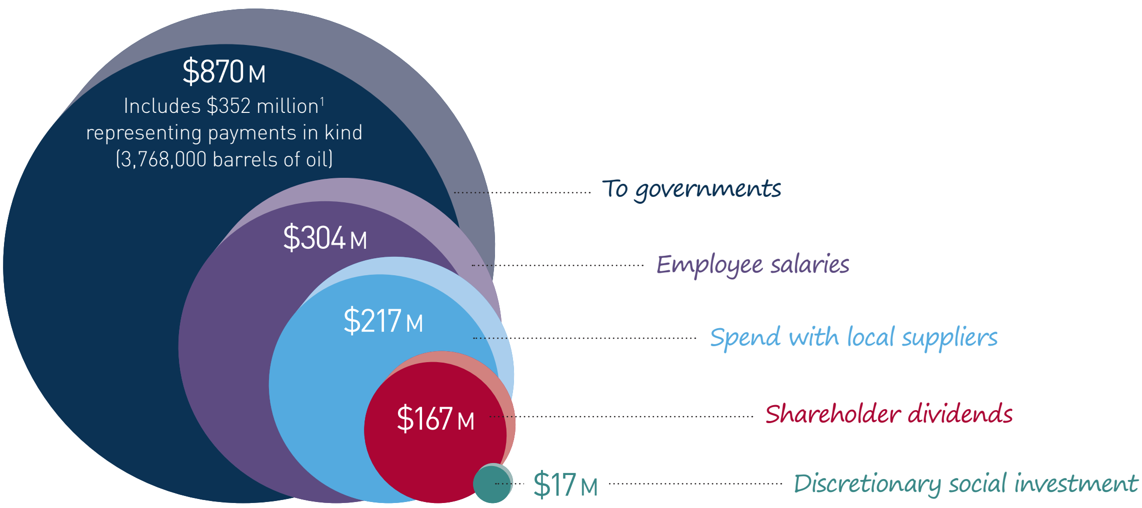


Payments to major stakeholder groups – Ghana ($ million)



Our social & economic payments

Payments to governments, employees, suppliers, shareholders and communities brought our total socio-economic contribution to $1.6 billion for the year.



1. Oil payments in kind have been multiplied by the 2013 average realised oil price $105.7bbl.

Image courtesy of the American Times

"GLOBALLY, THERE IS A GROWING CONSENSUS THAT TRANSPARENCY IS GOOD FOR BUSINESS, SINCE IT IMPROVES THE BUSINESS CLIMATE IN WHICH COMPANIES WORK, & FOSTERS GOOD GOVERNANCE & ACCOUNTABILITY."

HON. SETH TERKPER MINISTER OF FINANCE & ECONOMIC PLANNING, GOVERNMENT OF GHANA

The Government and people of Ghana recognise the positive potential contribution that natural resources can make to economic and social development of the country, and have agreed to realise this potential through improved resource governance by adopting approved international transparency initiatives. These initiatives complement our own policies and legal mechanisms, notably, the requirements under Ghana's Petroleum Revenue Management Act (PRMA) as well as our value-addition strategies. These initiatives come at a time when we are making significant efforts at stabilising Ghana's middle-income status and at deepening the governance of our natural resources.

$107 MILLION

in income tax paid to the Government of Ghana by Tullow in 2013

$881 MILLION

received in taxes by African governments in 2013 from Tullow

Active in many of Tullow's countries and communities of operation, Oxfam advocates just government policies and corporate practices in the oil, gas, and mining industries. In the US, Oxfam has played a leading role in the campaign to pass landmark transparency legislation through Section 1504, referred to as the Cardin-Lugar provision, of the Dodd-Frank financial reform law, which requires oil and mining companies to disclose the payments they make to foreign governments.

"CITIZENS & PROJECT-AFFECTED COMMUNITIES NEED DISCLOSURE OF PAYMENTS TO GOVERNMENTS BY OIL, GAS & MINING COMPANIES TO HELP HOLD THEIR OWN GOVERNMENTS TO ACCOUNT. MANDATORY REPORTING REQUIREMENTS & VOLUNTARY DISCLOSURE BY COMPANIES WILL PUT THE SPOTLIGHT ON GOVERNMENTS TO HELP ENSURE THE GOOD USE OF BILLIONS OF DOLLARS EVERY YEAR."

IAN GARY, OXFAM AMERICA, SENIOR POLICY MANAGER, EXTRACTIVE INDUSTRIES

Building capacity with our stakeholders on transparency of payments

During 2013, we engaged with CSOs and NGOs on the transparency agenda. We attended meetings in Kampala and Ghana organised by local CSOs where we presented our approach to transparency and discussed the EITI membership process. We also held an NGO roundtable in Washington DC, USA to get feedback and input from international NGOs on ways to build capacity for resource revenue management in our countries of operation. Some of the key issues raised included the potential capacity needs of CSOs to be able to engage meaningfully on resource revenue management and understanding the stage in the oil life cycle at which a project generates revenues.

Extractive Industry Transparency Initiative

As a corporate supporter of the Extractive Industry Transparency Initiative (EITI), Tullow actively participates in the multi-stakeholder process of the EITI member countries in which we operate. In May 2013, a new EITI Standard was approved, which requires full disclosure of taxes and other payments made by oil, gas and mining companies to governments. Since then we have worked with our in-country teams to understand the changes so that they can contribute effectively to the revision of local reporting requirements.

In 2013 we also took part in a meeting with Ugandan CSOs on the level of preparation needed for the country to adopt EITI. Their key capacity requirements for effective EITI implementation included the need for simpler language with which to explain EITI to stakeholders, understanding the oil and gas life cycle and understanding balance sheets.

Our tax payments through the oil life cycle

To help build awareness regarding the different stages at which capital is invested and revenues received by host governments, we have published information which describes when the contractor, typically an international oil company (IOC), commits up-front capital investment to the exploration, appraisal and development phases. It also describes when the host country's government begins to receive revenues through their share of production, taxes and royalties resulting from the oil production phase. The IOCs carry all the financial risk and capital exposure through the exploration and appraisal phase.

Typically the IOC will carry the host government's share of costs through to First Oil. In addition to the risked capital, through the exploration, appraisal and development phases the IOC pays the host government a number taxes including withholding taxes on the capital spent in the host country, VAT on imported goods, PAYE on staff payroll, customs on imported goods as well as land rentals, training and ongoing licence costs. When First Oil is achieved, the host government will receive revenues and taxes in a number of forms. Host governments receive a share of production or 'profit oil' either directly or via a national oil company.

The remainder of the host government's take from oil production is made up of bonuses, royalties, corporate tax and direct interests in projects. A share of the production will also be allocated to the IOC to recover the significant investment that has been made during the exploration, appraisal and development phases. The agreement between the IOC and the host government determines when and how costs can be recovered and how production and revenue are shared. Typically the IOC's share of production or revenue is higher in the earlier years of production as costs are recovered in the form of allowable deductions against corporate tax or as an allocation of production, commonly known as 'cost oil'. Once the IOC's costs have been recovered, then production and revenue sharing between the IOC and host government more closely track the production profile of the project.

"GOVERNMENT AND BUSINESS HAVE A COMMON INTEREST IN ESTABLISHING A LEGAL, FISCAL AND REGULATORY REGIME THAT IS FAIR, TRANSPARENT AND, ABOVE ALL, PREDICTABLE, IN ORDER TO ATTRACT THE LONG-TERM INVESTMENT REQUIRED TO DEVELOP THE OIL INDUSTRY."

SIMON THOMPSON CHAIRMAN

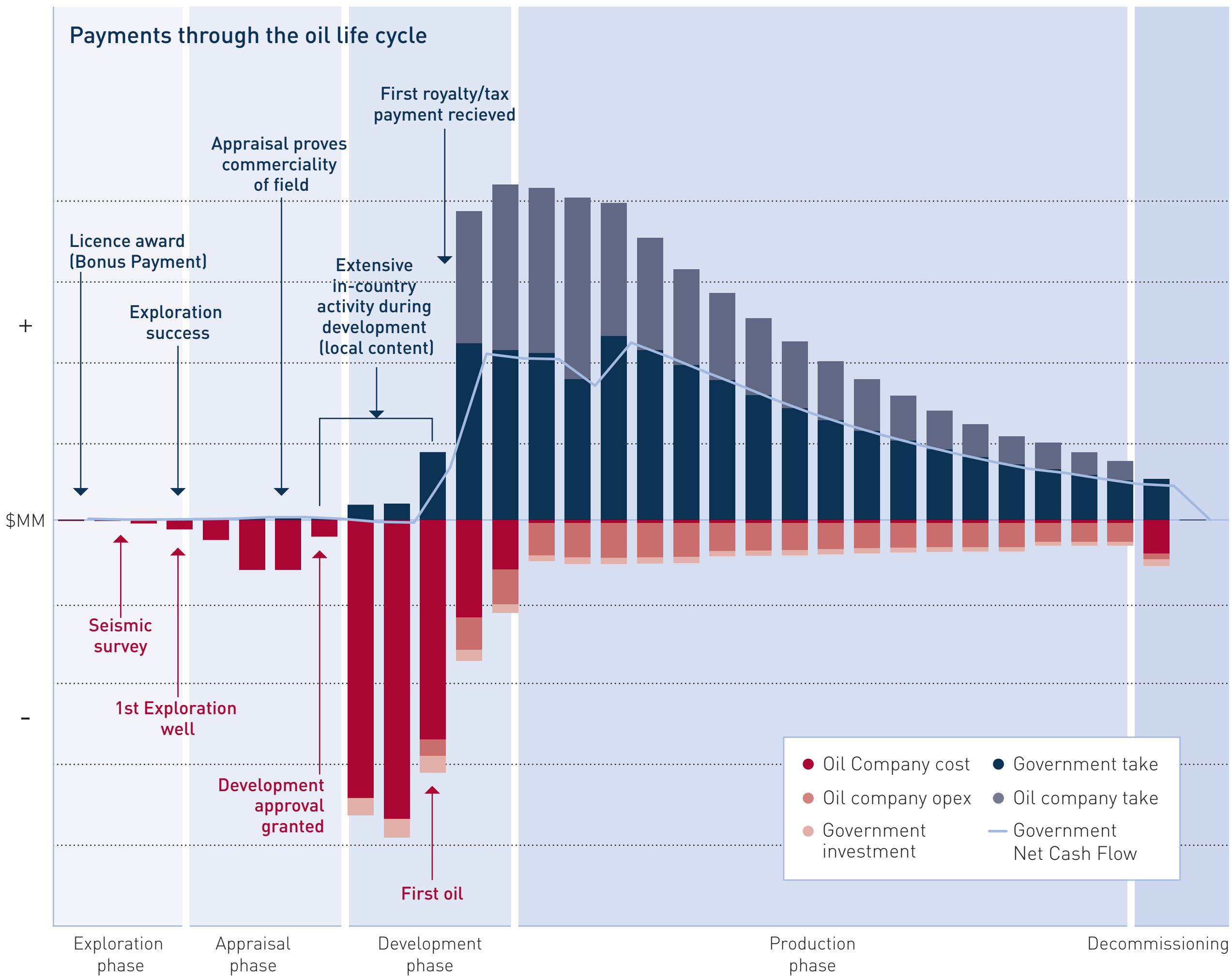
Our approach to taxation

We seek to engage with governments and relevant stakeholders to encourage a stable, transparent and competitive tax and regulatory framework. We pay the appropriate amount of tax due in the jurisdictions in which our activities are undertaken as determined by the domestic tax laws or the relevant production sharing agreement. We believe it is appropriate to share both the risks and rewards between host governments and oil exploration companies to ensure that the long-term investment in the industry is viable and sustained.

As we enter new frontier territories, our primary objective is to reach a common understanding with the authorities of the application of the relevant rules, for which there is often little precedent. Once those rules are established we aim to comply with them, and put in place processes and controls to ensure this is done.

We do seek to take advantage of tax incentives and exemptions offered by host governments, but only where such planning is justified by the commercial activity being undertaken. In international matters generally, we follow the relevant Organisation for Economic Co-operation and Development (OECD) guidance dealing with such matters as transfer pricing. We believe our approach to taxation is consistent with the seven tax principles set out by the Confederation of British Industry (CBI) in May 2013, which were discussed by the Board during the year.

Ian Springett
Chief Financial Officer



COMMITTED TO TULLOW & EACH OTHER

Our people are as critical to our success as our broad and rich portfolio of assets. They ensure we deliver projects safely and in line with our stakeholders' expectations. They are also vital to building and maintaining our reputation as Africa's leading oil company and in upholding our values.

Risks and opportunities
Finding and producing oil requires significant expertise in disciplines as diverse as geology, engineering and economics. It also requires the experience and knowledge of delivering projects within the technical, environmental and safety frameworks required by international standards. Important areas of focus for the majority of our external audiences include job opportunities for the nationals of our host countries, the diversity of our workforce and, upholding the human rights of our employees, contractors and neighbouring communities. The loss of key staff members and succession planning are two of the long-term performance risks for the business.

Our strategy and management approach
'Organisation and Culture' is a strategic priority within our business model, and our objective is to build a strong unified team with excellent commercial, technical and financial skills and entrepreneurial flair. Our people are also a key focus area within our strategic priority to create shared prosperity.

The purpose of our people strategy is to ensure 'the right people for Tullow are working in the right environments to deliver business results in the right way'.

2013 HIGHLIGHTS

82%
of employees and contractors participated in our annual engagement survey

$8 MILLION
Group spend on training and development

85%
of our staff in Africa are nationals

"WE BELIEVE OUR CULTURE IS SHAPED BY THE TALENT & DIVERSITY OF OUR TEAMS – A CORE STRENGTH THAT GIVES TULLOW THE COMPETITIVE ADVANTAGE & FOUNDATION FOR LONG-TERM SUCCESS."

GORDON HEADLEY
VICE PRESIDENT,
HUMAN RESOURCES

This means how we do things is as important as what we do. We believe our unique culture gives us a competitive advantage, enabling us to attract and retain highly skilled people. This helps us to succeed where others have not, such as our ability to take on highly challenging and complex exploration programmes, in frontier locations.

Our values are an important part of our culture. They consist of: demonstrating entrepreneurial spirit and initiative; focusing on results; acting with integrity and respect; and demonstrating commitment to Tullow and each other.

Our HR function is a strategic partner to the business, and works to identify business needs and increase our overall organisational effectiveness. The three key pillars through which the HR strategy is delivered are: operational effectiveness, relationship management and the development of our people. Underpinning this is the support provided to our leadership to live our values every day and inspire our people to contribute their very best. Executing against our HR strategy helps to secure and retain the best talent and provide the right environment and support to deliver our strategy and business plan.

PERFORMANCE SUMMARY

Staff retention

One of the Group KPIs we use to measure our performance is the number of people who left the organisation in the reporting period. The turnover rate for our permanent employees was 4.5% (69/1,553) in 2013 compared with 2.9% (41/1,415) in 2012. This increase was against a backdrop of a 9% growth in staff in 2013. While turnover was higher than prior years, it remained below 5%, as it has for the past five years.

Employee engagement

In 2013, the Executive undertook a series of engagement workshops to help create a shared understanding of our Group strategy, our values and our culture. In total, the Executive met with over 320 employees across seven countries. Areas for improvement identified included:

- Efficiency of our organisational structures and processes;
- Collaboration across teams, offices and throughout the organisation;
- Behaviours: being more cost conscious and accountable for our actions; and,
- Translating our long-term strategy into key milestones and medium-term deliverables.

Engagement survey

In October 2013, we conducted an employee engagement survey to understand what matters most to our people and how engaged they are with the organisation. The overall engagement score was 77%. While this is a good score, it has dropped by 4% since our last employee survey in 2011, in the context of 22% growth in employee numbers since 2011.

The results of our 2013 survey showed that 86% of our people are proud to work for Tullow and 79% of people would recommend Tullow as a good place to work. We continue to perform well in key areas such as safety, where 89% of our people believe we prioritise safe operations,

and 93% of our people agree that we have a responsible attitude towards the environment. In line with the feedback from the engagement workshops, the survey also found that employees see operational efficiency, collaboration and change management as areas for further improvement.

Succession planning

The business recognises the importance of succession planning. The retention of key staff and building a talent pipeline for key roles helps to ensure business sustainability. Tullow has made further progress with succession planning and talent management to ensure we have the appropriate people to deliver our future growth plans and major projects. In 2013, succession planning got underway for the key 100 roles within the Group, in addition to our annual Board review of succession plans for our Executive Directors.

People scorecard

2013 People Targets	Progress	Performance	2014 Targets
Maintain staff turnover below 5% per annum	Meeting target	2013 staff turnover rate was 4.5%	• Maintain staff turnover below 5% per annum • Act on feedback from employee engagement survey • Continue to monitor senior executive development plans to provide succession for all key positions • Support roll-out of Information Management System to improve organisational effectiveness and business efficiency
Complete employee engagement survey	Meeting target	82% of our people participated in our employee engagement survey	
Continue to monitor senior executive development plans to provide succession for all key positions	Meeting target	Senior executive development and succession plans are regularly kept under review, particularly at times when vacancies arise in key roles	

Meeting target · Within 10% of target or on track for delivery · Failing to meet target

Reward & recognition
Tullow is committed to providing an environment where high performing people are recognised for their effort and rewarded for their contribution. We conduct salary and benefit surveys in all of our key countries to ensure our total reward package remains competitive. All permanent employees are given the opportunity to participate in employee share plans which align individual performance and business results. We offer our employees a performance related bonus plan that provides a framework for recognising and rewarding exceptional performance. To ensure we continue to remain competitive and drive exceptional performance, we will be introducing new bonus and share schemes in 2014.

Developing our people
The development of our people is key to both the success of our business and the retention of our talent. In 2013 we invested $8 million in the development of our permanent employees, which represents an average spend of $5,000 per person (2012: $7,880). The courses delivered included industry specific technical training, cultural awareness sessions, systems training and language tuition.

We work to ensure everyone is clear about the expectations concerning their role and opportunities within the business. Our performance management process drives clear objective setting, through formal and informal performance reviews throughout the year. In 2013, we continued to refine our Group-wide performance management process and systems, which aligns individual objectives with the Group's strategy and reinforces our values. Our career development process empowers our people to reach their full potential through individual career plans. Employees are encouraged to map their long-term career aspirations as well as identify their strengths and development needs to enable them to fulfil their career goals. This, together with specific training and development programmes, supports the retention of our best people.

Maintaining the right leadership culture is also important in encouraging people to join and stay with Tullow, and we continue to focus on defining and developing Tullow leadership behaviours to improve operational performance and sustain success.

Localisation
Enabling nationals of our host countries to participate in their country's oil and gas industry through employment opportunities either directly with Tullow or through our contractor base is one of the most material issues for our stakeholders and one of the ways in which we aim to create shared prosperity. One of the key challenges we face in achieving localisation is in building capacity for an industry which requires highly technical and specialised jobs, in countries whose oil industries are still developing.

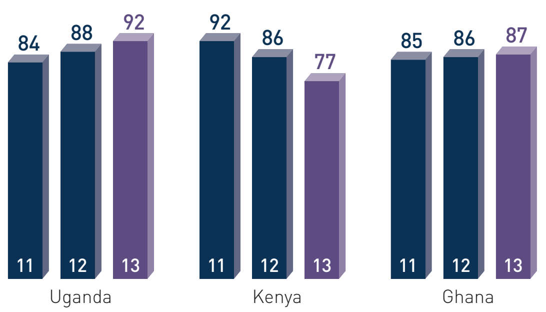
Our localisation policy, introduced in 2012, includes detailed KPIs which monitor localisation rates across each of our BUs. In 2013, nationals made up 85% of our permanent staff based in Africa (2012: 86%).

The majority of countries where we operate are still developing their expertise and capacity in oil and gas, and there are relatively few local oil and gas geologists and engineers.

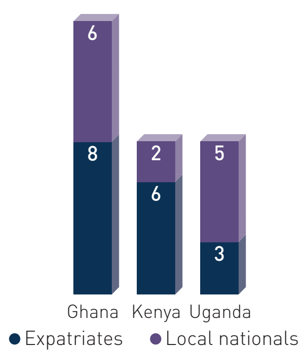
We take a long-term and strategic approach to increasing localisation within Tullow, providing opportunities for talented individuals to gain experience in other functions and countries, including our corporate offices in the UK, Ireland and South Africa. This multi-functional and international experience provides valuable exposure to other parts of our business and provides opportunities for our people to develop into technical or leadership roles.

Other ways in which we try to increase levels of localisation within our workforce are through our graduate training programmes; our networking at global diaspora events; and by providing work placements.

Nationals employed (%)



Nationals in country leadership teams



Diversity

Tullow employs 60 different nationalities across the business, all of whom provide different personal and professional skills and attributes that play a key role in shaping our organisational culture. We are committed to providing equal opportunities and aim to create a working environment where individual differences and the contributions of all staff are recognised and valued.

While gender diversity continues to be a focus area for the Board and external stakeholders, including EU policy makers, we continue to be challenged with the legacy of under-representation of women both in senior roles and across the industry as a whole. The female representation of our total workforce remained static in 2013 at 29% (582/2,034).

Representation of women across our senior management teams in 2013 was 12% (6/49). Women continued to make up 17% (2/12) of our Board.

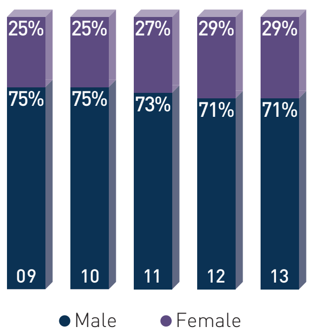
In 2013, female senior managers at Tullow, including two of our non-executive Directors, met to discuss gender diversity within Tullow. Following the discussions, it was agreed that although the organisation is supportive of career progression for women, the participants felt it was important that career progression is achieved on merit and not as a result of gender programmes.

The Group also recognised that our people management capability is essential to enhancing female representation and the career development of both our male and female staff.

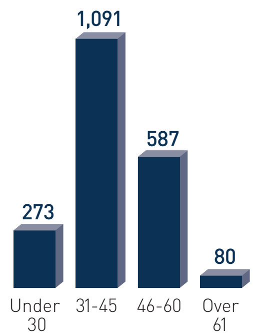
Well engineering development programme

Tullow is currently running a well engineering development programme to support talented nationals from our various operations in Africa and across the Group. The programme has enrolled 14 participants from Kenya, Ghana, Uganda, South Africa, Ireland and the UK. The programme involves training and development placements in various BUs to promote skills and knowledge transfer and on-the-job training.

Gender profile



Age profile



Human rights

Respecting the rights and dignity of people affected by our operations is integral to how we do business. Tullow is committed to respecting internationally recognised human rights, as set out in the Universal Declaration of Human Rights and the International Labour Organisation Declaration, which addresses the four core conventions on freedom of association and collective bargaining, forced labour, child labour and non-discrimination. Our values, Code of Business Conduct and relevant policies in areas such as HR, security, procurement, environmental and Social Performance underline our commitment to upholding human rights.

During 2013 we have focused on understanding the UN Guiding Principles on Business and Human Rights and how they can be embedded into Tullow's business. We conducted an internal benchmarking of our current policies and practices against the Guiding Principles framework and International Finance Corporation (IFC) Performance Standards. This process has helped us to update our approach to human rights and to identify the operational elements required to embed the protection of human rights into our business. As a result, we are revising our existing Human Rights Statement of Policy and simultaneously defining an implementation plan which will achieve closer alignment with the Guiding Principles. This implementation plan involves identifying how to operationalise our commitment to upholding human rights through our integrated risk management approach, and through capitalising on existing tools such as ESIAs for exploration and development projects. We are also developing monitoring and assurance mechanisms to ensure our goals to mitigate risks are met and refined as appropriate.

As corporate supporters of the Voluntary Principles on Security and Human Rights (VPSHR), Tullow initiated training in partnership with NGOs, on the implementation of the VPSHR to our Asset Protection teams based across our operations. This involved engaging with relevant local and international NGOs, who have helped us to better understand our operating context from a human rights perspective. We are also consulting various international NGOs, human rights institutes, the UK Government, Shift Project and specialist consultancies on our revised Human Rights Policy and most effective implementation of this. As part of our efforts to keep abreast of industry best practice, we have stepped up our participation in and contribution to IPIECA which has provided access to joint industry efforts in developing, sharing and promoting implementation of best industry practice on human rights.

Building capacity in Turkana

In our operations in Kenya, Tullow, in partnership with one of our contractors, has undertaken a hands-on approach to training local Turkana people in various skills. As a result, five Turkana trainee rig assemblers who conduct rigging and lifting duties recently completed their training and have been dispatched to the field operations. Other training programmes have supported local people to take on forklift operating roles.

"EMPLOYING & DEVELOPING NATIONALS OF OUR HOST COUNTRIES & THE SPECIFIC REGIONS WHERE WE OPERATE IS A PRIORITY THAT IS CONSISTENT WITH OUR LONG-TERM VISION & STRATEGY."

IKE DUKER GROUP ADVISER, AFRICA BUSINESS & CHAIRMAN, TULLOW GHANA & KENYA

BUILDING LOCAL CONTENT

Local Content is one of the ways through which Tullow's shared prosperity vision is delivered. We seek to ensure that local enterprises benefit from our presence by creating sustainable, transparent and tangible business opportunities in host countries.

Risks and opportunities
Local Content is a key component of our corporate risk relating to potential operations disruption through supply chain failure. Insufficient Local Content expenditure and focus may jeopardise our licence to operate, and in a growing number of countries may lead to a breach of legislation.

Having a strong proportion of Local Content within our supply chain can bring real advantages to local and national economies, as well as our operating environment. For Tullow, these include lower operating costs and project risks, a thriving and competitive local market, and increased host country commitment and understanding of our operational activities. The creation of business opportunities for local suppliers is one of the most material issues for our external stakeholders.

Our strategy and management approach
We are determined to maximise local business opportunities through our operations and we are committed to engaging with the citizens and governments of our host countries with integrity and transparency. Local Content is part of Tullow's approach to supply chain management and Local Content expenditure is one of the corporate performance indicators through which we manage supply chain risk.

2013 HIGHLIGHTS

$217 MILLION
spend with local suppliers in 2013

$6 MILLION
invested by the Jubilee Partners in Ghana capacity building initiatives

49%
increase in Local Content expenditure

"OUR LOCAL CONTENT POLICY ENSURES THAT OUR BUSINESS OPTIMISES OPPORTUNITIES FOR LOCAL ENTERPRISES AT EVERY STAGE OF THE SUPPLY CHAIN."

JIM WALSH
GROUP LOCAL CONTENT MANAGER

Mitigating supply chain risk is achieved through Group contracting and procurement procedures; post-contract award procedures; market contract and supplier due diligence; logistics standard operating procedures; and a robust Local Content policy, which was launched in 2012.

Developing Local Content is also aligned to our strategic objective of achieving good governance across all Tullow activities and continuing to build trust and reputation with all stakeholders. In developing oil industries, it takes time and effort to build the relevant capabilities so that local businesses can deliver the required services and adhere to the international standards that Tullow adopts.

In order to meet our responsibility to award local companies contracts, we provide support to develop their business through contractor forums, helping companies to become suppliers to the Oil & Gas industry.

Development of the supply chain requires strong collaboration with our international suppliers to build a robust approach to their Local Content. Our contracting strategy requires international suppliers, as part of their tender response, to demonstrate their commitment to the involvement and development of local suppliers in their supply chain.

In evaluating international tenders for Local Content, we look for tangible commitments to long-term investment, levels of local and national spending and the ability for local companies to participate either as subcontractors or suppliers in the provision of materials, equipment and other measurable goods and services. International suppliers working with Tullow are also required to provide a Local Content development plan. In Kenya, for example, our international suppliers have spent close to $1 million with Turkana businesses, for the provision of catering supplies, construction materials and vehicle hire. Through our supply chain in Kenya, over 2,000 jobs have been created, 80% of which employ people from the Turkana region.

Additional ways in which we aim to build Local Content are through:

- Investing in the facilities and equipment of the host country;
- Promoting environmentally sound and safe behaviour in the workplace;
- Developing business relationships through which knowledge, skills and technology are transferred to local suppliers and joint venture partners; and
- Attracting foreign direct investment (FDI), which brings investment, know-how and skills into the country and helps the host country promote its products more widely on international markets.

PERFORMANCE SUMMARY

In 2013, the Local Content team set itself a number of targets to help professionalise the approach to Local Content across Tullow.

Assurance

We continue to mature and refine our reporting processes for Local Content expenditure in order to provide additional confidence in the data we are reporting. The Group and country Local Content teams underwent a Readiness Review process during the year in preparation for public assurance of Local Content data in 2014, which involved data and process checks similar to those involved in an assurance process. The Readiness Review encompassed data from five of our countries of operation where key exploration, development or production activities are underway and where Tullow is operator. In 2013, we spent $217 million with local suppliers, which included spend in Ghana, Kenya, Uganda, Mauritania and Ethiopia.

IFC Guidelines and Equator Principles

We are also working to align our Local Content Policy to the IFC Guidelines and Equator Principles, to ensure we adhere to international standards and best practise. While this was an objective for 2013, the Local Content team had to prioritise preparations for the new Local Content legislative requirements coming into force in Ghana and Uganda. Therefore, we will pursue alignment with IFC Guidelines and Equator Principles in the coming year.

Supplier engagement

In order to build the capacity of local suppliers so that they can compete more effectively for business opportunities, Tullow holds seminars to communicate the requirements of our tender process and pre-qualification criteria. In 2013, Tullow ran eight supplier forums in our Ghana, Kenya and Uganda BUs. The purpose of these engagements was to provide local businesses with useful information to support their participation in the Oil & Gas sector and to communicate our EHS requirements and Code of Business Conduct principles. Participating companies also carry out internal assessments of the current capability and capacity of their organisation to deliver to our international standards and identify any gaps in being able to meet these standards. Where 'standards gaps' were identified, Tullow organised meetings to discuss individual supplier challenges and provide advice on how to get further assistance. Some of the seminars focused on supplier education about the pre-tender processes for services such as transportation and logistics, and Tullow's contractual performance criteria. Approximately 300 local companies participated in supplier events throughout the year.

Local Content scorecard

2013 Local Content Targets	Progress	Performance
Achieve assured data	Failing to meet target	A Readiness Review of our 2013 Local Content data was conducted
Audit alignment of our Local Content policy with IFC guidelines and Equator Principles	Within 10% of target or on track for delivery	Progress against this target is still ongoing
Continue quarterly supplier forums	Meeting target	Approximately 300 companies engaged through our quarterly supplier forums

2014 Targets

- **Achieve public assurance of our 2014 Local Content data**
- **Complete alignment with LC legislation and complete a gap-fit assessment with IFC guidelines and Equator Principles**
- **Continue quarterly supplier forums**

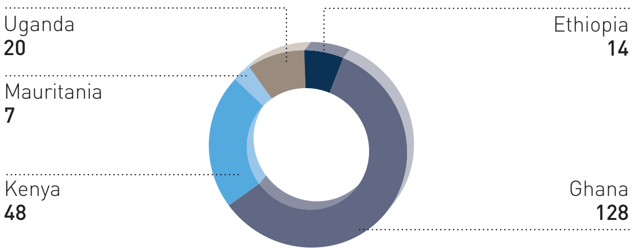
Meeting target · Within 10% of target or on track for delivery · Failing to meet target

Supporting Local Content legislation

In November 2013, the Ghanaian Parliament passed the Petroleum (Local Content and Local Participation) Regulation Bill, with the aim of placing Ghanaians at the forefront of Oil & Gas activities in Ghana.

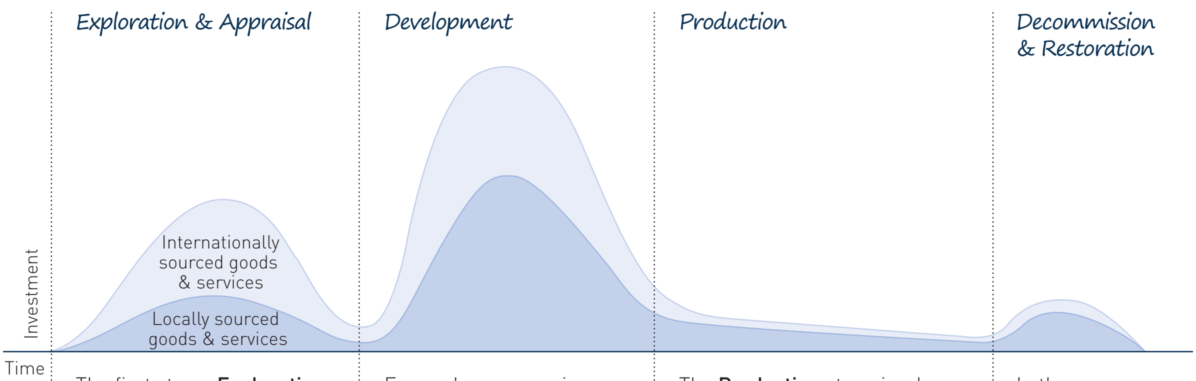
Tullow was consulted during the legislative process and made submissions through an industry body, the Exploration & Production Forum. Oil laws were also passed in Uganda aimed at regulating the entire sector ahead of planned development and production. Tullow is working in close collaboration with host governments to achieve mutually beneficial goals. In Ghana, for example, we are working with the Petroleum Commission to respond to Ghana's new Local Content legislation. It is Tullow's expectation that other African countries are likely to follow Ghana's lead and make Local Content requirements for extractive companies legally binding.

Local Content expenditure – Group ($ million)



Local Content through the oil life cycle

Discovering and developing an oil field is a lengthy, complex process and the opportunities to develop Local Content throughout the oil life cycle varies. This graph describes the typical peaks and troughs of an IOC's capital expenditure on goods and services through the supply chain and the likely scale of opportunities available to local businesses. The skills developed for the Oil & Gas industry can also be used in the wider economy.



The first stage, **Exploration & Appraisal**, is technically complex, capital-intensive and high risk. Opportunities for local businesses, tend to be focused on the supply of support services, such as transportation, accommodation, security and camp facilities.

For onshore campaigns, there are potentially many more opportunities during the **Development** stage. The construction of infrastructure, or the fabrication and installation of oil and gas processing facilities are a few examples. Offshore campaigns are technically extremely complex, so they offer fewer opportunities for Local Content.

The **Production** stage is when the income from oil sales provides a boost to the host country's economy. Oil and gas production operations are highly automated and do not directly create many jobs. However for local companies that meet the high standards required by the industry and international law there will be some opportunities in the maintenance and repair of equipment.

In the **Decommissioning & Restoration** stage, specialist skills are still required, but opportunities available for local suppliers include, for example, demolition, waste management and fabrication.

Invest in Africa

Tullow's vision to create shared prosperity is one supported by many leading businesses. The principle that business is a force for good that can help drive economic and social development in Africa can only, however, be achieved through partnerships. It is on this premise that the 'Invest in Africa' (IIA) concept was launched.

Recognising the importance of businesses working together to address the shared challenges of doing business in Africa, Tullow founded IIA in 2012. An independent not-for-profit organisation, IIA has subsequently attracted other international partners from across sectors to support its objectives of championing investment in Africa and developing local enterprise. More recently, IIA has secured investment from the African Development Bank, enabling it to provide business skills training to local SMEs.

Today, IIA's focus is in Ghana but looking ahead, IIA is committed to expanding into other markets to provide cross-sector solutions.

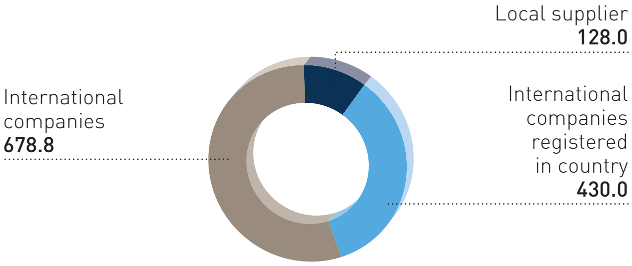
"INVEST IN AFRICA'S COMMITMENT TO LOCAL BUSINESS MAKES IT A NATURAL PARTNER FOR US."

PEARL E-MENSAH DEPUTY MD UT BANK GHANA

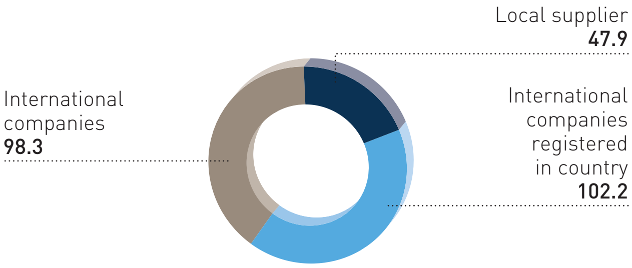
Building capacity in Ghana

We work to identify the opportunities that will provide the best immediate and long-term support to local businesses and communities where we operate. In order to support local companies to compete more effectively, we identified two of their key challenges: business development and capacity building. In 2013, we directed part of our social investment budget at two new initiatives in Ghana to help companies and individuals address these challenges.

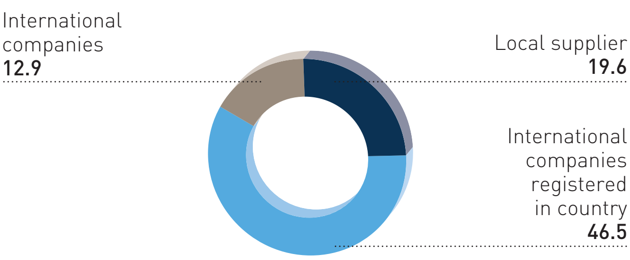
Ghana – Local Content expenditure ($ million)



Kenya – Local Content expenditure ($ million)



Uganda – Local Content expenditure ($ million)



Enterprise Development Centre

The Jubilee Partners invested $600,000 in 2013 and have committed $5 million in total to the Government-led Enterprise Development Centre (EDC) in Takoradi. The centre supports small and medium-sized Ghanaian enterprises to better position themselves to take advantage of business opportunities within the Oil & Gas industry. The EDC will offer a range of services including business training, advisory services and access to information about local markets.

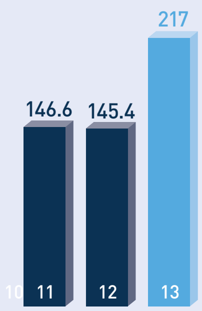
The Jubilee Technical Training Centre

In 2013, the Jubilee Partners invested over $5 million in the Jubilee Technical Training Centre (JTTC), as part of their ongoing investment in this project. The centre is the first vocational training polytechnic in West Africa to offer National Vocational Qualification (NVQ) accredited courses in technical subjects such as instrumentation, process, mechanical and electrical engineering. Situated on the Takoradi Polytechnic campus in Ghana, the Jubilee Partners have invested in the construction of the centre including provision of the latest engineering equipment and training of instructors. The centre was officially opened by the Minister for Education in Ghana, Hon. Professor Jane Naana Opoku-Agyemang. The centre ran a pilot programme for 32 students in 2013, and a further 16 students are studying courses in 2014. As well as hands-on technical training courses the centre offers Health & Safety training.

"THE ENTERPRISE DEVELOPMENT CENTRE WILL PLAY A CRITICAL ROLE IN SUPPORTING SMALL & MEDIUM SIZED ENTERPRISES TO IMPROVE THEIR BUSINESS & SERVICE DELIVERY IN ORDER TO POSITION THEMSELVES FOR OPPORTUNITIES IN GHANA'S OIL & GAS SECTOR."

SHIKA ACOLATSE
EDC COUNTRY MANAGER

Local Content – Group ($ million)[1]



1. As we work to professionalise our Local Content reporting, the categories and scope of data points have evolved, therefore a direct comparison year-on-year is not possible.

OUR APPROACH TO IMPROVING SOCIAL PERFORMANCE

The actions and expectations of governments, communities and society as a whole are having a profound effect on business performance. To be successful in this area, we must apply creativity and demonstrate a willingness to develop multilateral partnerships, adopt new approaches to Social Performance and be receptive to new ideas in the way that we address these issues.

Risks and opportunities
Erosion of Tullow's social licence to operate will lead to a reduced value of projects, possible local disruptions to our operations, delays in project schedules and increased project costs. Some of the potential impacts that our operations can have on communities and other stakeholder groups where we operate include traditional livelihoods being affected, as well as land being acquired and communities resettled as a result. Our operations can also bring local employment and business opportunities, as well as benefits through the social projects we invest in.

Our strategy and management approach
Effective management of the social impacts of our operations is critical to the growth and sustainability of our business. In 2012, we defined a new approach to Social Performance, putting social impact management at the heart of our operations. Over the course of the last year, we strengthened the Social Performance resource that supports the business. We recruited 18 new Social Performance personnel across our countries of operation and an additional seven Community Liaison Officers (CLOs) who work among our impacted communities to ensure their views are heard and acted on appropriately.

Through the establishment of a new Safety, Sustainability and External Affairs organisation in late 2013, management of Social Performance will be integrated into management of all non-technical, above ground risks to the business, including Health & Safety; Asset Protection; Environment; Government and Public Affairs and Policy; and Political Risk. Through this organisational change we aim to help improve our overall performance in this area.

Our approach to mitigating risks associated with Social Performance include multiple dimensions. We conduct community stakeholder engagement led by our CLOs, who are from and speak the languages of the local communities. We strive to assess and manage our social and economic impacts using tools such as ESIAs; macro-socio economic baselines; and proactive management of land access and acquisition. Finally, we invest in social projects, providing support for local employment; capacity building of institutions and communities; promotion of the business environment; and the delivery of projects/programmes aligned with regional and community development needs.

Specific risk mitigation activities in 2013 included increasing our discretionary investment budget for our social projects in Kenya; increasing our focus on the Social Performance component of our ESIAs; piloting Social Performance and stakeholder engagement software management

2013 HIGHLIGHTS

100+ SCHOLARS
from eight countries were awarded places on the Tullow Group Scholarship Scheme (TGSS)

80
Following 25 new hires to the Social Performance (SP) team in 2013, our total SP team is now 80 people across the Group

"WE RESPECT LOCAL COMMUNITIES & THE PEOPLE IMPACTED BY OUR BUSINESS & SEEK TO PROACTIVELY ENGAGE TO MAXIMISE THE BENEFITS ASSOCIATED WITH OUR ACTIVITIES."

SANDY STASH
VICE PRESIDENT, SAFETY, SUSTAINABILITY & EXTERNAL AFFAIRS

tool in East Africa; and strengthening our field presence through the recruitment of additional CLOs. We measure our performance against our Social Performance risks by aiming to achieve no stoppages to our activities or force majeure events.

Additional metrics will be piloted in 2014 to create a robust set of measures against which progress in this area can be assessed on an ongoing basis.

PERFORMANCE SUMMARY

Tullow's Social Performance Standard

A draft Social Performance Standard was prepared for consultation in 2013 and is due to be finalised for roll-out in 2014. Many of the elements of the Standard are being piloted and operationalised pending formal adoption.

Social Performance protocol for contractor management

As part of our ongoing efforts to strengthen our contractors' Social Performance, we developed and initiated Social Performance contract requirements in all business critical contracts for our onshore operations. These requirements establish Tullow's expectations of our contractors in line with international best practice and national law.

Social Performance was added as a criterion for tenders in 2013 in evaluating potential suppliers. Once work begins, cross-functional teams are established to assess the performance of these business-critical contracts in each BU. A formal performance review is conducted every three months with each affected contractor.

Develop robust social impact assessment process

Some progress was made against this KPI, but the work was not completed. We completed performance reviews with the ESIA providers with whom we have framework agreements to improve the assessment of Social Performance in our ESIAs. Work on Tullow's ESIA recommended practice was completed based upon findings of audits of our Environmental & Social Management Plans (ESMP) and ESIA providers. The ESIA recommended practice puts greater focus on social aspects including human rights and community health. In 2014, two KPIs target Executive-level assessments of how well the Group completes ESMP commitments designed to mitigate impacts identified in ESIAs and the quality and completeness of our ESMPS prior to start up of operations.

Social impact assessment process

During 2013, we made progress in expanding our existing new country entry process, to better understand the human rights context of each country we consider entering. Through this process, we aim to achieve early identification of the potential short and long-term human rights impacts of our activities as part of our due diligence process.

Social Investment Policy and governance

In early 2013 we introduced a new set of mandatory criteria for Social Investment (SI) and an improved governance process to ensure that all SI projects support the delivery of Tullow's overall business strategy. All SI projects must now adhere to four key mandatory criteria: they must be focused on business objectives, efficient, compliant, and sustainable.

Social Performance scorecard

2013 Social Performance Targets	Progress	Performance
Develop Tullow's Social Performance Standard	Within 10% of target or on track for delivery	Draft prepared for consultation in 2013
Develop Social Performance protocol for contractor management	Within 10% of target or on track for delivery	Incorporated Social Performance standards in all high risk contracts
Define and develop robust social impact assessment process as part of Tullow's ESIA process	Within 10% of target or on track for delivery	Enhanced focus on social baseline indicators
Define and integrate Social Performance inputs and activities into business model delivery	Within 10% of target or on track for delivery	High-level assessments of social risks undertaken for new activities
Roll out Social Investment (SI) Policy, mandatory criteria and governance process	Within 10% of target or on track for delivery	Completed SI Policy and mandatory criteria roll-out

2014 Targets

- Develop minimum requirements for grievance mechanisms in Tullow operated projects
- Rank existing contracts for high Social Performance and community risk
- Develop social impact KPIs for inclusion in impact assessments
- Undertake a human rights assessment for Kenya, as a pilot
- Embed the SI mandatory criteria and develop an SI assurance programme

Meeting target Within 10% of target or on track for delivery Failing to meet target

Livelihood enhancement programme – Ghana

In the Western Region of Ghana, we sponsored over 1,400 people from 26 fishing communities to receive training from the Jubilee Livelihood Enhancement and Enterprise Development (LEED) project, one of the Social Investment projects being managed by Tullow on behalf of the Jubilee Partners in partnership with local NGO, Pyxera Global. The week-long training covered subjects such as strategic business management, entrepreneurship development, soap making and oven and ice box construction. The sessions were open to fishermen, fishmongers and processors, artisans and members of the business community. Participants have ongoing access to the Business Resource Centre, which assists people by linking them to credit facilities, access to loans, and other business support.

Tullow's SI programmes will target immediate impact projects at the community level, such as access to water and longer-term projects including local and national capacity building and enterprise development projects to support localisation and Local Content participation in the Oil & Gas industry supply chain. All these investments are identified through ESIA and ESMPs aligned to local development priorities.

Lessons learned in Kenya

Our Social Performance risk was highlighted in October by the temporary suspension of operations in Block 10BB and Block 13T in Northern Kenya, following demonstrations by local people regarding concerns around employment. Tullow acted swiftly and had the full support of central government and the local communities to resume operations quickly.

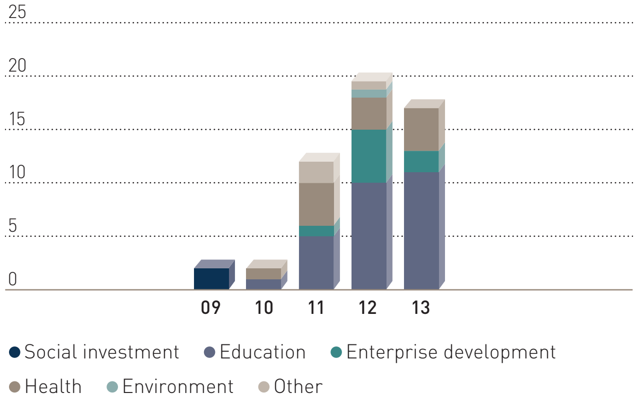
Following the suspension, Tullow signed a Memorandum of Understanding (MoU) with the Government of Kenya to ensure that effective management of the social impacts of our operations is in place and to enable Turkana communities to benefit from our operations and be consulted throughout the process. Following the signing of the MoU, we have established field offices in the Lodwar, Lokori and Lokichar areas and have recruited local Turkana people to staff these offices. These locations and personnel will serve as points of contact for the local communities to easily access information, make enquiries and register any grievances or concerns they may have. In our effort to increase our outreach to our host communities, additional CLOs have been recruited from the local communities, bringing the total head count for the community stakeholder engagement team to 36.

Additionally, Tullow investigated the issues that led up to the work stoppage. Several key signals were missed in the weeks and months leading up to the event which could have helped to avoid the situation. The lessons identified in the investigation allowed Tullow to modify many aspects of its operations in Kenya and will further help us in the conduct of our operations in other parts of the world.

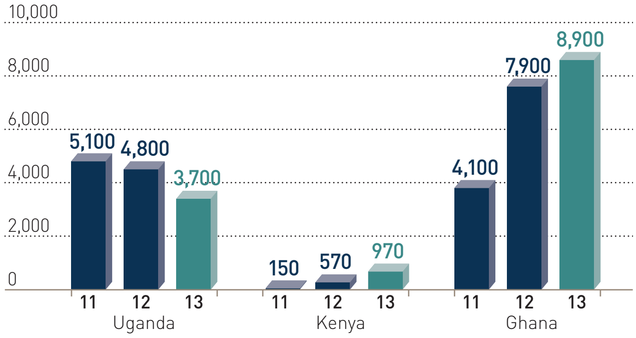
In 2013, Tullow and our partners have invested over $2.73 million in social projects in Kenya, including our sponsorship of Kenyan scholars on the Tullow Group Scholarship Scheme. This budget has almost doubled for 2014. Our spend will target priority areas that impacted communities have identified as essential to Turkana's long-term sustainable development, namely water, education, health, environment and alternative livelihoods.

We have worked to help improve community education levels by providing over 3,000 bursaries and scholarships to students over the past two years. Fifty primary and secondary schools have been provided with teaching materials in our efforts to build capacity in the local school system. Forty primary schools have been equipped with solar lamps so that students studying for their national examinations can continue their revision after sunset.

Social Investment spend – Group ($ million)



Social Investment by country ($'000s)



Our Social Investment (SI) programme

Tullow made a discretionary investment of $17.4 million in 2013 (2012: $19.9 million). The decrease in spend was largely a result of our investment in infrastructure projects in Uganda in 2012, which last year were handed over to local organisations for ongoing management.

Investing in capacity building through education

In 2013 Tullow partnered with University College Dublin (UCD) to develop a programme to focus on building geosciences capacity in our host countries and strengthening the existing relationship between the University and our geophysical and subsurface technology groups.

UCD will provide a series of short courses designed to address key geosciences knowledge gaps in countries in which we operate. The courses will be offered to government or regulatory organisations and academic institutions, and will cover areas of geology and geophysics relevant to modern petroleum exploration and production.

The five-year partnership includes support for three new academic positions in petroleum geosciences and the establishment of an Oil Centre at the University. This will complement the already close research links between Tullow and UCD. So far two courses have been delivered in Suriname, and one each in Ethiopia and Kenya.

In Uganda, Tullow partnered with the Council for the Frontiers of Knowledge (CFK) to support five students to achieve their Masters in studies including civil engineering and chemistry at Makerere University with the aim of contributing to the growth and strengthening of science and engineering in Africa. Tullow's geophysical technology teams also mentored and guided the students in their research work, and were supervised by leading international experts in their fields.

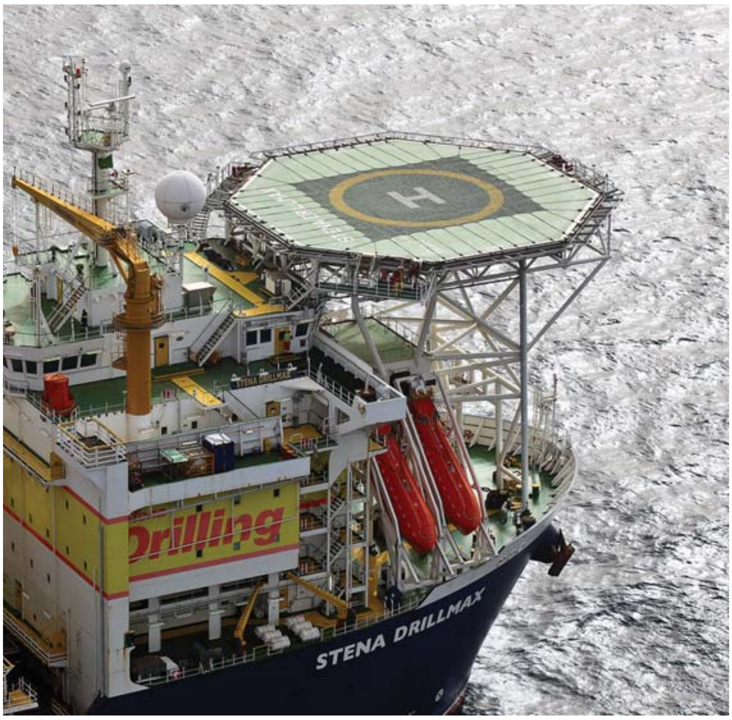
Tullow Group Scholarship Scheme

In 2013, Tullow invested $6.7 million in our flagship programme, the Tullow Group Scholarship Scheme. This programme offers students an opportunity to study post-graduate courses at internationally recognised Universities in the UK, France and Ireland. Over 100 students from Ghana, Uganda, Kenya, Mauritania, Côte d'Ivoire, Gabon, Suriname and Ethiopia began their studies in subjects including exploration geophysics, Oil & Gas management, law and environment science, supply chain management, petroleum taxation and finance, geographic information systems and international public health.

Safe operations

MAURITANIA

In early 2014, our Mauritanian operations achieved a landmark safety record, completing 12 months with no Lost Time Injuries (LTIs). A strong focus on safe operations has been at the heart of all planning and delivery with more than 1,000 safety meetings held; over 1,300 area safety inspections; 13 EHS audits completed; 275 contractor safety meetings held; 15 muster exercises; and almost 150 safety inductions delivered. Since the start-up preparations for the Fregate-1 well; over 17,000 tonnes of deck cargo have been moved from the base, involving more than 180 vessel movements between the port and drill site.



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RESPONSIBLE OPERATOR

Responsible operations for Tullow extend to managing:

- Environmental impacts associated with our operations;
- The Health & Safety of our staff, contractors and communities;
- Our supply chain to improve the sustainability of our operations; and
- The operational integrity of our facilities.

RESPONSIBLE OPERATOR

Tullow works to prevent, minimise and mitigate impacts to the environment through strong governance structures and collaboration with our industry partners, government, NGO's and suppliers. Our priority is to ensure our operations are safe and sustainable and to ensure the wellbeing of our staff, contractors and neighbouring communities.

This section of the report provides an overview of how we manage our EHS performance; security issues relating to our operations as well as our sustainable approach to supply chain management. One of our Group KPIs is our EHS scorecard, which makes up part of our Executive remuneration. We also monitor our supply chain performance through a scorecard of key metrics.

CREATING SHARED PROSPERITY FOCUS AREAS

Environment, Health & Safety
Keep people safe and minimise our environmental footprint

Sustainable supply chain
Build long-term sustainable supplier relationships

MATERIAL ISSUES

Environment
- Waste management
- Impact on water and biodiversity
- Flaring and local air quality
- Emergency preparedness: oil spill response

Health & Safety
- Employee, contractor and community health, safety and wellbeing

Security
- Employees and contractors
- Operations and assets

Sustainable supply chain
- Impact on operations through supply chain

PROTECTING OUR PEOPLE, PRESERVING THE ENVIRONMENT

Tullow aims to reduce any adverse effects associated with our operations. We are committed to protecting the environment for current and future generations as well as ensuring our local communities, employees and suppliers are kept safe and well. We also work to prevent major accidents at our facilities through strong safety processes.

Risks and opportunities

We operate within a context of growing regulatory and social pressure and increasing demands for limited natural resources, all of which highlight the business imperative of safe and sustainable management of our operations.

EHS failures or security incidents are among the ongoing corporate risks facing our business. Mismanagement of these issues has the potential to affect our ability to obtain permits and social license to operate, weaken community relations and raise the regulatory and compliance burden on our operations.

The principal environmental risks facing our business relate to our environmental management of waste and effluents; the impacts of our operations in culturally and environmentally sensitive areas and on endangered species; and our use of water in water scarce regions. Flaring and local air quality surrounding our operations and our ability to respond to emergencies such as oil spills are also risks identified through our materiality review.

The nature of the work involved in oil and gas operations can pose Health & Safety issues to contractors and communities.

Management of process safety and asset integrity is also a critical risk for the Group.

2013 HIGHLIGHTS

19/30
performance in EHS scorecard

Disappointing occupational safety performance

Robust emergency preparedness in place across the Group

New Safety, Sustainability and External Affairs function

"INTEGRATING OUR APPROACH TO MANAGING ABOVE GROUND RISKS WILL ENSURE ALL RISKS HAVE MITIGATION STRATEGIES IN PLACE THAT ARE DELIVERED AS PART OF OUR BUSINESS."

SANDY STASH
VICE PRESIDENT, SAFETY, SUSTAINABILITY & EXTERNAL AFFAIRS

Our strategy and management approach

Ensuring safe and sustainable operations and minimising environmental impacts is one of the Group's strategic priorities. We measure performance in this area through an EHS scorecard, which is one of our corporate KPIs and is linked to Executive remuneration. We work to mitigate and manage our EHS risks through Group-wide EHS Policy and standards supported by comprehensive monitoring and performance management from the local operational level through to the Board level EHS Committee.

Board-level governance of EHS

In early 2013, we established a Board-level EHS committee, which has the objective of enhancing the Board's engagement with EHS issues through in-depth reviews of strategically important risks and issues for the Group.

This committee is comprised of three non-executive Directors and one Executive Director, Paul McDade, Chief Operating Officer. Anne Drinkwater, non-executive Director, is Chairman of the Committee.

2013 EHS Committee highlights included:

- A comprehensive review of our EHS Policy and management system to provide assurance that these requirements are being evolved in line with business activities;
- Assessment of performance against 2013 EHS KPIs and assurance of their alignment to key EHS risks;
- Oversight of enhanced 2014 KPIs to ensure fuller management coverage of our spectrum of EHS risks;
- A focus on process safety and asset integrity given the Group's increasing operational 'foot-print';
- Leadership in nurturing Tullow's EHS culture as the Group grows;
- Regular review of learnings from incidents to identify trends that indicate systemic issues or failures in leadership;
- Periodic review of issues raised through internal whistle blowing calls; and
- Oversight of Tullow's EHS Policy, systems, processes and culture to ensure they are working effectively.

Integrating our non-technical risk management

In late 2013, we undertook an organisational review of our management of EHS risks with the goal of integrating EHS into the overall management of non-technical risks to improve performance.

A new Safety, Sustainability and External Affairs function has been established, with overall responsibility for the management of Health & Safety, Asset Protection, Environmental, Social Performance, Government and Regulatory Public Affairs and Policy, and Political Risk.

Responsible operator scorecard

2013 leading EHS KPI	Progress	Performance
Ensure all operated projects have a safety case and all drilling rigs and contractors use an EHS system	Meeting target	All rig contractors assessed in relation to International Association of Drilling Contractors (IADC) for Health Safety & Environment cases with improvement plans in place
Deliver Tullow Land Transport (LT) Safety audit action plan; monitor progress and complete actions	Within 10% of target or on track for delivery	LT Standard released. BU gap analysis and assessments against the Standard underway
Implement supply chain management (SCM) in EHS Process standard; monitor progress and complete actions within agreed time frame	Failing to meet target	Top 20 contracts per BU identified. Contract Management Standard roll-out not complete
Close out Environmental Social Management Plans; issue closure reports and complete audit of selected reports	Meeting target	Strict wording of KPI achieved; however, progress still required to deliver its intent – a consistent quality of ESIAs
Action plans for senior leaders to improve EHS leadership and the wellbeing of staff	Meeting target	Business leaders identified examples of active EHS leadership within the BUs. Further follow-up and validation required
Ensure a high standard of emergency preparedness and incident management capability across all operations	Meeting target	Competency of response teams and response team structures improved

2014 Target

- **Ensure 100% of offshore and 95% of onshore contracted drilling rigs operate under independently verified IADC or equivalent Safety Case regime**
- **Independently verify 100% of producing asset Safety Cases and selected rig Safety Cases**
- **100% of Tullow-operated new developments to have either a Safety Case or COMAH before first oil**
- **Conduct LT Gap Analysis in all BUs and ensure all BUs have LT Management Plans audited by end 2014**
- **SCM is taking forward addressing EHS performance through contract management procedures in partnership with EHS teams. See page 69 for more information**
- **Provide Executive-level assurance for all ESMPs prior to 2014 operation start-ups and the same to ensure ESMP commitments for 2014 project completions**
- **Instigate quarterly reviews of 'lessons learned' from Level 4/5 incidents**
- **Achieve compliance with the Travel Fitness to Work portion of the Fitness to Work Standard, which was launched in 2013**

Meeting target   Within 10% of target or on track for delivery   Failing to meet target

PERFORMANCE SUMMARY

In 2013, we made progress in further embedding EHS performance management and ensuring we have a consistent and effective approach to EHS leadership across the organisation. Our businesses across the world, along with the Executive and Board, actively monitor the leading and lagging indicators by which our EHS performance is measured.

We prioritised 10 KPIs across the business. The six 'leading indicators' focused on key activities which aimed to deliver improved performance in targeted areas. Four 'lagging indicators' demonstrated how we have performed against quantitative targets. In 2013, we achieved 19 points out of a total maximum of 30 for our EHS scorecard, which forms part of our Executive remuneration criteria. In this section, we provide detail on our performance against our EHS scorecard.

Health and Safety of our workforce

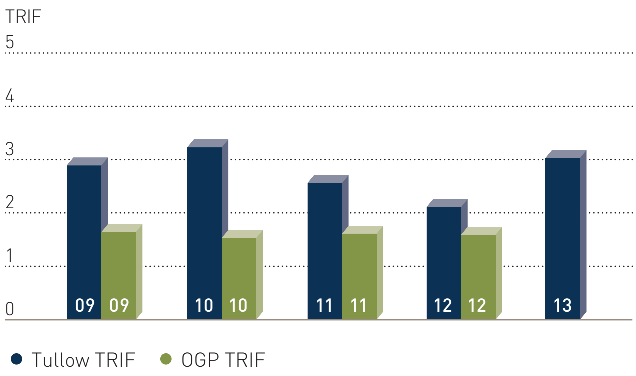
While making good progress on the quality of incident investigations, as measured by a Group KPI, Tullow's overall safety performance in 2013 was deeply disappointing. In particular, our occupational safety performance lags behind industry peers in both Lost Time Injury Frequency (LTIF) and Total Recordable Injury Frequency (TRIF). Our LTIF increased by 16% to 0.81 (2012: 0.70). Similarly, the number of Total Recordable Injuries increased by 57% to 66 incidents in 2013 (2012: 42).

2013 lagging EHS KPI	Progress	Performance
Number of uncontrolled releases/ loss of containment incidents		Although the target was missed with 10 uncontrolled releases, the volume of materials spilled (2013: 23.29 tonnes) decreased by 40% (2012: 38.86 tonnes)
100% investigation closeout of all actual and potential Level 4 & 5 incidents including full management review, approval and action closure		87% complete with three investigations overdue (34/39 completed)
100% investigation closeout of all Lost Time Injury (LTIs) incidents including full management review, approval and action closure		82% complete with three investigations overdue (14/17 completed)
Ensure Vehicle Accident Frequency rate is ≤ 1.3 Motor Vehicle Collisions (MVC) per million km driven		Average MVCs per million km driven was 0.71

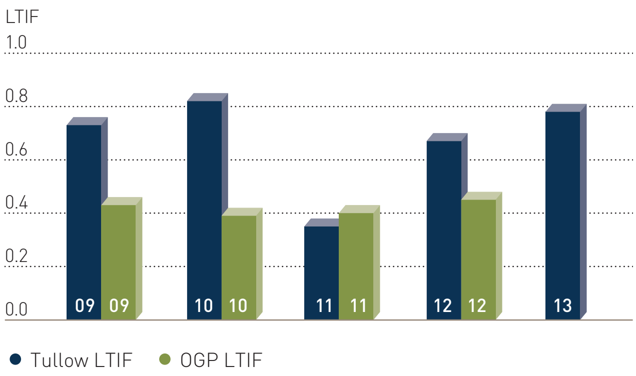
2014 Target

- **Reduce Spills by 20% from 2013 performance (0.47)**
- **100% closeout of all actual and potential Level 4 & 5 incidents including review, approval, and action close out**
- **100% closeout of all LTIs including review, approval, and action close out**
- **Achieve a 20% reduction in LTIF from 2013 performance (0.81) as part of a five year plan to achieve first quartile Oil & Gas Producers (OGP) performance**
- **Achieve no more than a rolling average of three wells under construction that operate under a formal policy dispensation for barrier-related issues**
- **Achieve no more than a rolling average of 5% of production wells of total well stock operating under a formal written well integrity dispensation**

TRIF rates



LTIF rates



For 2014 we are targeting a 20% reduction in LTIF from 2013 performance (0.81) as part of a five-year plan to achieve first quartile OGP performance by 2018. We also set a leading KPI that directs top management to share 'lessons learnt' from incidents across the entirety of the business.

Fitness to work

To ensure that we maintain the wellbeing of our staff and control our operational risks, we enhanced our approach to our 'fitness to work' in 2013. Criteria for fitness were introduced and Tullow staff and contractors were tested against these criteria. Over 1,000 medical examinations were carried out between 2012 and 2013. For 2014, we have introduced a new KPI, to achieve compliance across the Group with the 'Travel Fitness to Work' portion of the Fitness to Work Standard, which will ensure that all personnel have a full medical examination before travelling overseas.

Emergency preparedness

Tullow, and the industry as a whole, has significantly increased its efforts to ensure adequate plans are in place to deal with a major incident, particularly since the Deepwater Horizon disaster of 2010. One of our leading KPIs in 2013 focused on this risk: ensuring that a high standard of emergency preparedness and incident management capability is in place across all operations.

In 2013, we improved the competencies of our emergency response teams at locations around the world as well as the integrated structure of our crisis management arrangements. We tested our operations in both new and existing countries of operation, which included a major exercise of our subsea well containment capabilities and involved 'table-top' testing the mobilisation and deployment of the subsea capping stack. The Tullow Emergency Preparedness and Incident Management Standard was also rolled out to our BUs and operationalised in most locations.

Process safety and asset integrity

As Tullow increasingly moves from exploration to development and production in many parts of our business, management of operational integrity and process safety is of paramount importance.

In 2013, Tullow targeted improvements in this area via a KPI which had the objective of having safety cases in place in all operated projects and drilling rigs. We made good progress on the delivery of operational safety cases, and rig drilling contractors were assessed on their adherence to the IADC HSE Case guidelines. The application of Safety Cases and IADC HSE Cases will provide a structure to monitor and correct problems in the integrity of plant and equipment, effectiveness of operating procedures, organisational effectiveness, and staff and contractor competencies at Tullow-operated facilities.

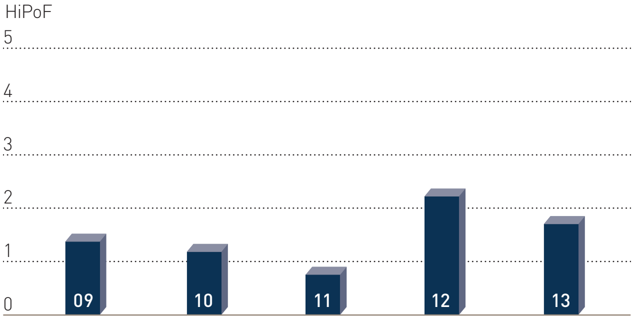
Asset protection and security

Tullow operates in some remote and challenging environments, where security risks tend to originate from beyond the boundaries of rig sites and corporate offices.

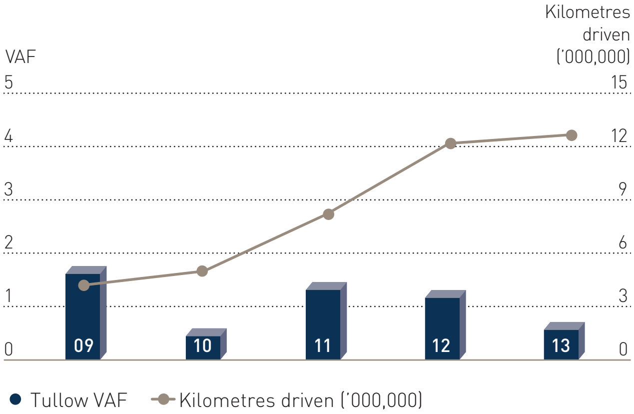
We monitor global events and security incidents in order to ensure that appropriate security controls are in place to safeguard our people and operations. We plan so that we are prepared to respond to unplanned events.

During 2013 there was a tragic terrorist attack at the Westgate Shopping Mall in Nairobi, Kenya close to where our offices are located. While Tullow staff were in the shopping mall at the time of the attack, we were able to evacuate them safely. This incident was unprecedented but serves to highlight the security threats that exist. Tullow has undertaken assurance in order to verify that appropriate planning has been undertaken for low probability security incidents that would have the potential for catastrophic consequences. In the Turkana region of Kenya, close to our operations, there is the risk of exposure to tribal conflict.

HiPoF rates



VAF rates



We seek to reduce the direct risks to our people and operations by establishing standardised security controls and building strong relationships with the local communities. Gaining the acceptance and support of local communities is a crucial part of Tullow's security strategy.

Following the community protest around our operations in October in Kenya. We have been working to develop a community and security strategy that is sensitive to local concerns and which will create a secure environment not only for our operations but also for the local communities.

Security and human rights

In March 2013, we underlined our commitment to protecting the human rights of the communities we operate in by becoming a member of the Voluntary Principles on Security and Human Rights. These principles guide us on how to best maintain the safety and security of our operations within an operating framework that encourages respect for human rights. As a member of the Voluntary Principles Association, Tullow contributes to discussions on best practices and learnings with the wider group including industry, governments and NGOs. We facilitate or provide human rights training courses and awareness workshops for key personnel and security service providers. In addition we ensure appropriate levels of supervision are in place for operations with significant security risks. To date, no formal complaints or reports of human rights abuses by Tullow or its contractors and suppliers have been received.

Road safety

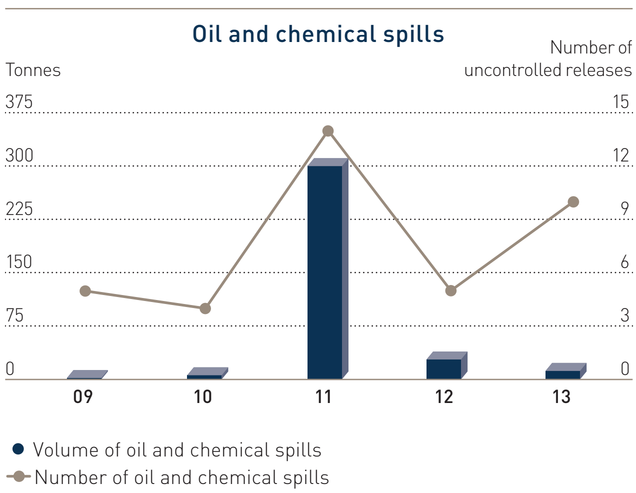
LT represents one of the most significant safety risks to our onshore operations. In 2013, we introduced a leading and lagging KPI aimed at improving our LT safety record. These KPIs, together with the new Group-wide LT Standard, have helped increase road safety awareness, improved driving behaviours and overall have led to a reduced number of driving incidents. Through our lagging indicator, we targeted a reduction in the frequency of Motor Vehicle Collisions (MVC) per million km driven to less than 1.3. We achieved this with an average of 0.71 MVCs per million km driven in 2013.

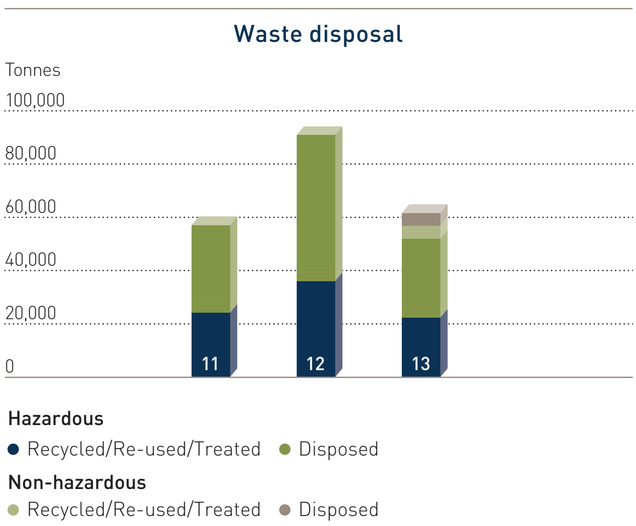
Notwithstanding the progress we have made in this area, we regret to report the tragic death of a member of the public as a result of a road traffic accident involving a third party contractor in Kenya.

Actions to further improve our approach to LT Safety in 2014 include the introduction of two new KPIs: to conduct LT gap analysis in all BUs by the end of the year and to ensure all BUs have LT management plans audited by end 2014.

EHS in our supply chain

Our contractor workforce represents over 80% of hours worked on Tullow projects during 2013. As a result, a key area that requires focus is contractor management and engagement. Using a leading KPI, we looked at driving more consistency in our supply chain management by working with all parts of the business in application of EHS Standards. In working towards this goal, we implemented performance improvement plans for our top 20 suppliers delivering business critical goods and services in seven of our key countries of operation. We made progress against this KPI, but did not achieve our goal.





Environmental and Social Management Plans

Throughout the exploration, appraisal and development phases of any project, Tullow undertakes ESIAs which identify our potential environmental and social impacts. ESMPs are developed in response to ESIAs and these outline actions the company will take to avoid, minimise and mitigate those impacts. In order to improve our ESMPs, in 2013 we targeted completion of an audit of selected reports.

We have framework agreements in place with five ESIA service providers, and two of these companies were independently audited. Our ESMPs for the Sabisa well in Ethiopia and Calao-1X well in Côte d'Ivoire were also reviewed by our internal audit and environmental teams. Key recommendations from the internal audits included improving the communications process, growing the Social Performance expertise and introducing recommended practice and mandatory criteria which the providers must adhere to.

We recognise the need to further improve the quality of our ESIAs, which will ultimately lead to more comprehensive and actionable ESMPs. In 2014, through a new KPI aimed to drive improvement of our ESMPs, we will internally assure select ESMPs identified through our risk governance process prior to operational activity. Additionally, we will review select ESMPs to ensure delivery of ESMP commitments prior to project completion.

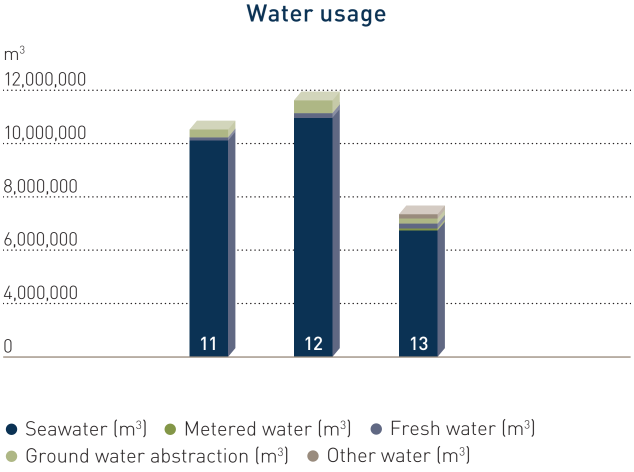
Spills & Waste Management

Tullow works to manage our waste in an environmentally and socially responsible manner. This includes the generation and use of management plans. We monitor adherence to these plans at our operations across the world and hold our staff and contractors to account.

Amongst our lagging indicators we targeted no more than three uncontrolled releases or loss of containment incidents. We missed this target, and were responsible for ten spills, resulting in the release of a total of 23 tonnes of material. This volume was 40% lower than the prior year (2012: 39 tonnes). The majority of material spilled was sewage (19 tonnes). The remaining spilled material were made up of low toxicity based mud, diesel and synthetic oil based mud.

The two spills that took place in Côte d'Ivoire and Gabon involved non-toxic materials. The remaining eight of the spills took place in Kenya and involved the management of our sewage treatment plants. This continues to be an ongoing challenge that we will address in 2014.

In Uganda, we are working to manage legacy waste from our operations over the last 10 years of exploration and appraisal, during which time the partners' activities generated over 50,000 tonnes of waste. Feasibility studies have been undertaken to define a long-term solution. In the meantime the waste is being stored in confined pits. As future development activities will generate even larger volumes of drilling wastes, Tullow has commissioned an independent expert to conduct a Best Practicable Environmental Option (BPEO) study of available waste management solutions and their respective technical, economic and regulatory merits and challenges. The results of this study will provide a basis from which to agree a long-term strategy.



Water and sanitation projects

In Kenya, Tullow partnered with the African Medical and Research Foundation (AMREF) to implement a water sanitation and hygiene project, which involves the construction of sanitation facilities along the western shore of Lake Turkana and capacity building for community water committees. We are currently researching other organisations to partner with in implementing further water projects. We have approached a number of international NGOs and have submitted proposals which are under consideration.

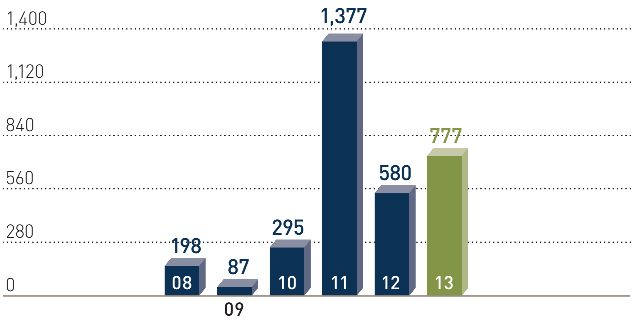
Water use

Over the life of a field the amount of water needed to produce hydrocarbons is approximately three to four barrels of water for every barrel of oil. In Ghana in 2013, we used 7,286,379m^3 of seawater to inject into the reservoir to maintain its pressure. Seawater use in Ghana represents 96% of our Group total water usage (2013: 7,556,562m^3 total water). Overall, water usage decreased by 35% in 2013. Total surface freshwater usage in 2013 was 35,900m^3, which was solely in Ethiopia. Total surface freshwater usage represented 0.4% of total water usage. Ground water extraction increased from 143,569m^3 in 2012 to 180,337m^3 in 2013. Kenya used the majority of ground water, with 94,413m^3 used in 2013.

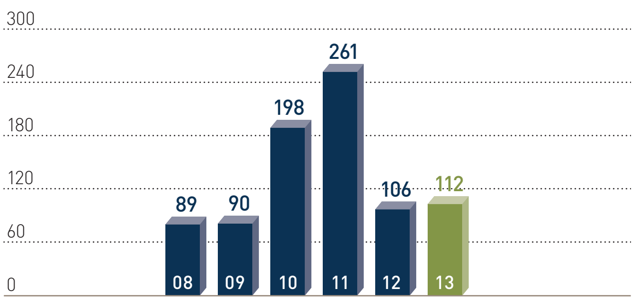
In Kenya, our exploration campaign in Turkana in the North West of the country is an arid and at times drought afflicted region. In the two years since we commenced our activities, our exploration success means that the commercial threshold for development has already been achieved.

As oil production relies on water usage we have begun investigating potential water sources. In 2013, we began a hydro-geological study, which aims to map the local subsurface water sources and establish a baseline of all water sources in the region. The study is currently ongoing, and we are drilling a series of water wells across the area in search of water sources. Through this study we also aim to gather intelligence that will assist in designing and developing drilling programmes which are more water efficient and sustainable. We are working to understand the water sources that will support both communities and our operations, ensuring that in the meantime we operate in a sustainable and responsible manner.

Scope 1 CO_2e emissions (thousand tonnes of CO_2e)



Scope 1 CO_2e emissions per 1,000 tonnes of hydrocarbon produced



Flaring and emissions management

The Jubilee field offshore Ghana represents 83% of our Group-wide carbon dioxide (CO_2e) emissions. Our CO_2e emissions in Ghana increased by 27% to 640,770 tCO_2e in 2013 (2012: 506,239 tCO_2e). Jubilee production increased in 2013 by 37%.

The increase in emissions was largely due to a number of gas compression failures that resulted in higher than anticipated flaring rates.

Tullow strives to reduce greenhouse gas emissions associated with our operations. In Ghana, however, due to delays in the completion of Ghana's gas export facility, managed by the Ghana National Petroleum Corporation (GNPC), and limited gas re-injection capacity at the Jubilee Field, the Partners have been considering flaring to maintain current production levels.

The Jubilee Partners are working closely with the Government of Ghana and the Ghanaian Environmental Protection Agency (EPA) to review gas disposal options including limited flaring for a defined period of time until gas export facilities have been completed and commissioned. Any flaring above normal limits requires the consent of the EPA and the Minister of Energy.

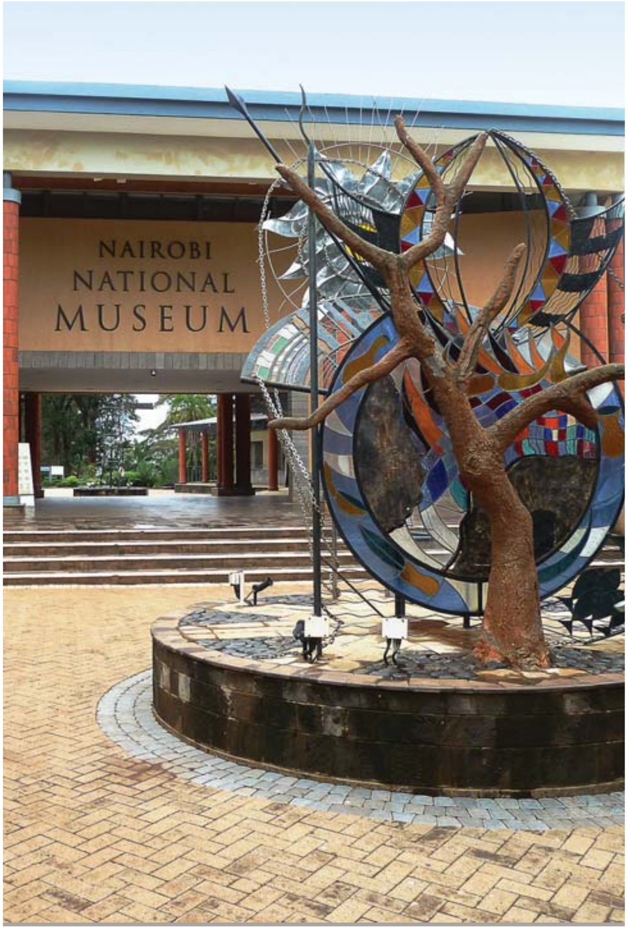
Carbon Emissions

In line with the revised Companies Act 2006, we have disclosed for the first time our Scope 2 emissions. Our total Scope 1 emissions, which in 2013 included gas, diesel and gas refrigerants from our offices as well as emissions from our operations, were 776,629 tonnes CO_2e and 111.80 tonnes CO_2e per 1,000 tonnes of hydrocarbon produced. Our Scope 2 emissions, made up of electricity used by our key offices, are relatively immaterial to our overall emissions profile. Office electricity data was collected from our five biggest offices, where 80% of our employees work. Total Scope 2 emissions were 6,174 tonnes of CO_2e and 0.89 tonnes of CO_2e per 1,000 tonnes of hydrocarbon produced. Our total Scope 1 and 2 emissions were 782,803 tonnes CO_2e and on an intensity basis 112.69 tonnes CO_2e per 1,000 tonnes of hydrocarbon produced.

The reported data have been sourced from our production and exploration operations where Tullow is the operator of the facility or asset during the year and emissions are calculated using the following conversion factors:

IPIECA Oil and Gas Industry Guidance on Voluntary Sustainability Reporting, Appendix D: Measurement Units and Conversion Factors – various conversion factors

- OGP Environmental Data Collection User Guide- 2008 Data;
- Source: UK Ministry of Defence Standard 91-91 Issue7;
- DEFRA Greenhouse Gas Emission Conversion Factors – greenhouse gas emission factors and global warming potential for various fuels, fluorinated gases (F-gas) and ozone-depleting substances (ODS); and
- API Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry, 2004.



Cultural heritage preservation – fossil avoidance

Lake Turkana Basin is home to many large and important collections of paleontological finds. While some of these areas have been discovered and recorded, many more sites remain undocumented. During our operations, we have worked closely with government and non-government institutions to ensure that we protect these significant sites and contribute to the further exploration and understanding of this area. Throughout our seismic activities and exploratory drilling, Tullow used a fossil avoidance procedure. We worked together with the National Museums of Kenya (NMK) and this provided NMK with an opportunity to explore this vast area alongside Tullow's identification activities.

"WE AIM NOT ONLY TO CONDUCT OUR OPERATIONS IN A WAY THAT IS SENSITIVE TO THE LOCAL COMMUNITIES & ENVIRONMENT, BUT WHERE POSSIBLE, TO LEVERAGE OUR ACTIVITIES FOR THE BENEFIT OF CULTURAL AND ENVIRONMENTAL RESEARCH."

PAUL COWARD, SAFETY, SUSTAINABILITY & EXTERNAL AFFAIRS MANAGER, EAST AFRICA

Working with local communities and environmental groups – Gabon

Tullow has sponsored a marine environmental research programme in Gabon in partnership with Wildlife Conservation Society (WCS). The programme aims to deliver biodiversity data that will help quantify and qualify the vast offshore habitat. While there has been considerable research on some turtle species within Gabonese waters, relatively little is known about the activities of nesting female Olive Ridley turtles. Our research with the WCS seeks to understand their movements and behaviours, why they nest at a particular time of year, and whether lights from an oil rig will attract hatchlings to it, where they might become easy prey. Tullow invested in a tagging programme implemented by Gabon's Turtle Consortium and Exeter University to map the turtles' activities to start compiling evidence of any potential threats to the species from oil industry operations. This research helps support the Gabonese Government's aims to protect the country's biodiversity.

BUILDING A SUSTAINABLE SUPPLY CHAIN

Our suppliers and contractors have a significant influence over our EHS, socio-economic and governance-related impacts. As a responsible operator, we strive to promote accountable and conscientious behaviours throughout our supply chain. This expectation is principally driven through our contracting requirements which our suppliers adhere to when working with Tullow.

Risks and opportunities

A supply chain failure is one of our key risks aligned to our strategic priorities of managing our financial and business assets to enhance our portfolio, achieving strong governance; and building trust and reputation with all stakeholders. In 2013, the majority of our $2 billion capital expenditure was spent with suppliers. The scale of this investment highlights that a failure within our supply chain has the potential to cause significant financial penalties, or loss of reputation with stakeholders through project delivery delays.

Effective supply chain management (SCM) will ensure we accurately calculate the cost of the goods and services that our projects require, which can result in the difference between a project being economically viable and going ahead or not. Contractor management presents a risk and an opportunity for the Health & Safety of our workforce, with over 80% of all hours worked on Tullow operated projects being completed by contractors and all LTIs incurred by contractors. Our suppliers have a significant influence over the environmental impacts of our activities, which is one of the important issues for our stakeholders.

Development of business opportunities for local suppliers is also a key concern to local governments, regulators and communities. For Tullow, one of our most material issues is to ensure high standards of compliance with our Code of Business Conduct and, in particular, our zero tolerance of bribery and corruption.

2013 HIGHLIGHTS

FIVE
Group logistics standards introduced, providing guidance and support on key logistics challenges

NEW
Contract management processes in place for over half of all contracts and suppliers

NEW
Major TEN contracts include robust Local Content plans

"OUR EFFORT TO PROMOTE SUSTAINABILITY IN OUR SUPPLY CHAIN IS COMPLEMENTED BY OUR COMMITMENT TO PROMOTING LOCAL PROCUREMENT."

DAVID MOONEY
GROUP SUPPLY CHAIN MANAGER

Our strategy and management approach

We expect and encourage our suppliers to act in a safe, sustainable and responsible manner. Our effort to promote sustainability in our supply chain is complemented by our commitment to promoting local procurement throughout the life cycle of our operations.

We recognise the importance of our supply chain for Tullow's overall business success. This creates significant responsibility for both our supply chain management function and our contractors. Both must ensure the provision of goods and services on time and to specification, whilst managing operational and reputational risks and adhering to Tullow's standards and policies.

SCM is an important enabler in creating shared prosperity. It plays an integral role in how we run our business and execute our operational activities. Disruptions and overall efficiency within our supply chain have been identified as key risks to our performance which need to be managed effectively in order to achieve our business plans.

Supply chain scorecard

2013 Supply chain KPIs	Progress	Performance
Mitigate risks within the supply chain by focusing on higher risk areas and activities such as well engineering		Proactive contract management for business critical contracts and suppliers
Use supplier performance management to drive increased Local Content development with key international suppliers		Supplier performance on Local Content enhanced through contract management plans
Improve overall logistics performance and introduce Group standards for logistics operations		The Group introduced five new standards enabling the business to meet key logistics challenges

2014 Targets

- **Further embed contract management procedures instigated in 2013 into business as usual activity**
- **NEW: Track progress against Local Content targets for each BU**
- **NEW: Delivery of SAP solution to aid improved transparency, efficiency and analysis of procurement data**

Meeting target   Within 10% of target or on track for delivery   Failing to meet target

Executive responsibility for our supply chain function rests with Graham Martin, Executive Director & Company Secretary. A Group-level SCM steering committee meets quarterly to review progress against targets. We aim to manage and mitigate the risk of supply chain failure by ensuring timely delivery of projects; performing due diligence checks on new and existing suppliers; managing supplier relationships through a contract management scorecard and monitoring our expenditure with local suppliers.

The policies and systems that we have in place to manage our supply chain are our Group contracting and procurement standards, post-contract award procedures, market, contract and supplier due diligence, logistics standard operating procedures and Local Content policy.

We conduct risk assessment and due diligence checks on all new suppliers prior to contracts being awarded. Comprehensive supplier monitoring is undertaken to ensure that any issues identified are promptly rectified to avoid escalation. Our supply chain function is comprised of three core disciplines: contracts and procurement; Local Content; and logistics and materials, which work collaboratively across all projects in an integrated way.

Over the next two-year period our policy and standards, tools and processes of contractor management will be integrated into Tullow's Information Management System (IMS).

PERFORMANCE SUMMARY

Mitigating risk and growing Local Content through contract management

Contract management was an area of major focus across the business in 2013, and resulted in the creation of a new supplier performance management procedure.

This new procedure reflects the risk-based approach to our supply chain sustainability and management, and involves identifying those suppliers and contracts which are responsible for business critical activity and where more proactive engagement is needed. In 2013, the supply chain team drove a cross-functional review process, identifying business critical contracts and suppliers, which account for $1.2 million of our 2013 spend, over half of our $2 billion spend with suppliers. We have developed contract management plans for those suppliers across Ghana, Kenya, Uganda, Ethiopia, Mauritania, Norway and Dublin, as well as a suite of tools and templates to assist in the prioritisation, assessment and improvement of suppliers' performance.

The new procedure has been piloted and implemented in our well engineering team and will be rolled out across our geology and geophysics team in 2014.

Contract management has been introduced as a KPI for 2014, and each of our BUs will be measured by the successful delivery of our high-risk suppliers' contracts, with the General Manager of each BU reporting progress updates to the Executive Committee on a quarterly basis.

In addition to performing risk assessments and due diligence checks on all new suppliers prior to contracts being awarded, once a contract is awarded our suppliers' performance is being actively measured against the six contract criteria below:

Supplier performance driving Local Content

In October 2013, major contracts were awarded to international suppliers as part of the TEN development project. The successful award of these contracts was a critical component of the work programme to ensure we deliver first oil in 2016. Through our contracting strategy, a Local Content component was mandated as one of the terms of the award. Six international suppliers were awarded contracts for the delivery of the Floating Production Storage Offloading (FPSO), subsea production systems (SPS), subsea umbilicals, risers & flowlines (SURF), connectors and engineering components of the project. Each supplier included Local Content plans as part of their proposals. Through our new contract management process, we are beginning to track progress against Local Content plans and targets through monthly reporting.

MODEC was awarded the contract to convert the Centennial Jewel trading tanker into a FPSO vessel for the TEN project. The FPSO, which is being worked on at Jurong Shipyard in Singapore, will be capable of handling expected plateau production of 80,000 barrels of oil per day, and has a storage capacity of 1,700,000 barrels of total fluids. As part of its contract award, MODEC has sub-contracted the fabrication of steel for the topside modules of the vessel to two local providers, Seaweld and Orsam. Between them, Seaweld and Orsam will be delivering 500 metres of fabricated steel.

TS7, a consortium between Technip and Subsea 7, was awarded the contract to fabricate the jumpers and sleepers at Sekondi, in the Western Region of Ghana. This consortium is responsible for fabricating jumpers and sleepers from 400 tonnes of steel. TS7 now employ 38 Ghanaians, who represent 86% of their workforce delivering the project, which includes 25 engineers. The consortium is also providing the equivalent of 95 months training in Europe for Ghanaian sub-contractors. To date, the programme has created 54,000 hours of engineering work on rigid pipelines, structuring and installation, and an additional 40,000 hours of support services provided by Ghana National Petroleum Corporation (GNPC) Technical Engineering Services.

CONTRACT MANAGEMENT CRITERIA

Technical & Operational
The operational performance of the contract and contractor's progress against their technical plan.

Commercial
The commercial performance of the contract, including payment performance, cost recovery and commercial progress against plan/budget.

Compliance
The contractor's compliance with Tullow's Code of Business Conduct and Anti-Bribery and Corruption legislation, and its ability to demonstrate controls to that effect.

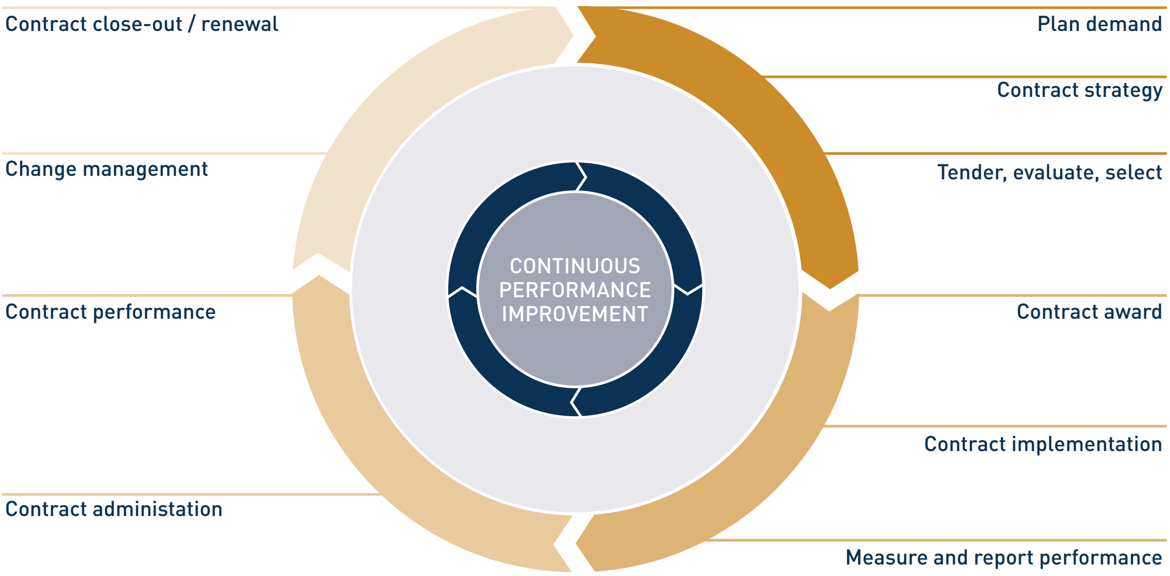
EHS
The contractor's EHS performance represented by Tullow's EHS scorecard, comprised of leading and lagging indicators.

Local Content
The contractor's execution of their Local Content plans, including staff numbers, training and development, and procurement of local goods and services.

Social Performance & Human Rights
The contractor's performance against Tullow's draft Social Performance standard, and their respect for local communities and cultures.

Sustainable contract management

Our approach to contract management helps drive improved business efficiency and performance, mitigates risk and promotes Local Content.



Improving our logistics performance

In order to assist the business in adhering to best practice standards on logistics, we introduced five Group standards on: I.T., marine; aviation; lifting and people logistics. The latter enabled us to establish the exact location and safety of Tullow's personnel within hours of the tragic West Gate shopping mall terrorist attack, which took place in Nairobi, Kenya in October last year.

Logistics in frontier locations

Operating in frontier and offshore locations presents a significant logistical challenge to ensure equipment and materials reach sites on time. In countries such as Kenya and Ethiopia, the locations where we operate are often a significant distance from the locations where we have to transport equipment from, and where existing road rail infrastructure is very limited or non-existent.

Managing logistics in emergency response

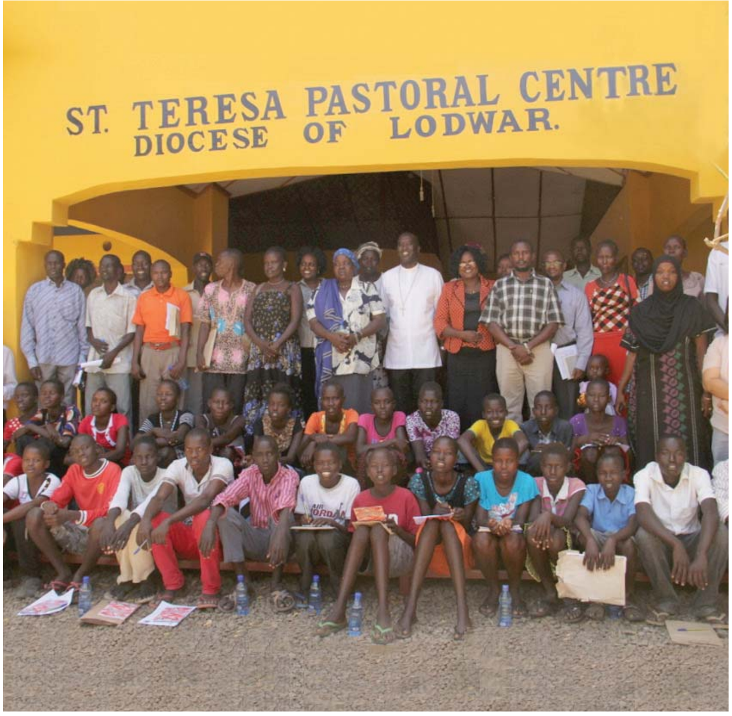
During 2013, our supply chain, offshore well engineering and asset protection teams worked to strengthen Tullow's capability to deal with an emergency on the scale of Macondo.

Loss of control of a well can only happen if we fail to observe our basic procedures, and adherence to our operational and safety standards is a core focus within our EHS scorecard. However, as a responsible and safety conscious operator, we have developed a contingency plan to recover the situation if the worst case scenario does occur.

In the event of a blow out, and the blow out preventer (BOP) failing to stop the flow, oil would come to surface and could result in a fire on the rig and an uncontrolled flow of oil into the sea. Ultimately, the only way to regain control of the well is to drill a relief well, which can take between 100 and 140 days to complete.

Tullow's contingency is to access equipment that will allow us to cap the well and stem the flow of hydrocarbons within approximately 40 days. Tullow has arrangements with two companies that provide this equipment: Oil Spill Response Limited (OSRL), and Wild Well Control (WWC), providing Tullow access to six capping stacks, located at strategic locations worldwide. The capping stack, which to be deployed must be lowered and latched onto the existing BOP or wellhead, weighs up to 120 metric tonnes. Combined with the potential deepwater location of the subsea well, this presents a challenging task.

Throughout this emergency response process, Tullow's logistics and well engineering teams are responsible for transporting the equipment from its stored locations to the well site as well as deploying and operating the equipment. Once the emergency response team has been mobilised, and the equipment required identified, this becomes a huge logistics project to get all the required vessels, equipment and personnel to the offshore location to enable the deployment of the equipment. It is this procedure that our logistics team spent time mapping out and simulating exercises around, to ensure the process works and teams are prepared.



Ensuring lasting benefits for communities

Our Social Investment approach aims to manage identified socio-economic impacts of our operations on communities most affected by our activities and ensure that host countries and neighbouring communities have access to as much lasting benefit as can be enabled through our activities. In 2013, our Social Investment programmes included projects promoting capacity building through education, access to better health care and livelihood enhancement.

5

SUPPLEMENTARY INFORMATION

BENCHMARKING AGAINST BEST PRACTICE

We continually review external standards, frameworks and membership of industry bodies in order to exchange ideas and best practice. We also ensure that we continue to develop and progress our approach, systems and processes.

External sustainability initiatives and standards
We maintain a number of industry memberships and affiliations to engage with our industry peers in discussions on industry issues and to benchmark our practices:

- Extractives Industry Transparency Initiative (EITI). Additionally, in countries where we operate which are implementing the EITI standard, we are actively involved in supporting the implementation process. See more information on page 38.
- Transparency International Corporate Supporters Forum.
- Voluntary Principle of Security and Human Rights (VPSHR). See more information on page 44.
- International Petroleum Industry Environmental Conservation Association (IPIECA). We became a member of IPIECA in 2012. We want to understand how other companies are dealing with challenges such as operating in environmentally and socially sensitive areas. We also want to stay ahead of best practices on issues such as incorporating human rights into our own policies and frameworks.
- Carbon Disclosure Project (CDP) reporting. Additionally, we participate in independent environmental, social and governance performance research such as EIRIS and Vigeo surveys.
- Oil Spill Response Limited (OSRL). Through our membership of Oil & Gas UK we also participate in the Oil Spill Prevention and Response Advisory Group (OSPRAG).

Applying the GRI G4 guidelines
This report contains Standard Disclosures from the GRI G4 Sustainability Reporting Guidelines and Oil & Gas Sector Supplement, which are designed to help organisations measure and report on their economic, environmental and social performance over time.

GRI has not assured this report, and the GRI Materiality Matters Check is not a form of assurance. Deloitte provided limited assurance on selected environmental, safety, social investment and corporate transparency performance indicators in this report. See page 73 for more information.

A full GRI content index can be found online at **www.tullowoil.com/crr2013/gri**

INDEPENDENT ASSURANCE STATEMENT TO TULLOW GROUP SERVICES LIMITED ON THE TULLOW OIL PLC 2013 CORPORATE RESPONSIBILITY REPORT ("THE REPORT")

Deloitte.

What we looked at: scope of our work

We have been engaged by the Board of Directors of Tullow Group Services Limited to perform limited assurance[1] and procedures over Tullow Oil plc's ("Tullow Oil") Group level compilation of selected environmental, safety, social, social investment and corporate transparency performance indicators on pages 74 – 78 of the CR Report for the financial year ending 31 December 2013.

What standards we used: basis of our work, criteria used and level of assurance

We carried out limited assurance on the selected environmental, safety, social, social investment and corporate transparency performance indicators in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000). To achieve limited assurance the ISAE 3000 requires that we review the processes and systems used to compile the areas on which we provide assurance. This is designed to give a similar level of assurance to that obtained in the review of interim financial information. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls.

The evaluation criteria used for our assurance are Tullow Oil's definitions and basis of reporting for the indicators as described on **www.tullowoil.com/crr2013/bor**

What we did: key assurance procedures

To form our conclusions, we undertook the following procedures:

- Understood, analysed and tested on a non-statistical sample basis the collation, validation and reporting of selected environmental, safety, social, social investment and corporate transparency performance indicators at Group level, as indicated on pages 74 – 78 of the Report, in accordance with Tullow Oil's definitions and basis of reporting. Our work was based at Tullow Oil's head office.
- Reviewed the content of the CR Report against the findings of the aforementioned procedures.
- In relation to the corporate tax and royalties paid indicators: For 'Income Tax', 'Royalties (cash only)' 'Dividends, 'Bonus Payments', 'Licence fees' and 'Infrastructure improvement payments' the data has, on a sample basis, been agreed to payment from bank statements. For 'production entitlements bbl' it was confirmed that Tullow have recognised the difference between the entitlement and the working interest production both of which form part of the audited group financial statements. Our work on the data for these seven indicators relates only to the countries indicated by Tullow on page 78. No assurance work has been completed on countries reporting zero values.

What we found: our assurance conclusion

Based on the scope of our work and the assurance procedures we performed, nothing has come to our attention that causes us to believe that the selected environmental, safety, social, social investment and corporate transparency performance indicators compiled as described in Tullow Oil's basis of reporting and presented on pages 74-78 are materially misstated.

1. The levels of assurance engagement are defined in ISAE 3000. A reasonable level of assurance is similar to the audit of financial statements; a limited level of assurance is similar to the review of a half year financial report.

Limitations

The process an organisation adopts to define, gather and report data on its non-financial performance is not subject to the formal processes adopted for financial reporting. Therefore, data of this nature is subject to variations in definitions, collection and reporting methodology with no consistent, accepted standard. This may result in non-comparable information between organisations and from year to year within an organisation as methodologies develop. To support clarity in this process, Tullow Oil has developed a Basis of Reporting document for 2013, which defines the scope of each assured metric and the method of calculation and should be read together with this report.

In relation to our work performed on the selected environmental, safety, social, social investment and corporate transparency performance indicators for 2013, we note the following specific limitations:

- Our testing did not examine the underlying systems used by Tullow Oil and its partners to collate and report data.

Roles and responsibilities

Tullow Group Services Limited:

- The Directors are responsible for the preparation of the Report and for the information and statements contained within it. They are responsible for determining Tullow Oil's objectives in respect of environmental, safety, social, social investment and corporate transparency performance and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Deloitte:

- Our responsibility is to independently express conclusions on reliability of management's assertions on the selected subject matters as defined within the scope of work above.
- This Report is made solely to Tullow Group Services Limited in accordance with our letter of engagement for the purpose of the directors' governance and stewardship. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tullow Group Services Limited for our work, for this report, or for the conclusions we have formed.
- We performed the engagement in accordance with Deloitte's independence policies, which cover all of the requirements of the International Federation of Accountants' (IFAC) Code of Ethics and in some areas are more restrictive. We confirm to Tullow Group Services Limited that we have maintained our independence and objectivity throughout the year, including the fact that there were no events or prohibited services provided which could impair that independence and objectivity in the provision of this engagement.
- Our team consisted of a combination of Chartered Accountants with professional assurance qualifications and professionals with a combination of environmental, CR and stakeholder engagement experience, including many years' experience in providing corporate responsibility report assurance.

Deloitte LLP
London, 13 May 2014

HEALTH & SAFETY

							2013		
	2013	2012	2011	2010	2009	2008	**West & North Africa**	**South & East Africa**	**Europe, South America & Asia**
Hours worked (million)	**21.1[1]**	18.6	13.3	8.3	6.6	5.6	**6.7**	**11.2**	**3.2**
Number of employee fatalities	**–**	–	–	–	–	–	**–**	**–**	**–**
Number of contractor fatalities	**–**	–	1[2]	–	1	–	**–**	**–**	**–**
Number of third party fatalities involving members of the public	**1[1]**	2	–	–	1	1	**–**	**1**	**–**
Lost Time Injuries (LTIs)	**17[1]**	13	5	7	5	3	**4**	**12**	**1**
Lost Time Injuries Frequency Rate (LTIF)[3]	**0.81[1]**	0.70	0.38	0.85	0.76	0.54	**0.60**	**1.11**	**0.69**
OGP LTIF	**n/a[7]**	0.48	0.43	0.42	0.46	0.55	**n/a[7]**	**n/a[7]**	**n/a[7]**
Total Recordable Injuries (TRI)	**67[1]**	42	36	28	20	28	**14**	**44**	**8**
Total Recordable Injuries Frequency Rate (TRIF)[4]	**3.18[1]**	2.26	2.71	3.38	3.04	5.01	**2.08**	**4.06**	**5.54**
OGP TRIF	**n/a[7]**	1.74	1.76	1.68	1.79	2.11	**n/a[7]**	**n/a[7]**	**n/a[7]**
High Potential Incidents (HiPos)	**39[1]**	44	12	11	10	24	**6**	**32**	**1**
High Potential Incident Frequency Rate (HiPoF)[5]	**1.85**	2.37	0.90	1.33	1.52	0.90	**0.89**	**2.95**	**0.69**
Malaria frequency rate	**0.01**	0.06	0.34				**n/a**	**n/a**	**n/a**
Kilometres driven ('000,000)	**12.7**	12.2	8.2	5	4.2	3.3	**3.1**	**9.1**	**0.5**
Vehicle Accident Frequency Rate (VAFR)[6]	**0.71[1]**	1.31	1.46	0.59	1.76	4.91	**–**	**0.99**	**–**

1. Indicates data reviewed by Deloitte as part of their assurance work. See page 73 for the independent assurance report.
2. This was a work related fatality as a result of contracting malaria. Malaria cases are defined as illness incidents.
3. The number of LTIs per million hours worked.
4. The number of TRIs per million hours worked.
5. The number of HiPos per million hours worked.
6. The number of vehicle accidents per million kilometres driven.
7. Final OGP figures for 2013 are released in July 2014.

ENVIRONMENT

							2013		
	2013	2012	2011	2010	2009	2008	**West & North Africa**	**South & East Africa**	**Europe, South America & Asia**
Atmospherics									
Total air emissions (tonnes of CO_2e)	**782,803.11[1&2]**	579,834.45	1,376,590	294,732	87,047	197,603	**677,459.12**	**52,952.70**	**45,377.69**
Total air emissions by production (tonnes of CO_2e per thousand tonnes hydrocarbon produced)	**112.69**	160.03	260.93	197.6	90	89	**115.21**	**n/a**	**42.55**
CO_2 emissions (tonnes)	**615,346**	464,844	1,223,983	265,437	86,543	193,109	**541,231**	**51,791**	**22,324**
CH_4 emissions (tonnes)	**6,966.47**	4,980.76	7,267	1,395	24	214	**5,889.41**	**2.92**	**1,074.14**
N_2O emissions (tonnes)	**45.64**	33.76					**40.49**	**3.55**	**1.60**
CO_2 emissions (tonnes) per thousand tonnes of HC produced	**89**	85	232	178	89	88	**92**	**n/a**	**21**
CH_4 emissions (tonnes) per thousand tonnes of HC produced	**1.00**	0.91	1.38	0.93	0.02[2]	0.10	**1.00**	**n/a**	**1.01**
N_2O emissions (tonnes) per thousand tonnes of HC produced	**0.01**	0.01					**0.01**	**n/a**	**–**
Flaring									
Total hydrocarbon flared (tonnes)	**80,695[1]**	30,246	911,665	88,719	168,685	5,308	**79,925**	**n/a**	**770**
Total Hydrocarbon flared by production (tonnes per thousand tonnes hydrocarbon produced)	**11.62[1]**	5.53	172.81	59.36	174.16	167.61	**13.59**	**n/a**	**0.72**

	2013	2012	2011	2010	2009	2008	2013 West & North Africa	2013 South & East Africa	2013 Europe, South America & Asia
Water Usage									
Fresh water (m³)	**35,900[1]**	42,342	3,562				**–**	**35,900**	**–**
Metered water (m³)	**13,013**						**13,013**	**–**	**–**
Seawater (m³)	**7,295,571[1]**	11,430,092	10,304,157				**7,295,571**	**–**	**–**
Ground water (m³)	**180,337[1]**	143,569	100,521				**–**	**146,068**	**34,269**
Other water (m³)	**31,740[1]**	58,291					**29,365**	**1,104**	**1,271**
Total water usage (m³) – all operational sites	**7,556,562[1]**	11,674,294	10,408,240	107,423	71,683	62,380	**7,337,949**	**183,072**	**35,540**
Recycled water (m³)	**21,567[1]**						**–**	**21,567**	**–**
Total water from sustainable sources (m³)	**21,567[1]**						**–**	**21,567**	**–**
Waste									
Total Waste disposed (Tonnes)	**34,157[1]**	54,692	32,707				**9,282**	**19,869**	**5,005**
Waste Recycled / Re-used / Treated (%)	**83.38**	72.15	84.29				**80.88**	**98.27**	**28.89**
Waste Recycled / Re-used / Treated (Tonnes)	**28,480**	39,460	27,569				**7,507**	**19,526**	**1,446**
Hazardous waste disposed (Tonnes)	**29,572[1]**						**6,877**	**18,927**	**3,767**
Hazardous waste Recycled / Re-used / Treated (%)	**87[1]**						**99.7**	**99.84**	**6.18**
Non-hazardous waste disposed (Tonnes)	**4,585[1]**						**2,405**	**942**	**1,238**
Non-hazardous waste Recycled / Re-used / Treated (%)	**51.75[1]**						**27%**	**67%**	**98%**
Uncontrolled releases									
Number of Oil & Chemical spills	**10[1]**	5	14	4	5	6	**2**	**8**	**–**
Volume of Oil & Chemical spills (tonnes)	**23.29[1]**	38.86	311	4.59	0.94	trace	**3.68**	**19.61**	**–**
Energy Use									
Total operations indirect and direct energy use (GJ)	**5,757,479[1]**						**4,802,261**	**693,102**	**262,116**
Total indirect and direct energy use (GJ)	**5,798,539[1]**	5,685,961					**4,807,492**	**705,291**	**285,756**
Total indirect and direct energy use by production (GJ) per thousand tonnes hydrocarbon produced)	**829[1]**	1,040					**817**	**–**	**246**
Fines and Sanctions	**0[1&3]**	0					**–**	**–**	**–**

1. Indicates data reviewed by Deloitte as part of their assurance work. See page 73 for the independent assurance report.
2. Total emissions now includes scope 2, as well as scope 1 data. Tullow began reporting scope 2 data for the first time in 2013.
3. While no fines were received for environmental non-compliance during the reporting period, in 2013, Tullow Ghana paid a $180,000 levy approved by the Environmental Protection Agency (EPA) for exceeding the 3% Oil on Cuttings (OoC) limit for its drilling programme as part of the Jubilee project. Ghana's waste disposal infrastructure is relatively under-developed and as part of Production Agreement, the Ghanaian Government has made a provision for companies exceeding OoC limits through a surcharge, until they have adequate onshore waste solutions.

OUR PEOPLE

	2013	2012	2011	2010	2013 West & North Africa[1]	2013 South & East Africa[1]	2013 Europe, South America & Asia[1]	2013 Corporate
Number of employees	**1,553[2]**	1,415	1,207	935	**449**	**398**	**103**	**603**
Number of contractors	**481[2]**	363	341	297	**194**	**157**	**18**	**112**
Number of expatriates in the workforce	**446[2]**	347	329	247	**204**	**205**	**9**	**28**
Number of people on local contract terms[3]	**1,588[2]**	1,431	1,219	985	**439**	**350**	**112**	**687**
Total workforce	**2,034[2]**	1,778	1,548	1,232	**643**	**555**	**121**	**715**
Number of females in the workforce	**582[2]**	511	412	307	**138**	**137**	**35**	**272**
Number of female managers	**85[2]**	73	46	24	**21**	**20**	**8**	**36**
Number of managers	**433[2]**	379	273		**126**	**107**	**36**	**164**
Number of female senior managers	**6**				**–**	**1**	**1**	**4**
Number of senior managers	**49**				**7**	**8**	**5**	**29**
Number of female board members	**2**							**2**
Number of board members	**12**							**12**

SOCIAL PERFORMANCE

	2013	2012	2011	2010	2009	2008
Discretionary social investment ($000s)	**17,402[2]**	19,914	11,569	2,578	2,054	1,846

LOCAL CONTENT

	2013[4]	2012	2011	2013 West & North Africa	2013 South & East Africa	2013 Europe, South America & Asia
Local supplier expenditure	**217.0**	145.4	146.6	**135.0**	**81.9**	**–**

1. The data is broken down by the region the employee/contractor is working on, not necessarily located in. For example, someone allocated to the West & North African region may be located in London.
2. Indicates data reviewed by Deloitte as part of their assurance work. See page 73 for the independent assurance report.
3. The terms and conditions of employment for an employee or contractor who is resident of a particular country, is in line with country-specific regulations and obligations.
4. Due to refinements in our Local Content reporting a direct year-on-year comparison is not possible.

TRANSPARENCY

Part of our commitment to creating shared prosperity is to ensure that there is transparent disclosure of payments to governments in the countries in which we operate. In 2012, we acted ahead of regulatory developments and published our tax and other payments to governments and other major stakeholders in our annual CR Report. The revised EU Accounting Directive will require all companies in the extractive sector to disclose tax payments to governments at a project or company level as appropriate, by 2015. EU member states are in the process of developing legislation in response and the UK is expected to have this in place in 2014.

This year, we have aligned our disclosure with the EU Directive through three key changes: reporting our tax disclosure on a cash basis; disclosing payments where they have arisen; and disclosing category level payments on production entitlements, income taxes and royalties, among others.

For a fuller understanding of the payments we make to the governments of our host countries, we have provided voluntary disclosure on VAT, withholding tax, PAYE and other taxes. See page 35 of this report for our total economic contribution to all stakeholders. Detailed disclosure on our 2013 and 2012 tax payments can be found on pages 78 to 81.

The European transparency directive information disclosed on pages 78 to 81 has been prepared in accordance with the EU Directive. Payments are disclosed based on where the obligation for the payment arose such that where a payment arose at a project level it has been disclosed at a project level and where payment arose at a corporate level it has been disclosed on that basis. However, where a payment or a series of related payments do not exceed €100,000 they are disclosed at a corporate level, in accordance with the Directive.

All of the payments disclosed in accordance with the Directive have been made to National Governments, either directly or through a Ministry or Department of the National Government with the exception of the below payments.

1. Ghana payments in respect to production entitlements and licence fees are paid to the Ghana National Petroleum Company.

2. Bangladesh payments in respect to production entitlements and licence fees are paid to the Bangladesh National Oil Company.

Production entitlements in barrels includes non-cash royalties and state participating interest paid in barrels of oil or gas out of Tullow's working interest share of production in a licence. The figures disclosed are produced on an entitlement basis rather than a liftings basis. It does not include the Government's or NOC's working interest share of production in a licence.

All payments other than production entitlements are disclosed on a cash basis; this differs from the transparency disclosure included in the 2012 Corporate Social Responsibility Report whereby payments were disclosed on an accounting basis.

Oil payments in kind have been multiplied by the 2013 average realised oil price $105.7/bbl. Gas payments in kind in USD have been multiplied by the Bangora 2013 average gas realised price $2.3/mmcf.

The voluntary disclosure has been prepared on a corporate level. Income taxes do not include fines and penalties.

Summary table

	Production entitlements		European transparency directive disclosure		Voluntary disclosure		Total (including production entitlements)	
	2013 bbl (000s)[1]	2012 bbl (000s)	**2013 USD (000s)[1]**	2012 USD (000s)	**2013 USD (000s)**	2012 USD (000s)	**2013 USD (000s)**	2012 USD (000s)
West and North Africa	**3,263**	2,325	**379,444**	125,974	**110,288**	89,497	**834,631**	466,477
South and East Africa	**–**	–	**5,313**	142,826	**41,376**	43,093	**46,689**	185,919
Total Africa	**3,263**	2,325	**384,757**	268,800	**151,664**	132,590	**881,320**	652,396
Europe, South America and Asia	**505**	601	**(65,209)**	(38,804)	**47,311**	74,190	**(10,927)**	43,685
Total Group	**3,768**	2,926	**319,548**	229,996	**198,975**	206,780	**870,393**	696,081

1. Includes data reviewed by Deloitte as part of their assurance work. See page 73 for the independent assurance report.

	European transparency directive disclosure[1]							
Licence / Corporate level	Production entitlements bbl (000s)	Production entitlements USD (000s)	Income taxes USD (000s)	Royalties (cash only) USD (000s)	Dividends USD (000s)	Bonus payments USD (000s)	Licence fees USD (000s)	Infrastructure improvement payments USD (000s)
M'Boundi	294	–	–	–	–	–	–	–
Total Congo	294	–	–	–	–	–	–	–
CI-26 Espoir	282	11,379	–	–	–	–	–	–
Corporate	–	–	–	–	–	–	–	367
Total Côte d'Ivoire	282	11,379	–	–	–	–	–	367
Ceiba	202	–	–	–	–	–	–	–
Okume Complex	508	–	–	–	–	–	–	–
Corporate	–	–	139,039	–	–	–	–	–
Total Equatorial Guinea	710	–	139,039	–	–	–	–	–
Echira	–	–	–	2,153	–	–	–	–
Etame	152	–	–	–	–	–	–	–
Limande	–	–	–	8,960	–	–	–	–
Niungo	–	–	–	5,967	–	–	–	–
Tchatamba	533	–	–	12,618	–	–	–	–
Turnix	–	–		1,366	–	–	–	–
Corporate – Tullow Oil Gabon SA	–	–	62,050	–	–	–	63	–
Oba	–	–	–	2,406	–	–	–	–
Obangue	21	–	–	–	–	–	–	–
Onal	314	–	–	5,446	–	–	–	–
Tsiengui	76	–	–	–	–	–	–	–
Corporate – Tulipe Oil SA	–	–	8,994	–	–	–	–	–
Total Gabon	1,096	–	71,044	38,916	–	–	63	–
Jubilee	812	–	–	–	–	–	–	5,268
Company level	–	–	106,909	–	–	–	64	688
Total Ghana	812	–	106,909	–	–	–	64	5,956
Company level	–	–	–	–	–	–	–	–
Total Guinea	–	–	–	–	–	–	–	–
Block 1	–	–	–	–	–	2,000	–	–
Block C-3	–	–	–	–	–	1,600	–	–
Block C-6	–	–	–	–	–	1,760	–	–
PSC B (Chinguetti EEA)	69	–	–	–	–	–	258	–
Corporate	–	–	–	–	–	–	89	–
Total Mauritania	69	–	–	–	–	5,360	347	–
South Omo	–	–	–	–	–	–	176	–
Corporate	–	–	–	–	–	–	–	107
Total Ethiopia	–	–	–	–	–	–	176	107
Corporate	–	–	–	–	–	–	212	–
Total Kenya	–	–	–	–	–	–	212	–
Corporate	–	–	–	–	–	–	–	–
Total Madagascar	–	–	–	–	–	–	–	–
Corporate	–	–	1	–	–	–	–	–
Total Mozambique	–	–	1	–	–	–	–	–
Production Licence 003	–	–	–	–	–	–	667	–
Company level	–	–	–	–	–	–	–	–
Total Namibia	–	–	–	–	–	–	667	–
Corporate	–	–	1	–	–	–	–	–
Total South Africa	–	–	1	–	–	–	–	–
Corporate	–	–	4,138	–	–	–	11	–
Total Uganda	–	–	4,138	–	–	–	11	–
Block 9	505	–	–	–	–	–	–	–
Total Bangladesh	505	–	–	–	–	–	–	–
Corporate	–	–	–	–	–	–	–	–
Total Ireland	–	–	–	–	–	–	–	–
Corporate	–	–	557	–	–	–	625	–
Total Netherlands	–	–	557	–	–	–	625	–
Corporate	–	–	(105,689)	–	–	–	75	–
Total Norway	–	–	(105,689)	–	–	–	75	–
Corporate	–	–	93	2	–	–	25	14
Total Pakistan	–	–	93	2	–	–	25	14
Corporate	–	–	–	–	–	–	–	–
Total Suriname	–	–	–	–	–	–	–	–
Ketch	–	–	–	–	–	–	718	–
Schooner	–	–	–	–	–	–	867	–
Corporate	–	–	25,698	–	–	–	700	11,106
Total UK	–	–	25,698	–	–	–	2,285	11,106
Corporate	–	–	–	–	–	–	–	–
Total Uruguay	–	–	–	–	–	–	–	–
TOTAL	**3,768**	**11,379**	**241,791**	**38,918**	**–**	**5,360**	**4,550**	**17,550**

1. Includes data reviewed by Deloitte as part of their assurance work. See page 73 for the independent assurance report.

Voluntary disclosure

VAT USD (000s)	Withholding tax USD (000s)	PAYE & national insurance USD (000s)	Carried interests USD (000s)	Customs duties USD (000s)	Training allowances USD (000s)	TOTAL USD (000s)	TOTAL bbl (000s)
–	–	–	–	–	–	–	294
–	–	–	–	–	–	–	294
–	–	–	–	–	–	11,379	282
–	105	2,408	–	–	–	2,880	–
–	105	2,408	–	–	–	14,259	282
–	–	–	–	–	–	–	202
–	–	–	–	–	–	–	508
–	–	–	–	–	–	139,039	–
–	–	–	–	–	–	139,039	710
–	–	–	–	–	–	2,153	–
–	–	–	–	–	–	–	152
–	–	–	–	–	–	8,960	–
–	–	–	–	–	–	5,967	–
–	–	–	–	–	–	12,618	533
–	–	–	–	–	–	1,366	–
(144)	703	831	–	–	50	63,553	–
–	–	–	–	–	–	2,406	–
–	–	–	–	–	–	–	21
–	–	–	–	–	–	5,446	314
–	–	–	–	–	–	–	76
(5)	4	17	–	–	–	9,010	–
(149)	707	848	–	–	50	111,479	1,096
–	–	–	–	–	–	5,268	812
2,326	61,017	14,734	18,572	4,688	250	209,248	–
2,326	61,017	14,734	18,572	4,688	250	214,516	812
–	–	8	–	–	–	8	–
–	–	8	–	–	–	8	–
–	–	–	–	–	–	2,000	–
–	–	–	–	–	–	1,600	–
–	–	–	–	–	–	1,760	–
–	–	–	–	–	–	258	69
–	2,662	–	–	–	2,062	4,813	–
–	2,662	–	–	–	2,062	10,431	69
–	–	–	–	–	–	176	–
–	232	126	–	–	150	615	–
–	232	126	–	–	150	791	–
1,159	8,919	10,882	–	272	248	21,692	–
1,159	8,919	10,882	–	272	248	21,692	–
291	–	5	–	–	–	296	–
291	–	5	–	–	–	296	–
–	–	–	–	–	–	1	–
–	–	–	–	–	–	1	–
–	–	–	–	–	–	667	–
–	9	197	–	–	–	206	–
–	9	197	–	–	–	873	–
(1)	–	6	–	–	–	6	–
(1)	–	6	–	–	–	6	–
4,870	1,861	12,100	–	–	50	23,030	–
4,870	1,861	12,100	–	–	50	23,030	–
–	–	–	–	–	45	45	505
–	–	–	–	–	45	45	505
(2,774)	–	7,415	–	–	–	4,641	–
(2,774)	–	7,415	–	–	–	4,641	–
4,150	–	663	–	–	–	5,995	–
4,150	–	663		–	–	5,995	–
(4,373)	7,116	2,378	–	–	–	(100,493)	–
(4,373)	7,116	2,378	–	–	–	(100,493)	–
1	181	1	–	–	7	324	–
1	181	1	–	–	7	324	–
–	–	411	–	–	19	430	–
–	–	411	–	–	19	430	–
–	–	–	–	–	–	718	–
–	–	–	–	–	–	867	–
10,147	–	21,820	–	–	–	69,471	–
10,147	–	21,820	–	–	–	71,056	–
–	–	–	–	–	104	104	–
–	–	–	–	–	104	104	–
15,647	**82,809**	**74,002**	**18,572**	**4,960**	**2,985**	**518,523**	**3,768**
					Payments in kind in USD		351,870
						TOTAL	**870,393**

TRANSPARENCY DISCLOSURE 2012 (UNAUDITED)

	European transparency directive disclosure						
Licence / Corporate level	Production entitlements bbl (000s)	Income taxes USD (000s)	Royalties (cash only) USD (000s)	Dividends USD (000s)	Bonus payments USD (000s)	Licence fees USD (000s)	Infrastructure improvement payments USD (000s)
M'Boundi	289	–	–	–	–	–	–
Congo	289	–	–	–	–	–	–
CI-103	–	–	–	–	–	–	293
CI-105	–	–	–	–	–	–	759
CI-26 Espoir	296	–	–	–	–	–	–
Corporate	–	–	–	–	–	–	200
Côte d'Ivoire	296	–	–	–	–	–	1,252
Ceiba	179	–	–	–	–	–	–
Okume Complex	824	–	–	–	–	–	–
Corporate	–	4	–	–	–	–	–
Equatorial Guinea	1,003	4	–	–	–	–	–
Echira	–	–	3,006	–	–	–	–
Limande	–	–	6,215	–	–	–	–
Niungo	–	–	8,199	–	–	–	–
Omko	39	–	4,327	–	–	–	–
Tchatamba	17	–	1,851	–	–	–	–
Corporate – Tullow Oil Gabon SA	–	59,916	–	–	–	51	–
Oba	–	–	2,933	–	–	–	–
Onal	148	–	16,492	–	–	–	–
Corporate – Tulipe Oil SA	–	8,177	–	–	–	–	–
Gabon	204	68,093	43,023	–	–	51	–
Jubilee	464	–	–	–	–	–	3,824
Company level	–	–	–	–	–	64	4,276
Ghana	464	–	–	–	–	64	8,100
Block 1	–	–	–	–	180	–	–
Block 7	–	–	–	–	1,808	–	–
Block C-6	–	–	–	–	2,000	–	–
Block C-18	–	–	–	–	1,000	–	–
PSC B (Chinguetti EEA)	69	–	–	–	–	242	–
Company level	–	–	–	–	–	157	–
Mauritania	69	–	–	–	4,988	399	–
South Omo	–	–	–	–	–	–	246
Corporate	–	–	–	–	–	118	–
Ethiopia	–	–	–	–	–	118	246
Block 12B	–	–	–	–	300	–	–
Company level	–	–	–	–	–	326	–
Kenya	–	–	–	–	300	326	–
Corporate	–	–	–	–	–	–	–
Madagascar	–	–	–	–	–	–	–
Corporate	–	–	–	–	–	–	–
Namibia	–	–	–	–	–	–	–
Corporate	–	1	–	–	–	–	–
South Africa	–	1	–	–	–	–	–
Corporate	–	141,824	–	–	–	11	–
Uganda	–	141,824	–	–	–	11	–
Block 9	601	–	–	–	–	541	–
Bangladesh	601	–	–	–	–	541	–
Corporate	–	–	–	–	–	–	–
Ireland	–	–	–	–	–	–	–
Corporate	–	(423)	–	–	–	641	–
Netherlands	–	(423)	–	–	–	641	–
Corporate	–	(93,608)	–	–	–	152	–
Norway	–	(93,608)	–	–	–	152	–
Corporate	–	100	30	–	–	20	14
Pakistan	–	100	30	–	–	20	14
Murdoch	–	11,863	–	–	–	–	–
Ketch	–	–	–	–	–	459	–
Schooner	–	–	–	–	–	595	–
Corporate	–	26,259	–	–	–	348	14,205
UK	–	38,122	–	–	–	1,402	14,205
TOTAL	**2,926**	**154,113**	**43,053**	**–**	**5,288**	**3,725**	**23,817**

5

		Voluntary disclosure					
VAT USD (000s)	Withholding tax USD (000s)	PAYE & national insurance USD (000s)	Carried interests USD (000s)	Customs duties USD (000s)	Training allowances USD (000s)	TOTAL USD (000s)	TOTAL bbl (000s)
–	–	–	–	–	–	–	289
–	–	–	–	–	–	–	289
–	–	–	–	–	–	293	–
–	–	–	–	–	–	759	–
–	–	–	–	–	–	–	296
–	–	60	4,030	–	–	4,290	–
–	–	60	4,030	–	–	5,342	296
–	–	–	–	–	–	–	179
–	–	–	–	–	–	–	824
–	–	–	–	–	–	4	–
–	–	–	–	–	–	4	1,003
–	–	–	–	–	–	3,006	–
–	–	–	–	–	–	6,215	–
–	–	–	–	–	–	8,199	–
–	–	–	–	–	–	4,327	39
–	–	–	–	–	–	1,851	17
(58)	24	676	–	–	50	60,659	–
–	–	–	–	–	–	2,933	–
–	–	–	–	–	–	16,492	148
(3)	8	18	–	–	–	8,200	–
(61)	32	694	–	–	50	111,882	204
–	–	–	–	–	–	3,824	464
1,554	37,675	14,762	26,944	3,417	250	88,942	–
1,554	37,675	14,762	26,944	3,417	250	92,766	464
–	–	–	–	–	–	180	–
–	–	–	–	–	–	1,808	–
–	–	–	–	–	–	2,000	–
–	–	–	–	–	–	1,000	–
–	–	–	–	–	–	242	69
–	8	–	–	–	82	247	–
–	8	–	–	–	82	5,477	69
–	–	–	–	–	–	246	–
–	98	99	–	–	150	465	–
–	98	99	–	–	150	711	–
–	–	–	–	–	–	300	–
–	5,336	3,527	–	201	619	10,009	–
–	5,336	3,527	–	201	619	10,309	–
–	–	5	–	–	–	5	–
–	–	5	–	–	–	5	–
(4)	–	205	–	–	–	201	–
(4)	–	205	–	–	–	201	–
(1)	–	7	–	–	–	7	–
(1)	–	7	–	–	–	7	–
16,428	3,445	12,811	–	117	50	174,686	–
16,428	3,445	12,811	–	117	50	174,686	–
–	–	–	–	–	–	541	601
–	–	–	–	–	–	541	601
(1,377)	–	7,090	–	–	–	5,713	–
(1,377)	–	7,090	–	–	–	5,713	–
2,585	–	474	–	–	–	3,277	–
2,585	–	474	–	–	–	3,277	–
1,736	5,424	1,865	–	–	–	(84,431)	–
1,736	5,424	1,865	–	–	–	(84,431)	–
19	31	242	–	–	7	463	–
19	31	242	–	–	7	463	–
–	–	–	–	–	–	11,863	–
–	–	–	–	–	–	459	–
–	–	–	–	–	–	595	–
44,772	–	11,322	–	–	–	96,906	–
44,772	–	11,322	–	–	–	109,823	–
65,651	**52,049**	**53,163**	**30,974**	**3,735**	**1,208**	**436,776**	**2,926**
						Payments in kind in USD	259,305
						TOTAL	**696,081**

GLOSSARY

ABC	Anti-Bribery and Corruption programme
boe	Barrels of oil equivalent
boepd	Barrels of oil equivalent per day
BU	Business Unit
CH4	Methane
CLO	Community Liaison Officer
CO2	Carbon Dioxide
CO_2e	CO_2 equivalent
CR	Corporate Responsibility
CSP	Creating Shared Prosperity
D&O	Development and Operations
DD&A	Depreciation, Depletion and Amortisation
DoA	Delegation of Authority
DSBP	Deferred Share Bonus Plan
E&A	Exploration & Appraisal
EHS	Environment, Health & Safety
EITI	Extractive Industries Transparency Initiative
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
FPSO	Floating Production Storage and Offloading vessel
FSEO	Field Stakeholder Engagement Officer
GDP	Gross Domestic Product
GHG	Greenhouse Gases
GIS	Geographic Information System
GRI	Global Reporting Initiative
HiPo	High Potential Incident
HiPoF	HiPo Frequency measured in HiPos per million hours worked
HR	Human Resources
IIA	Invest in Africa
IADC	International Association of Drilling Contractors
IFC	International Finance Corporation
IPIECA	International Petroleum Industry Environmental Conservation Association
ISO	International Organization for Standardization
km	Kilometres
KPI	Key Performance Indicator
LC	Local Content
LT	Land Transport
LTI	Lost Time Injury
LTIF	LTI Frequency measured in LTIs per million hours worked
m3	Cubic metres
MAFR	Malaria case Frequency Rate
mmboe	Million barrels of oil equivalent
MVC	Motor Vehicle Collisions
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
OPG	International Association of Oil and Gas Producers (The)
PAYE	Pay as you earn
P90	Proven reserves that have a 90% certainty of being produced
PDD	Plan of Development
Q&A	Questions & Answers
SCM	Supply chain management
SMB	Synthetic based muds
Safecall	Independent company operating Tullow's confidential reporting line
SI	Social Investment
SP	Social Performance
SME	Small-to-medium sized enterprises
Sq km	Square kilometres
SRI	Socially Responsible Investment/Investors
SSEA	Safety, Sustainability and External Affairs
TEN	Tweneboa – Enyenra – Ntomme
TGSS	Tullow Group Scholarship Scheme
TRI	Total Recordable Injuries
TRIF	TRI Frequency measured in TRIs per million hours worked
VAT	Value Added Tax
VAFR	Vehicle Accident Frequency Rate
VPSHR	Voluntary Principles for security and human rights

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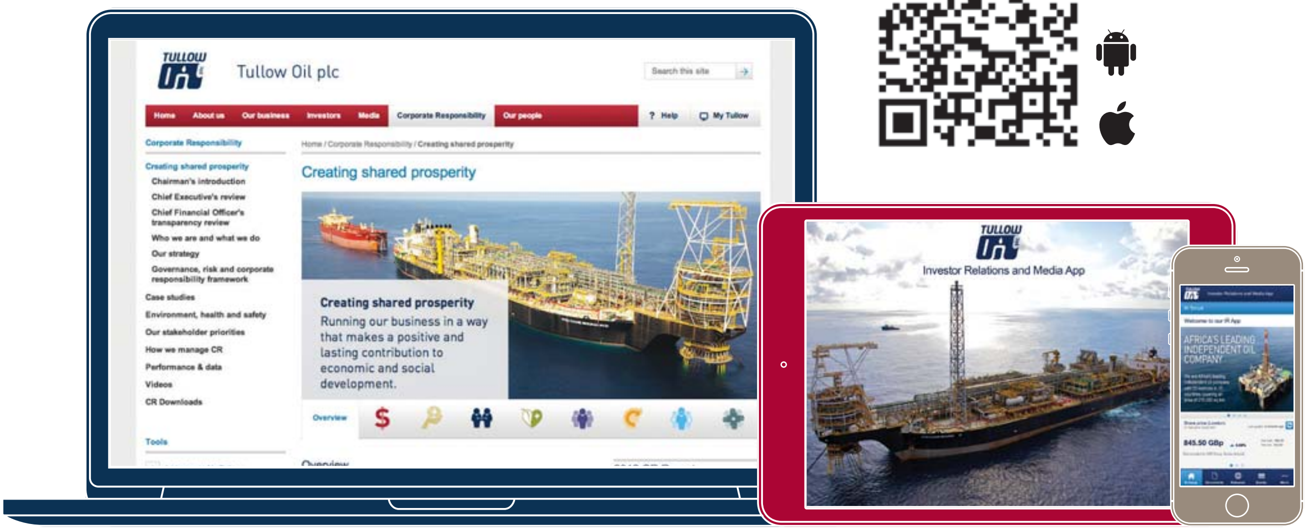

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