

50 1971 - 2021
YEARS OF
PROGRESS

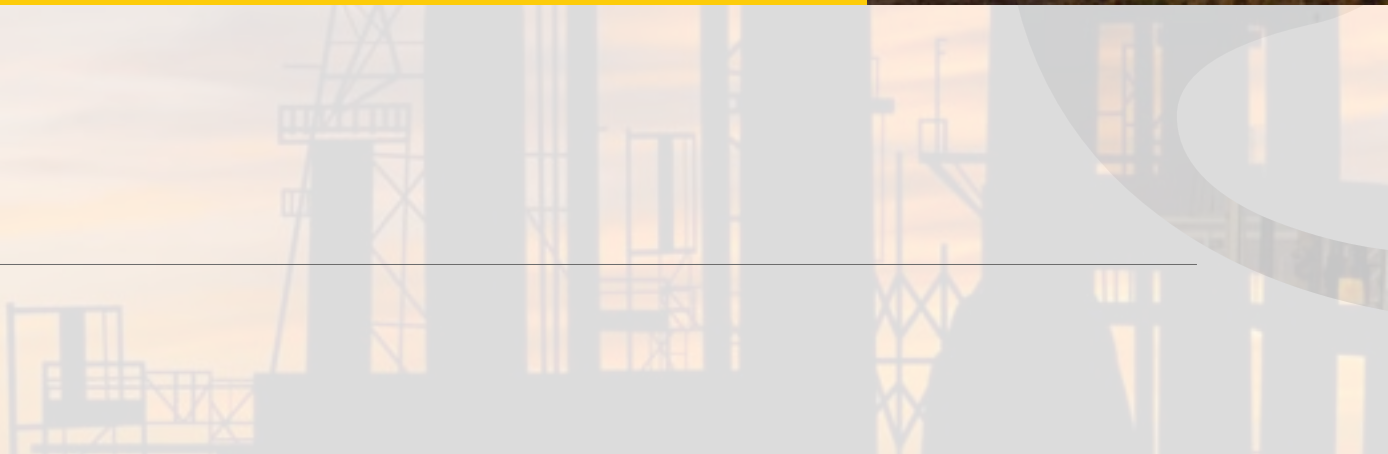


A LEGACY OF PROGRESS



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About This Report

Crescent Petroleum is pleased to present its sixth Sustainability Report, covering a period from 1 January 2021 through 31 December 2021.



This report outlines how our business strategy and related activities align with our commitment to create lasting, positive social, economic, and environmental impact in the communities where we live and work. Throughout this report, we disclose information about the sustainability commitments, policies, and programs that we believe are important to our business and our stakeholders.

We hold ourselves to a high standard of transparency and accountability in reporting. This report was developed by a cross-functional team of subject matter experts throughout our company. Specific sections of the report have also been externally assured by Ernst & Young (EY) and prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core Option. This report also outlines our commitment to the 17 Sustainable Development Goals (SDGs) of the United Nations (UN) 2030 Agenda

for Sustainable Development, with disclosures of relevant SDGs for each of our priority areas. In addition, Crescent Petroleum aims to align its reporting and disclosures with the Stakeholder Capitalism Metrics issued by the International Business Council (IBC) of the World Economic Forum (WEF) in September 2020 in a phased manner (Please refer to Appendix C to see Crescent Petroleum's alignment with WEF's Stakeholder Capitalism Metrics so far).

The reporting boundary for this report includes all Crescent Petroleum operations in the United Arab Emirates (UAE) and the Kurdistan Region of Iraq (KRI), but excludes the performance of affiliate companies, unless explicitly stated. The data set presented in this report spans 2019 to 2021 and in most cases is based on actual performance data from 1 January 2020 to 31 December 2021, unless explicitly stated otherwise. Measures for greenhouse gas (GHG) emissions,

for example, amount to our best estimates based on the combination of associated quantitative measures and accepted industry methodologies. Other data derived from accepted assumptions, standard guidelines, or industry accepted methodologies is also mentioned specifically.

All currency figures are in US dollars, and all quantitative disclosures are in metric units, unless otherwise specified.

This report also outlines Crescent Petroleum's long-term plans and includes several forward-looking statements. All forward-looking statements are management's projections at the time of publication, and not necessarily a guaranteed outcome.

We welcome your feedback and suggestions regarding this report and our entire sustainability journey at cpsustainability@crescent.ae.

CEO Message

Enabling a Sustainable Future

“

We are pleased to present our 2021 Sustainability Report, which outlines the progress made across our core sustainability goals throughout the year, while also setting a roadmap for our sustainability journey for the years to come.

”



Majid Jafar
Chief Executive Officer

50th anniversary



We proudly celebrate Crescent Petroleum's 50th anniversary and express our gratitude to all those who helped us reach this point.

Carbon neutrality



We have reduced our carbon intensity to 6.3 kgCO₂e/BOE, well below industry averages, and took the proactive step of offsetting our emissions to become one of the first oil and gas companies in the industry to achieve and announce carbon neutrality across our operations.

In the following pages, we outline the steps taken to align our business strategy with our commitment to creating enduring social, economic, and environmental impacts in the region. In the past six years, since we began our sustainability reporting journey, we have progressed, learned and made constant improvements. This has also helped us build resilience within our business, as well as enabled us to continue growing despite the impact of the COVID-19 pandemic.

This year's sustainability report, titled "Legacy of Progress", coincides with Crescent Petroleum's 50th anniversary. The milestone offers an occasion to reflect on our progress and accomplishments over the past five decades. Additionally, it provides an opportunity to look ahead to reinforce our commitment to build social sustainability and empower the communities where we operate.

In 1971, the idea of sustainability was hardly a discussion among academics, and natural gas was considered a waste product. We sought to unlock the tremendous resources in the region by creating common value and have leveraged our understanding of

the Middle East to help build lasting prosperity. Over the years, we have shifted our focus towards clean burning natural gas to supply cleaner electricity generation in the Kurdistan Region of Iraq (KRI), while reducing our carbon intensity each year.

Natural gas now accounts for close to 80% of Crescent Petroleum's total production. It facilitates affordable electricity for millions of people, while allowing the region to avoid more than 42 million tonnes of CO₂ emissions to date by displacing liquid fuels with natural gas. The carbon savings have amounted to the equivalent of removing 1 million cars off the road for two years and an associated cost savings of more than US\$27 billion to the KRI Government to date.

Crescent Petroleum has also reduced gas flaring by nearly 28%, to just 0.31% of production with plans to further reduce it towards zero. The culmination of these efforts came in 2021 as we reduced our carbon intensity to 6.3 kgCO₂e/BOE, which compares favourably to 2018-2019 Regional and Global intensity values of 8.1 kgCO₂e/BOE and 17.6 kgCO₂e/BOE respectively. We then took

the proactive step of offsetting our emissions for both 2021 and for our forecasted emissions for 2022, thus becoming one of the first oil and gas companies in the industry to achieve and announce carbon neutrality across our operations. This milestone highlighted the success of our efforts to be a responsible operator. We also acknowledge that carbon reduction is a key aspect as natural gas progresses to be a critical part of the energy mix by replacing coal and liquid fuels, particularly in the developing world.

As we proudly celebrate Crescent Petroleum's 50th anniversary and express our gratitude to all those who helped us reach this point, we also continue to reinforce our sustainability efforts to ensure a brighter future. At our core, we believe that enabling our people and communities to tackle some of the Middle East's major challenges is not just good business, but critical to our long-term success. We strive to fortify that spirit in everything we do, and in turn, instil resilience amongst our teams and operations to make a positive impact on the world around us.

Crescent Petroleum's Roots

Our Mission

To creatively unlock the benefits of energy resources and have transformative impact on the communities we serve.

Our Values



Ethics

We maintain integrity in all our business dealings, remaining honest, professional, and fair, even in the most difficult situations.



Enterprise

We pride ourselves on our creativity, agility, initiative, and can-do attitude. We are guided by resourcefulness, not red tape.



Responsibility

We are accountable for our actions and follow through on our commitments. We admit to our mistakes and make sure we learn from them.



Safety Conscious

We adhere to strict safety standards. We anticipate and work to prevent risks before they materialise. We do not knowingly undertake actions that may endanger another person or adversely affect their health or well-being.



Courage

Our boundless ambition makes us passionate about undertaking new and daring projects. When out to the test, whether individually or as a team, we find solutions not excuses.



Care

We treat employees as family and are courteous and respectful towards one another. We embrace our social responsibility, committed to making the world a better place.



Crescent Petroleum's Roots continued

Celebrating 50 Years of Progress

Since our inception in 1971, we have grown to be the first and largest private upstream exploration and production company in the Middle East. Our headquarters are in Sharjah, UAE, and we have offices in the United Kingdom and Iraq.

Our corporate journey is inextricably linked to our offshore discoveries in the Mubarek field in 1971, a landmark project that catapulted both Crescent Petroleum and Sharjah into the international oil and gas scene.

Oil production in Sharjah commenced in 1974, following our discoveries. Since then, we have witnessed the tremendous growth of this emirate, and are proud to have played a meaningful role in its development.

Crescent Petroleum set a world record at the time by bringing the Mubarek Field in full production within 13 months of its discovery, at a rate of over 60,000 barrels per day.

In 1993, gas sales were established with Dubai through a purpose-built 92 kilometer offshore gas transmission pipeline with 150 MMscfd capacity, built and operated by Crescent Petroleum.

From its early days, Crescent Petroleum looked to extend the geographical reach of its operations beyond the UAE. Our first international venture began in 1973, when we were granted exploration rights for Block 1, an offshore area in present day Montenegro (then part of Yugoslavia).

This was quickly followed in 1981 by concessions for a 232 square kilometers block in the San George basin of Argentina. During the 1980s and 1990s we secured additional concessions in Canada, France, Tunisia, Egypt, Pakistan and Yemen. Our diverse international operations and partnerships throughout this period provided us with invaluable experience and solidified our core competencies.



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Crescent Petroleum's Roots continued

About the Kurdistan Gas Project

In 2007, Crescent Petroleum, together with Dana Gas, entered into an agreement with the Kurdistan Regional Government (KRG), which provided title and exclusive rights to appraise, develop, produce, market, and sell petroleum, including natural gas, domestically and for export. In October 2008, a record 15 months from the start of construction, gas began flowing through newly built pipelines from Khor Mor to power plants in Chemchemal and Erbil. In 2009, the Pearl Petroleum consortium was formed, with Dana Gas and Crescent Petroleum as major shareholders and joint operators. OMV Group, MOL Group, and RWE Group later joined the consortium, each with a 10% share.

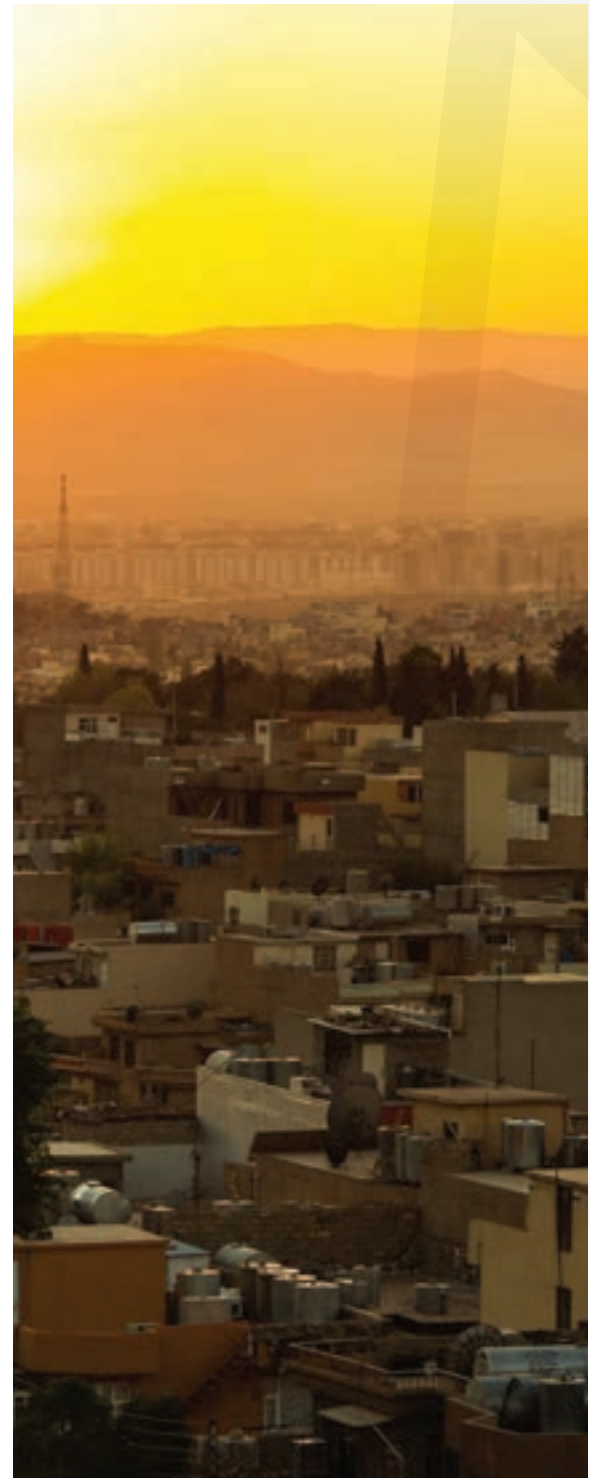
In the ensuing decade, the project has delivered uninterrupted, affordable energy at scale to the KRI, making a considerable impact on the region's economy, society, and environment. Capital investment in the project's infrastructure and day-to-day operations has sustained significant economic activity in the KRI. Ultimately, the project's most significant economic contribution, by far, is the gas provided to fuel the KRI's electricity grid.

In 2018, Crescent Petroleum and Dana Gas celebrated the tenth anniversary of production operations and in 2019 signed a 20-year Gas Sales Agreement with the KRG to enable production and sales of an additional 250 MMSCF/day to boost local electricity generation, significantly expanding current production ("KM250 project").

Current gas production is approximately 110,000 barrels of oil equivalent (BoE) per day, comprising gas, condensate, and liquefied petroleum gas (LPG). At the end of 2021, gas comprised approximately 80% of total production from the Khor Mor plant. Total production since inception in 2007 to the end of 2021 is approximately 360 million Barrels of Oil equivalent, with total capital investment amounting to \$2.3 billion during the 14-year period.

In January 2020, a major oil and gas services provider was appointed to lead the engineering, procurement, and construction (EPC) of the first two new gas processing trains at the plant, which together will more than double production capacity, with further plans for a third train to be added within several years. Major works on the project were halted during the COVID-19 pandemic, and resumed in April 2021.

In June and July 2022, five small rockets landed within the Khor Mor block, resulting in indirect minor injuries of two workers on site. There was no damage to facilities and production operations continued as normal. However, construction works on the KM250 site were temporarily suspended as security improvements were being put in place. Pearl Petroleum together with the KRG, is taking active steps to enhance the security of its personnel and facilities, and to enable resumption of EPC activities.



80%



At the end of 2021, gas comprised of approximately 80% of total production from the Khor Mor plant.

Long-term Development Plans

In 2018, Crescent Petroleum secured three concessions within federal Iraq for the development of gas fields in Diyala province as well as the Khidhr Al Mai exploration block in southern Iraq. This expansion would give Crescent Petroleum the largest exploration area of any international oil company operating in Iraq.

The new concessions, which are awaiting final signature and ratification by the federal government, will create thousands of new jobs for Iraqis, both directly and indirectly through our contractors and partners, while helping reduce the country's reliance on imported gas and its related costs for the wider economy. The potential for low-cost, reliable gas serving power plants in federal Iraq would deliver tremendous socioeconomic benefits to the country and help improve electricity services for decades to come.



Highlights from Our 6-Year Sustainability Journey

We began our formal sustainability journey in 2015 and published the first sustainability report in 2016. The journey has since progressed with each year, embracing industry best practices in our daily operations and strategy, while protecting the environment and positively impacting the economy and the communities where we operate.

A few of the highlights from our past sustainability reports include:

2015 Energizing Growth	2016 Responsive and Resilient	2017 Partnering for Prosperity
<ul style="list-style-type: none"> • Launched Crescent Petroleum’s inaugural sustainability report aligned with GRI G4 reporting guidelines. • Assessed and adjusted the security matrix implemented in 2014, as part of a campaign to strengthen safety and security protocols at our operations in the KRI. • Launched the Centre for Economic Growth in 2014 as an Abu Dhabi-based collaboration with Insead, one of the world’s top-ranked business schools, and various private sector companies in the Middle East, to foster private-public sector dialogue with regional thought leaders on youth unemployment, employable skills, and driving economic growth with timely, independent data and economic research on the region. 	<ul style="list-style-type: none"> • Published second annual sustainability report, which identified the four key priority areas of our sustainability framework for the coming years. • Increased focus on local procurement and spending, with over half (54%) of our procurement budget targeting local companies and organizations. • Conducted a supplier engagement survey to help evaluate and improve supply chain performance. • Launched an interactive online system to support employee performance evaluations and career development. • Developed several policies regarding inclusion, equal opportunities, and a healthy working environment. • Formalized “Second Step” reporting system as an essential risk management tool to promote and maintain our culture of safety. 	<ul style="list-style-type: none"> • Launched third sustainability report, in line with GRI Standards. • Developed an Asset Integrity Management System to identify Safety Critical Elements. • Partnered with AMAR International Charitable Foundation, a United Kingdom-based charity that provides professional healthcare, education and training to conflict-affected communities in the Middle East. Our support helped fund the operations of a primary healthcare centre and vocational training institute in Khanke, at the outskirts of Dohuk in the KRI, impacting more than 18,000 internally displaced people (IDPs). • Supported the Relay for Life, the first 24-hour cancer fundraiser in the region led by the Friends of Cancer Patients. • Partnered with Chatham House to support research and thought leadership related to the regional energy landscape and policies promoting the efficient use of natural gas.





2018 | Energy with Impact

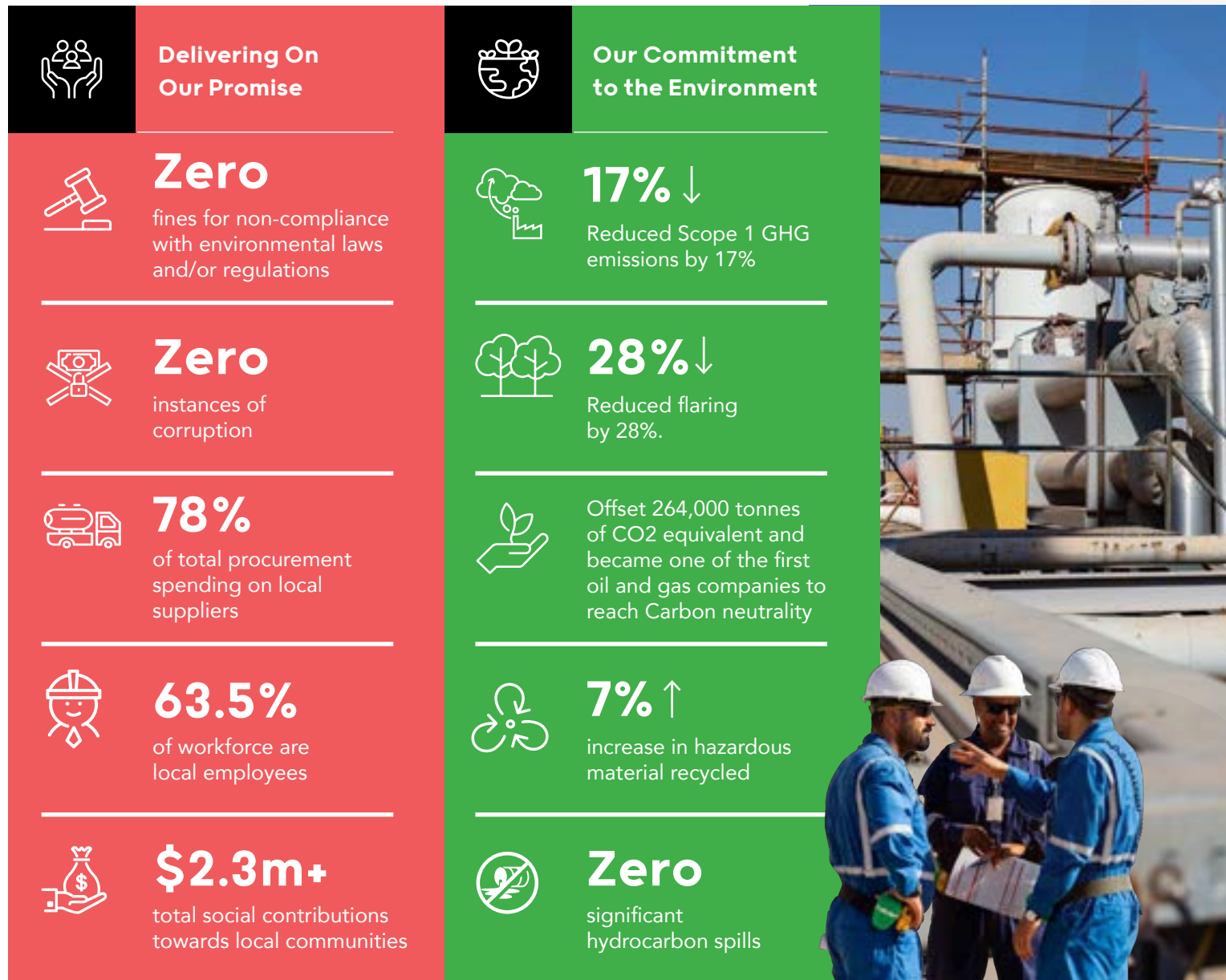
- Published fourth sustainability report, reinforcing Crescent Petroleum’s sustainability journey with assurance by EY per ISAE 3000 Standard.
- Enlisted PwC to lead a detailed impact assessment to evaluate socioeconomic and environmental benefits generated in the KRI. Key findings from the assessment included: between 2008 and 2017, our operations saved the KRI approximately \$19.2 billion by replacing diesel with natural gas for power generation, enabling the KRG to avoid 29 million tonnes of CO2 emissions, and the capital we invested had an employment effect of 20,000 jobs (4,000 of which were direct employment).
- Completed multiple studies to assess potential water conservation and reuse opportunities in the KRI.
- Launched the Community Action Program to support the KRI’s development per the UN SDGs.

2019 – 2020 | Empowering Resilience

- Launched fifth sustainability report, reinforcing alignment of our sustainability efforts to UN SDGs.
- Sponsored 2019 Special Olympics World Summer Games in Abu Dhabi.
- Partnered with Edraak, the Arab world’s leading platform for Massive Open Online Courses (MOOCs), to develop a series of free online career readiness classes to help bridge the gap between the skills acquired during school and those required for job readiness.
- Committed to WEF Stakeholder Capitalism Metrics.
- Supported KRG’s COVID-19 mitigation efforts, including donations of equipment and supplies to hospitals and medical institutions.
- Launched The Career Readiness Specialization, which aims to equip young people entering the work force across the Middle East with the language, computer and communication skills required in the modern workplace.
- Sponsored Chatham House to support the Iraq Initiative, a fieldwork-based policy initiative that aims to support institution-building and policy development in Iraq to encourage stronger governance and policy and empower economic growth and development.

2021-22 Performance Highlights by Pillar

Enabling a Sustainable Future





Ensuring Our Teams' Health and Safety



Zero
employee and contractor fatalities



Zero
major road accidents



100%
closeout of safety observations



0.23
Lost time injury frequency (LTIF)



104%↑
increase in HSE training hours



Empowering Our Teams



28%↑
increase in total employee training hours



100%
of employees received an annual performance review



Zero
grievances reported by our employees



Establishment of an employee welfare committee



39
nationalities represented across our workforce

Sustainability at Crescent Petroleum

Engaging our Stakeholders

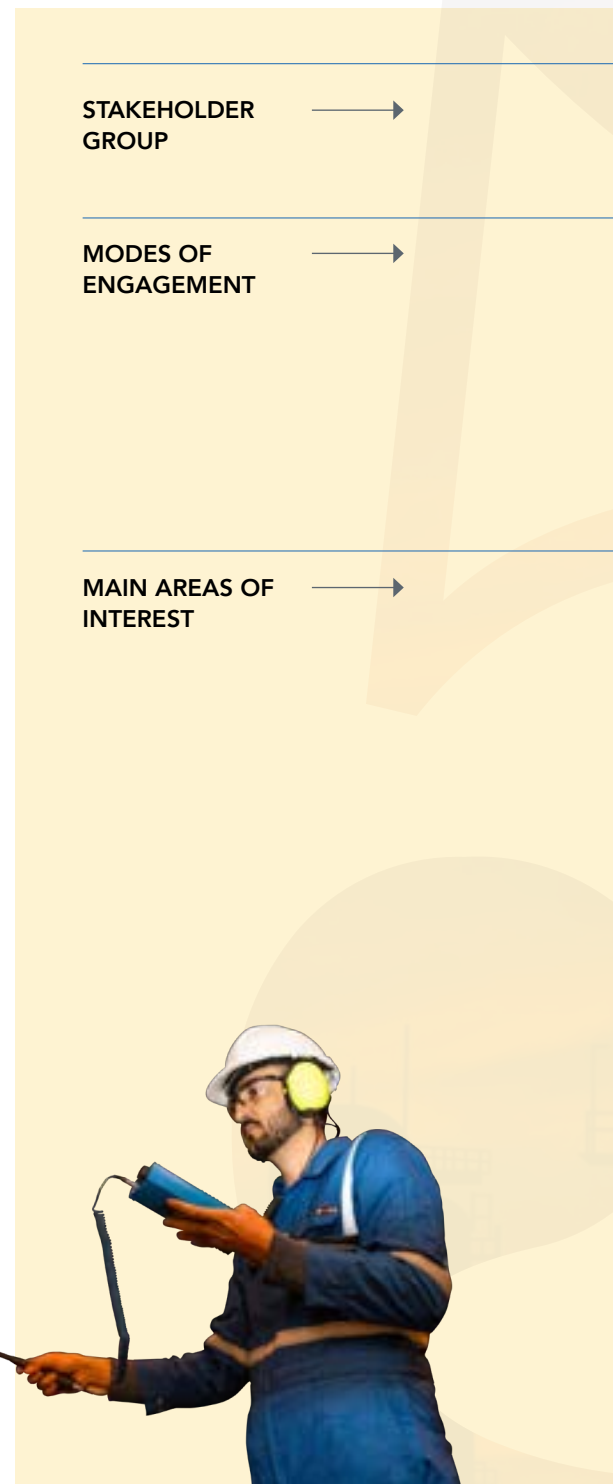
Our stakeholders are our key partners, whom we regard as central to our growth and success. The universe of stakeholders ranges from the communities where we operate to our employees, as well as government and regulatory agencies, thought leaders, academics, and non-governmental organizations (NGOs). We lead focused programmes to engage each stakeholder group on their terms, to build productive relationships to ensure a clear understanding of each group's challenges, and to enable solutions to burgeoning issues.

Stakeholder engagement is focused on the following key objectives:



Stakeholder feedback is critical to building and maintaining collaborative relationships and to embracing opportunities to foster social sustainability and maximise the impact of all our initiatives. Our goal is to maintain and strengthen relationships by understanding local needs, listening to stakeholder priorities, and identifying opportunities to collaborate.

As part of our materiality assessment and report preparation process, we identified our primary stakeholder groups and directly engaged external stakeholders to understand their primary topics of interest. We regularly interact with them using a variety of mechanisms ranging from virtual meetings and community events to opinion surveys and face to face meetings. Each engagement approach is targeted to the unique needs of each stakeholder group.



STAKEHOLDER GROUP →

MODES OF ENGAGEMENT →

MAIN AREAS OF INTEREST →

Communities and NGOs

- Direct engagement at facility
- Dedicated corporate social responsibility (CSR) team
- CSR initiatives and project
- CSR visits to camps

Industry partners

- Industry meetings
- Presentations

Government

- Structured meetings with ministries
- Structured engagements through audits
- Participation in forums

Employees

- Employee surveys
- Team-building events
- Capacity building and training
- Grievance redress mechanisms
- Internal newsletter

Suppliers and contractors

- Contract agreements
- Direct interactions
- Supplier feedback survey

- Community development
- Economic development
- Employment opportunities
- Education
- Healthcare

- Investment and collaboration opportunities
- Best practices and shared experiences
- International, regional, and local developments

- Economic development
- Job creation
- Government payments
- Compliance with regulations
- Nationalisation
- Ethical conduct

- Health and safety
- Career development and opportunities
- Human rights
- Working culture and management practices
- Diversity and equality
- Nationalisation





- Procurement governance
- Economic performance
- Business opportunities
- Health, safety, security, and environmental performance
- Compliance with regulations
- Timely payments and relationship stability



Sustainability at Crescent Petroleum continued

Materiality Matrix

We have conducted a detailed materiality assessment to help us verify focus areas, reveal opportunity areas, and prioritize sustainability topics that matter most to our company and our stakeholders. Understanding the most critical sustainability challenges, risks, opportunities and impacts is central to our sustainability strategy. The materiality assessment process is aimed to align with the GRI stakeholder inclusiveness and materiality priorities and includes the following steps:

Identify Issues	Categorize and Prioritize Issues	Check and Confirm Issues	Disclose the Process and Outcomes
<p>Consult with internal business units to review the topics that impact their individual functions. Other sources used to identify issues include external stakeholder engagements, peer benchmarking, sustainability rating agencies, and key sustainability standards.</p>	<p>We categorize the issues identified and assess their respective relevance or impact on the business and our stakeholders.</p>	<p>Prior to finalizing the assessment, we review the list of issues and their ranking with senior management and a select group of external stakeholders.</p>	<p>In the interest of transparency, we outline our materiality assessment approach and outcomes in this report.</p>
			



The below diagram outlines Crescent Petroleum’s material sustainability issues for 2021 according to their impact on our stakeholders and our business:



Environmental

1. Greenhouse gas emissions
2. Transition to lower carbon energy market
3. Energy use, energy efficiency
4. Water management
5. Waste management
6. Effluent management
7. Biodiversity

Social

1. Security practices
2. Engagement with local communities, social performance initiatives
3. Localisation and job creation
4. Diversity and human rights
5. Occupational safety
6. Training and capacity building of employees and local contractors

Governance

1. Process safety, asset integrity, and emergency preparedness
2. Anti-corruption, bribery
3. Compliance with regulations
4. Information security
5. Achieving financial targets, market presence
6. Customer satisfaction, marketing
7. Risk management
8. Research and development, and innovation
9. Internal engagement
10. Procurement practices

Sustainability at Crescent Petroleum continued

Sustainability Framework

We have incorporated sustainability considerations into all our strategic planning, long-term objectives, and day-to-day operations. The resulting sustainability framework reflects the outcomes of the stakeholder engagement and materiality process. The material sustainability issues that we identified fall under one of our four main sustainability pillars: delivering on our promise; our commitment to the environment; ensuring our teams' health and safety; and empowering our teams.

Delivering on Our Promise	Our Commitment to the Environment	Ensuring Our Team's Health and Safety	Empowering Our Teams
<ul style="list-style-type: none"> • Engagement with local communities, social performance initiatives • Anti-Corruption, bribery • Information security • Achieving financial targets, market presence • Compliance with regulations • Risk management • Customer satisfaction, marketing • Localisation and job creation • Procurement practices 	<ul style="list-style-type: none"> • Greenhouse gas emissions • Transition to lower carbon energy market • Energy use, energy efficiency • Water management • Waste management • Biodiversity • Effluent management • Research and development, and innovation 	<ul style="list-style-type: none"> • Security practices • Process safety, asset integrity and emergency preparedness • Occupational safety 	<ul style="list-style-type: none"> • Training and capacity building of employees and local contractors • Diversity and human rights • Internal engagement





Commitment to WEF Stakeholder Capitalism Metrics

In 2020, Crescent Petroleum became an early supporter of the World Economic Forum Stakeholder Capitalism Metrics initiative, which was launched at the WEF 2020 Annual Meeting in Davos. We joined 120 of the world's largest companies to support efforts to develop a core set of common metrics and disclosures on non-financial factors for their investors and other stakeholders.

These core and expanded set of Stakeholder Capitalism Metrics and disclosures are intended to align companies' mainstream reporting of environmental, social, and governance (ESG) indicators and to help track their contributions towards the SDGs on a consistent basis. The metrics are deliberately based on existing standards, to accelerate convergence of indicators among the leading private standard-setters and to effect greater comparability and consistency in ESG reporting and disclosure.

The project, developed within the International Business Council (IBC), a community of over 120 global CEOs, seeks to improve how companies measure and demonstrate their sustainability efforts, towards building a more sustainable relationship with our planet. In Appendix C of this report, we have referenced Crescent Petroleum's alignment with WEF's Stakeholder Capitalism Metrics.

Pillar I



Delivering on Our Promise

We believe that good corporate governance creates a business environment conducive to sustained economic growth, promotes the long-term interests of our stakeholders, and helps build trust in our company. As responsible stewards, we are committed to positively affecting the communities where we live and operate. We also encourage our employees to be agents of change and seek to partner with organizations in our communities and support them in meaningful ways.

Material Topics

- Information security
- Anti-Corruption, bribery
- Compliance with regulations
- Risk management
- Achieving financial targets, market presence
- Customer Satisfaction, marketing
- Localisation and job creation
- Procurement practices
- Engagement with local communities, social performance initiatives





Delivering on Our Promise continued

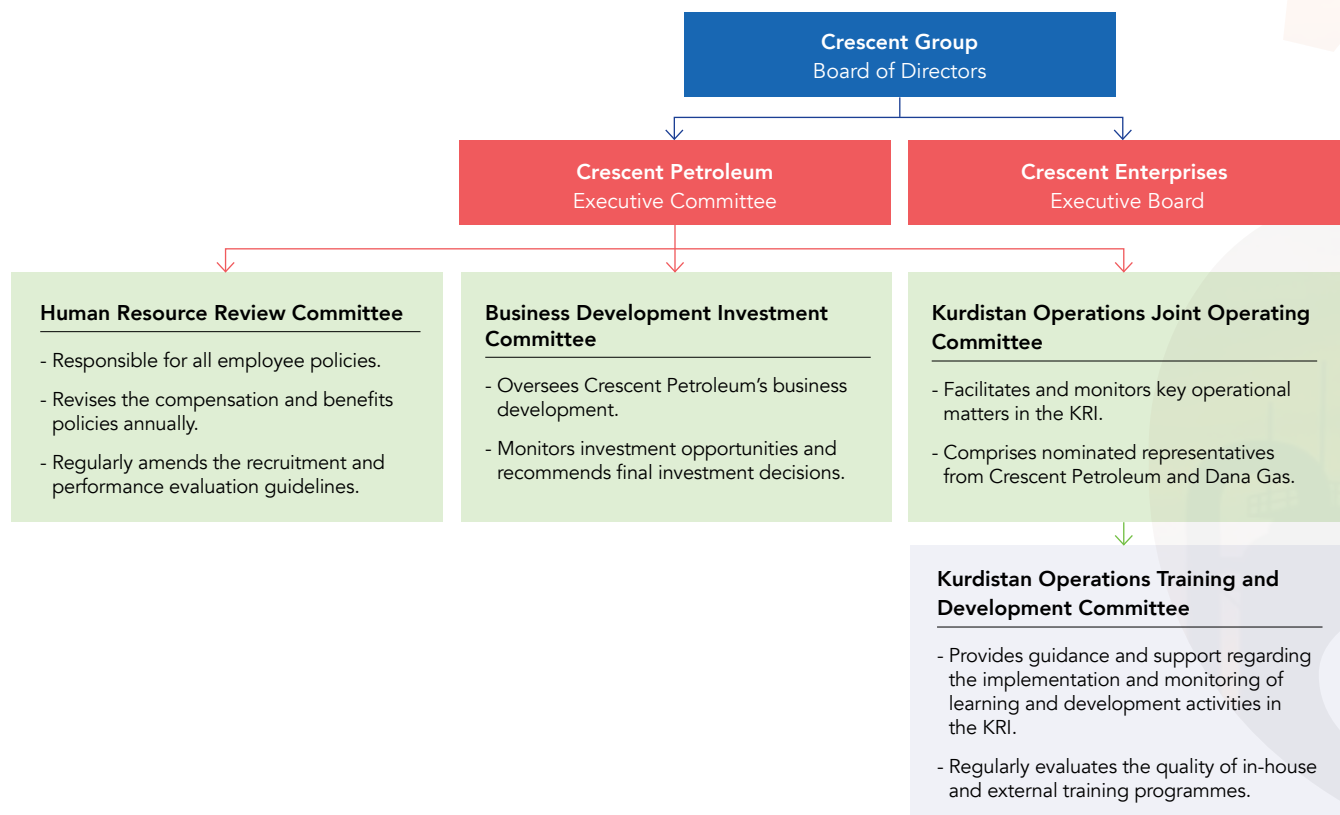
Embracing Good Governance

We seek to operate our business responsibly, ethically, and in a manner aligned with the interests of our stakeholders. Our commitment to the highest standards of professional and personal conduct is embedded within our culture and is manifested in our daily interactions with stakeholders.

Crescent Group Board of Directors

Our Board of Directors, along with our Executive Committee, also monitor all operational, commercial, technological, and compliance related risks across our business and projects. The Board meets every quarter to review the company's strategy and evaluate business, financial performance, and operational risks.

Board of Directors	2019	2020	2021
Total number of board members	6	6	6
Total number of executive members	4	4	4
Total number of non-executive members	2	2	2
Total board seats occupied by men	5	5	5
Total board seats occupied by women	1	1	1





Hamid Jafar

- Board Chair of Crescent Group

Industry leadership

- Oil and gas
- Commercial
- Logistics
- Private equity

Education background

- St. Paul's School in London
- Bachelor's in Engineering, Cambridge University
- Master's in Engineering, Cambridge University



Majid Jafar

- Vice-Chair of Crescent Group
- CEO of Crescent Petroleum

Industry leadership

- Oil & gas

Education background

- Bachelor's in Engineering, Cambridge University
- MA in International Studies and Diplomacy, London School of Oriental and African Studies
- MBA, Harvard Business School



Badr Jafar

- CEO of Crescent Enterprises
- President of Crescent Petroleum

Industry leadership

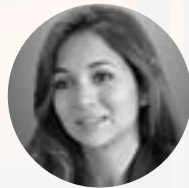
- Oil and gas
- Logistics

Education background

- Master's in Engineering, University of Cambridge
- MST, University of Cambridge Judge Business School

Board Biographies

Our Board of Directors currently consists of six accomplished directors with a wealth of regional and international experience, as outlined below. To see the full biographies for each Board member, visit: www.crescentpetroleum.com/management/



Razan Jafar

- Director of Crescent Group

Industry leadership

- Solicitor
- Research

Education background

- Bachelor's, Cambridge University
- MA in Law, Cambridge University



Neeraj Agrawal

- Board member of Crescent Group
- CFO of Crescent Petroleum
- Executive Director of Crescent Enterprises

Industry leadership

- Consulting
- Audit
- Accounting

Education background

- Bachelor of Commerce, University of Delhi
- Member of the Institute of Chartered Accountants, India



Ravi Kumar

- Board member of Crescent Group
- Chief Corporate Officer of Crescent Petroleum
- Executive Director of Crescent Enterprises

Industry leadership

- Accounting
- Consulting
- Audit

Education background

- Bachelor of Commerce, University of Delhi
- Member of the Institute of Chartered Accountants, India.
- Member of the Chartered Institute of Management Accountants, UK
- Member of the Institute of Cost Accountants, India

Delivering on Our Promise continued

Board Committees

Crescent Petroleum has five standing committees with a variety of responsibilities, as outlined below.

Executive Committee

The Executive Committee (ExCom) oversees the implementation of policies at Crescent Petroleum. The Committee is responsible for strategic oversight, decision making, reviewing the strategic plan and mission, developing guidelines for management of capital, and for setting company policy.

An Operational Scorecard is used by the ExCom to set and actively monitor ESG-related targets and key performance indicators (KPIs) for Crescent Petroleum. Each year, the ExCom reviews these KPIs and revises them based on actual performance and Crescent Petroleum's strategic direction.

In early 2021, Crescent Petroleum, under the direction of the ExCom, commissioned EY and IHS Markit (IHSM) to conduct a performance benchmarking study of Pearl Petroleum's operations at the Khor Mor facility in KRI. The objective of the report is to provide a comprehensive, fact-based narrative to describe the operational performance of the Khor Mor asset and associated activities between 2016 and 2020 in comparison to our peers and to relevant industry benchmarks, and in the context of corporate strategic objectives. The ExCom used the results of the study to improve Pearl Petroleum's performance and guide its actions moving forward.

Human Resource Review Committee

The Human Resources Review Committee is responsible for developing and maintaining all employee policies at Crescent Petroleum. They review and revise the compensation and benefits policies annually and regularly amend the recruitment and performance evaluation guidelines.

Business Development & Investment Committee

The Business Development Investment Committee oversees Crescent Petroleum's business development decisions, monitors investment opportunities, and recommends final investment decisions.

Kurdistan Operations Joint Operating Committee

The Kurdistan Operations Joint Operating Committee facilitates and monitors key operational matters in the KRI. The committee is comprised of nominated representatives from Crescent Petroleum and Dana Gas.

Kurdistan Operations Training and Development Committee

The Kurdistan Operations Training and Development Committee provides guidance and support regarding the implementation and monitoring of learning and development activities in the KRI. They regularly evaluate the quality of in-house and external training programs.



2.2 m



Company-wide, we recorded over 2.2 million incoming emails in 2021.

Digital Security

Technology is an integral part of our daily operations. As a result, it is critical that our IT applications and systems function properly, and that all company data is secured. Securing our corporate data from abuse, breaches, or theft is a core priority for the IT department.

Our key digital security initiatives include:

Data Privacy

A pilot of an information rights management solution will be broadened to implement a full data classification and information rights management solution aligned with the processes and systems of the new UAE Data Protection Act.

Security Awareness

We have reinforced our data protection measures by adopting state of the art cybersecurity and network integrity solutions and continue building awareness of security among our employees. We have also implemented the KnowBe4 training platform, which offers programs designed to enable users and employees to understand the role they play in helping to combat information security breaches.

In various training sessions, employees learn proper cyber hygiene, the security risks associated with their actions, and how to identify cyberattacks. We distributed more than 20 training videos throughout 2021, which included quizzes to test information retention. Among the topics covered in 2021 included:

- Phishing
- Social media
- Ransomware
- Cloud applications
- Device security
- Malicious websites
- Physical security
- Baiting
- Creating strong passwords
- Cybersecurity
- Overview of cyberattacks

In 2021, we conducted an internal phishing simulation campaign, which included the distribution of realistic phishing simulations to our employees to raise awareness about the dangers of phishing. We aim to improve our performance in this area in the coming years. Company-wide, we recorded over 2.2 million incoming emails in 2021. Of those, approximately 45% were legitimate, and 55% were detected and blocked by our spam filters.

Cybersecurity Monitoring

To help monitor our digital security, we have a 24/7 Security Operations Centre (SOC) and a Security Orchestration, Automation, and Response (SOAR) platform in place, along with a comprehensive incident response policy and related procedures. In addition, we conduct regular security and vulnerability assessments, including red-team assessments, and take remedial measures to fix identified gaps.

We also have an Endpoint Detection and Response (EDR) solution on all servers to spot threat activities more clearly and protect against various attacks. EDR is integrated within our security monitoring services to provide Managed Detection and Response (MDR). We have further enhanced our security by implementing Multifactor Authentication, restricting access to IT resources via a Privileged Access Management solution, and enabled an enhanced digital security monitoring service, which includes dark web monitoring.

Delivering on Our Promise continued

Anti-Corruption and Anti-Bribery

Corruption in all its forms impacts both individuals and corporations and is a large obstacle for sustainable development. Crescent Petroleum takes compliance and corporate governance extremely seriously and has a zero-tolerance policy towards all forms of corruption and money laundering. As joint operator with Dana Gas of Pearl Petroleum's assets, Crescent led the way in drafting and implementing 'anti-bribery and corruption' and 'anti-money laundering' policies ("ABC/AML") for Pearl, which hold every employee operating for Pearl to the highest ethical standards.

That is particularly important in Iraq, which ranks 157th out of 180 countries in terms of corruption levels according to Transparency International's corruption perceptions index (2021).

The best defence to any breach of ABC and AML is to have solid policies in place and to ensure employees understand and implement these policies and ensure good record keeping habits.

Crescent Petroleum has also engaged third party supplier training materials to deliver training to all relevant employees on this issue. Employees

will be able to undergo video-based training from the convenience of any device, at their own pace, and over as many sittings as they would like. An easy to access system, hosted by a third party, allows employees to confidentially report any breaches of policy they witness without fear of repercussion. In addition, employees can access online gift and hospitality record keeping, automated reminders to carry out annual training, digital copies of the policies, online background checks for corporate counterparties, and all accessible from a newly launched, bespoke intranet page. A dedicated compliance team provides oversight and support on implementing best practices.

Gifts, entertainment, and hospitality are acceptable only if they are reasonable, justifiable, and made in good faith. Each employee at Crescent Petroleum is responsible for declaring or reporting any gifts, entertainment, and/or hospitality received to his or her line manager or the Human Resources Department. In addition, employees are not permitted, without the consent of a member of the Executive Committee, to undertake additional paid or unpaid employment, part time or full time.

Compliance with Regulations & Risk Management

We prioritise compliance with all relevant regulations, and carefully manage compliance-related risks associated with our business.

In 2021, we incurred no fines for non-compliance with environmental laws and/or regulations and we had no instances of corruption. During 2023 we will focus on enhancing our systems and processes for HSSE compliance-related matters, including establishing a HSSE legal register, developing a process for monitoring Iraq and Kurdistan legal developments, and establishing a documented means for storing and retrieving legislative developments with clear references to the legal register.

In 2022, we aim to establish a Crescent Petroleum HSSE and Operational Risk Management Standard, including defined roles, and to implement a risk platform that effectively identifies, communicates and provides a structured mechanism to mitigate potential risks.

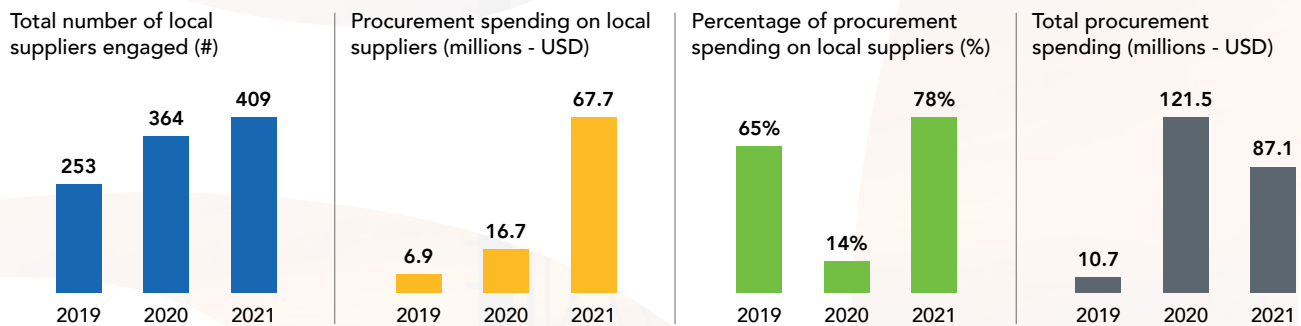


Creating Local Value

Local Procurement

We seek to prioritize local suppliers to help generate economic opportunity in the communities where we operate. Our Management Team recognizes and embraces the responsibility to deliver shared prosperity from all our projects, with the creation of a stable workforce and enabling a local supply chain. Despite a challenging year in 2020, in which local spending decreased overall, we significantly boosted local procurement across all indicators in 2021, as shown below.

Key Performance Indicators (KPIs)



Crescent Petroleum requires all contractors and their employees, whether local or international, to participate in a social performance briefing as a prerequisite for commencing work. In addition, we include requirements related to business ethics and anti-corruption, among other things, in all procurement contracts. We are also in the process of formulating procurement related performance indicators for 2022.

Our procurement policy covers a variety of topics, including:

- Compliance with local and international laws
- QHSSE Policy & Social Performance Standards
- Sustainability
- Delegation of Authority
- Code of Ethics and Code of Conduct
- Protection of Confidential Information
- Continuous Improvement
- Procurement and Contracting Strategies
- Supplier Code of Conduct

In the more than 13 years since production operations commenced in the Kurdistan of Iraq in 2008, Pearl Petroleum has invested significant resources into the local community, and into developing a local workforce and supply chain. When coupled with high staff retention and repeated utilization of local contractors, our efforts have increased the capacity of local talent, cultivated a high-performing operational team, increased business continuity, and nurtured a culture of safety.

The KRG's Ministry of Natural Resources (MNR) has explicit requirements regarding local contracting, which is regulated through an MNR portal in which all contractors and procurement orders must be registered and reported. To find qualified local contractors, Pearl Petroleum utilizes the MNR's list of approved vendors and narrows the search based on the specific skillsets required for each project.

Pearl Petroleum then evaluates the suppliers based on their technical, commercial, and local content requirements. Any supplier not on the MNR pre-approved vendor list must be evaluated and approved by the MNR before they can work with us.

The MNR also has specific requirements for procurement of goods and services from Community Centered Contractors (3Cs), which are defined as companies in proximity to the asset and are eligible to receive a maximum of \$250,000 per year in business. By the end of 2021, Pearl Petroleum had contracted nearly 30 3Cs, with an estimated local spend forecasted at \$3-\$4 million per year in the next few years, compared to \$1 million per year in the past.

Case Study



Maximizing KM250 Benefits for Local Communities

Local hiring is a core priority and we actively seek talent and operators from within our communities. Major construction projects like the gas expansion works currently underway at the Khor Mor gas plant present both challenges and opportunities in this regard. To manage the challenges, we are actively working with contractors and sub-contractors to ensure they bring in local workers and equipment whenever possible, to ensure we include the local community in the benefits of the project and create common value.

Several months prior to the commencement of KM250 activities, Crescent Petroleum identified the potential challenges and opportunities, particularly related to local employment. Together with the MNR, local authorities, and major contractors, Crescent Petroleum held extensive information sessions and discussions regarding the key requirements, which mandated all unqualified job vacancies to be filled with local talent. Preference would be given to local workers if their qualifications matched the job requirements. The requirement to maximize local hiring and supply chain opportunities was communicated to each contractor and sub-contractor involved in the project.

Crescent Petroleum has leveraged the inhouse developed specialised 'Know Your Community' software to reliably track KM250-related community information, including recording details of local personnel capability and local equipment availability. In 2021, 705 people from within the local community were employed by the KM250 project and its contractors, cumulatively earning US\$960,254. In addition, 292 items of equipment (trucks, bulldozers, excavators, buses, etc) were acquired for the KM250 project from local businesses, amounting to a total US\$3.9 million investment.

Local Content

We believe in the long-term benefits of hiring local employees. As part of that commitment, we emphasise hiring and training local staff whenever possible.

In our UAE-based operations, we aim for 10% of Crescent Petroleum's employees to be Emiratis by the end of 2026 in keeping with UAE Labour Law, up from nearly 4% today.

In the KRI, Crescent is the third largest employer for all nationalities, and the third highest local employer, with an 83% localization rate, according to the KRI's MNR workforce report from December 2020, compared to a regional average of 77%. We have consistently maintained high localization rates and had the highest non-expatriate employment rate in the region between 2016 and 2020. Where possible, we prioritise local content and willingly invest in training and development of local talent. This has allowed us to reach 100% local employment among junior staff, while at more senior levels, our nationalization exceeds the regional average.

We achieve such high levels of localization thanks in part to the Training and Development Department, which stewards training that is customized for each role and includes one-on-one on-the-job coaching with line managers, workshops, and soft skills training. This is enabled by qualified and experienced expatriate trainers to support training programs in Khor Mor.

“

Crescent Petroleum offered me an opportunity to explore the energy industry along with an experience to build up my skills and knowledge. The company's ongoing support is what I appreciate the most; it is more than a work place to me as it gave me a chance to meet amazing people that I can learn from.”

Mariam Omar Almazmi
Junior Petroleum Engineer, UAE



Key Performance Indicator (KPI)	Units	2019	2020	2021
Nationalisation				
Nationals among total full-time workforce	#	456	413	480
- UAE	#	9	8	8
- KRI	#	447	405	472
Nationalisation (by gender)				
Female national full-time employees	#	20	17	25
- UAE	#	3	3	3
- KRI	#	17	14	22
Male national full-time employees	#	402	385	455
- UAE	#	6	5	5
- KRI	#	396	380	450
Number of national personnel in Executive Committee positions and above				
Female full-time employees	#	1	1	1
- UAE	#	1	1	1
- KRI	#	0	0	0
Male full-time employees	#	3	3	3
- UAE	#	3	3	3
- KRI	#	0	0	0
Percentage of national personnel in Executive Committee positions and above				
Female full-time employees				
- UAE	%	11.1%	12.5%	12.5%
- KRI	%	0%	0%	0%
Male full-time employees				
- UAE	%	33%	38%	38%
- KRI	%	0%	0%	0%

Case Study



Supporting Young Female Entrepreneurs

Crescent Petroleum has collaborated with KESK, a woman-led start-up solar company based in the KRI to implement a number of sustainable energy projects starting with a solar power upgrade at our remote motorised valve stations. KESK, which means green in the Kurdish language, leverages novel solar solutions to enable green design and construction in the region.

Following a power outage at a remote motorised valve station that impacted the visibility of the SCADA system and security CCTV camera from the Khormor control system, Crescent Petroleum implemented a pilot project with KESK to use solar power as an upgrade solution. KESK has completed the upgrade's design, installation, and commissioning with great success.

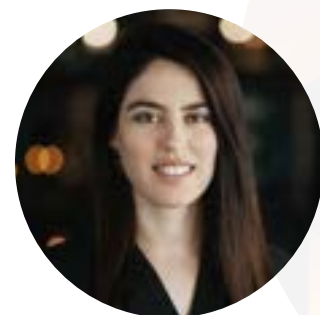
Accordingly, Crescent Petroleum has hired KESK to complete solar upgrades at some of the remote motorised valve stations. The upgrades will save energy and are projected to further reduce CO2 emissions. Throughout the project, KESK has followed Crescent Petroleum's high-performance standards, adhered to our safety guidelines, met project deadlines, and provided all requested documents and certifications.

Through the availability of an online monitoring system, we have visibility on the health of the solar system remotely from our Khormor site, which reduces the need for routine inspection visits and provides advanced prediction indications on failures before they happen, which eventually increases the system reliability and availability.

KESK is now registered with the KRI MNR supplier database, further enabling them to gain opportunities with Crescent Petroleum and other international oil and gas companies operating in the region. We plan to partner with KESK on additional projects in the KRI, further reducing our carbon footprint while supporting an ambitious and talented local start up.

“

The opportunity to work with Crescent Petroleum has helped the KESK team acquire new skills to make this partnership a success. Combining Crescent's carbon neutrality agenda with an innovative, locally made solution has proved to be a winning combination for us. It has also opened doors for KESK to work with other companies in Iraq that have similar sustainability goals.”



Basima Abdulrahman
KESK, Founder & CEO

US\$2.3 m



In 2021, our social contributions to local communities exceeded US\$2.3 million



Community Investment and Engagement

We prioritize developing and strengthening relationships with communities where we operate, both as a responsible corporate citizen and a good neighbour. We actively engage with a variety of community stakeholders, from local business owners and community leaders to public officials and NGOs.

We are also committed to strengthening the communities where we operate by listening to their needs and supporting strategic initiatives that make a difference in their lives. As a result, we focus our community investments in four key areas; agriculture, education, environment, and health.

In 2021, our social contributions to local communities exceeded US\$2.3 million, including social investment contributions and the provision of power to local villages.

Key Performance Indicator (KPI)	Units	2019	2020	2021
Social Investments	USD 000's	705	569	996
Power Supply to Villages	USD 000's	1,235	1,655	1,342
Total Social Contributions to Local Communities	USD 000's	1,940	2,224	2,338

Among the 2021 community investments included:

Education and Training



- In partnership with the American University of Cairo, we helped empower 45 youths in Dakahlia by providing vocational training and spaces to incubate and scale up creative enterprises
- Provided school transportation for 181 students from 21 different villages in Qadir Karam, Kurdistan
- Supported the monthly salaries of 18 teachers in schools throughout Qadir Karam and supplied printers for one of the primary schools
- Provided capacity building courses to high school students from Qadir Karam

Quality of Life



- Supplied five villages in Qadir Karam with free electrical power from our Khor Mor plant, an estimated value of more than US\$1.3 million.
- Provided 9,200 litres of fuel each month to Qadir Karam and surrounding villages
- Made road repairs in Qadir Karam to help ease travel constraints
- Repaired vehicles used by the Qadir Karam Police and other government offices in Kurdistan that experienced significant wear and tear due to increased travel requirements related to COVID-19
- Repaired generators in Qadir Karam and provided air conditioners to the Kurdistan Civil Defence Department

Healthcare



- Sponsored monthly salaries of two ambulance drivers from the local health centre

Water and Sanitation



- Implemented equipment repairs to provide a continuous water supply to Cham Surkhaw Village in Qadir Karam
- Rented a water truck for four months to distribute water within Qadir Karam town and surrounding villages in conjunction with the Qadir Karam Water Department
- Supported water usage awareness campaigns in the towns of Chamchamal and Shorsh, including leaflet distribution, awareness presentations, and shows on local media channels
- Implemented a community drinking water project in Qadir Karam to make drinking water fountains more available.

Delivering on Our Promise continued

Long-Term Investment Plans

Through the Kurdistan Gas Project ('Project'), significant investments have been made to provide the KRI with cleaner burning natural gas for its electricity generation needs. Pearl Petroleum has invested ~\$2.3 billion in the Kurdistan Region of Iraq over the last 14 years, which created multiple and significant impacts.

- Estimated \$19 - 30 billion contribution towards the KRI's Gross Domestic Product.
- 20,000 temporary jobs were created during the construction of the Project in the initial years.

- 2,200 permanent jobs were created during the operational phase of the Project.
- Over \$27 billion in fuel cost savings for the Kurdistan Regional Government.
- 42 million tCO₂e in avoided greenhouse gas emissions.
- Over 80% of involved employees were from the KRI.
- More than \$300 million in local procurement.

With KM 250 expansion project and future investment plans, these economic and social impact on Kurdistan Region will only grow multi-fold.



“

Every day I get to work with a diverse group of people from across the region and the world whose pursuit of excellence in their work is a central driver that is reflected in outstanding results. I am grateful for the opportunity this enables to progress and make a positive impact on the world.”

Tripta Khatwani
Lead Contracts Specialist, UAE

20,000

temporary jobs were created during the construction of the Project in the initial years.

\$27 billion

in fuel cost savings for the Kurdistan Regional Government.

\$300 million

in local procurement





Pillar II



Our Commitment to the Environment

We believe that good environmental performance is good business. Protecting and preserving the environment is foundational to our operational strategy and is a deep-rooted principle at Crescent Petroleum. We recognise the impact of carbon emissions on climate change and support the goals of the Paris Agreement.

Material Topics

- Transition to lower carbon energy market
- Greenhouse gas emissions
- Energy use, energy efficiency
- Water management
- Effluent management
- Waste management
- Biodiversity
- Research and development, and innovation



50 1971 - 2021
YEARS OF
PROGRESS



Our Commitment to the Environment continued

Managing Our Emissions

We seek to reduce our emissions primarily by implementing best practices, continuously improving our operations, and investing in new technologies. We collaborate with industry partners to share best practices and develop and implement effective and meaningful emissions reduction strategies.

In the KRI, Pearl Petroleum is the only natural gas supplier to regional power stations. Through our Kurdistan Gas Project, Pearl is helping to meet the growing demand for energy in the KRI with cleaner-burning, affordable natural gas for electricity generation. Currently, natural gas accounts for more than 85% of total production from the Khor Mor plant, which has helped the KRG to avoid the use of expensive and higher carbon-emitting diesel for power generation.

Prior to 2021, our measurement of flaring at the Khor Mor gas plant was limited and more inferential. In 2020, we set in place plans to implement additional metering capabilities to improve flare measurement. Although delayed due to the COVID-19 pandemic, the initiative was completed in 2021. In addition, we developed a carbon emissions reduction strategy in 2021, by means of a Task Force to further improve emissions measurement, reductions and offsets.

Among these efforts included:

- Completing a review of flare related emissions metering and monitoring
- Creating a process to develop a comprehensive understanding of vehicle emissions
- Improving the measured accuracy of CO₂ emissions
- Assessing options for the reduction of CO₂ emissions
- Investigating future options for carbon offsetting

During 2021, we completed the installation of new meters and re-calibrated existing meters as we reviewed and revised all vents to the atmosphere from condensate and LPG equipment to deliver more accurate measurements. We have also commenced work to identify and record critical areas such as fugitive gas emissions from seals, valve stems, and flanges.

Our Scope 1 emissions comprise: (i) directly measured emissions emanating from flaring, the generation of electricity and steam, petrol and diesel consumed in our vehicles and camps and is based on industry standard conversion factors; and (ii) estimates for flaring, venting, and fugitive methane emissions, which have been identified during recently completed studies (and not included in previous sustainability reports).



As a result, in 2021 we reduced our Scope 1 emissions by 17% compared to 2020. Of the total, approximately 5% is attributable to the use of fuel gas for generating electric power to power the plant and local villages while the remainder is attributable to flaring, infrastructure and fugitive emissions.

In 2021, our Scope 2 emissions were attributed to the electricity consumed at our offices and warehouses in the UAE and Iraq. Similar to our Scope 1 emissions, we are working to improve our capabilities to accurately capture and report on our Scope 2 emissions.

Reducing Flaring

The flaring of natural gas is a controlled process for eliminating emissions of otherwise vented hydrocarbons, such as methane. In some cases, flaring is a necessary safety feature in normal operations within the oil and gas production process. We actively monitor and prioritise our efforts to minimise gas flaring at the Khor Mor plant and have progressively reduced flaring year on year.

Our Khor Mor plant is centred around a cryogenic LPG plant comprising two gas trains and an early production facility (EPF).

In 2021, we initiated Project Near Zero Flaring (NZF) at the Khor Mor plant, which included:

- Engaging with a specialist engineering consultancy to calculate and benchmark total CO₂ and CO₂e emissions from the plant to baseline performance.
- Re-routing condensate from the EPF condensate stabilizer to the main plant stabilizer.
- Commissioning process modifications to eliminate flash gas from the EPF produced condensate stabiliser and re-routing it back into the process, reducing GHG emissions by an estimated 61,600 tCO₂e per year.

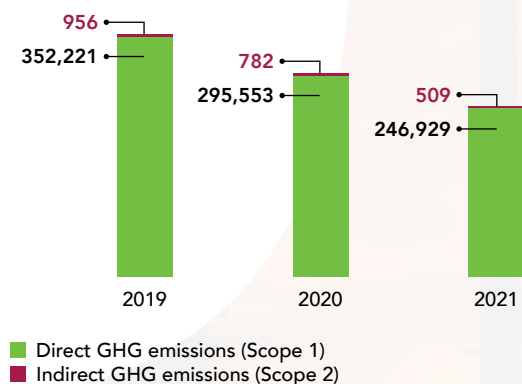
As a result, flaring from our Khor Mor plant in 2021 was 0.31% of the total raw gas processed, representing a significant decrease from the 0.45% recorded during 2019 and 2020.

In all, we reduced total flaring of hydrocarbons by 28% between 2020 and 2021 following implementation of the process efficiency efforts outlined above.

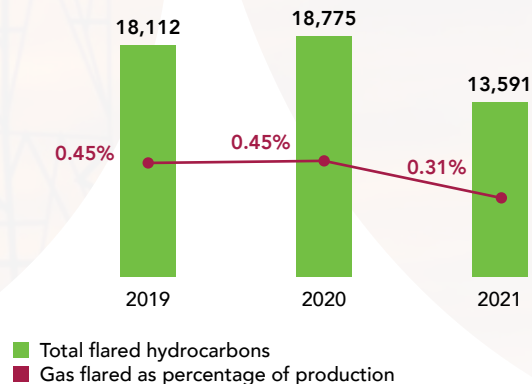
For 2022, we are continuing to evaluate options to further reduce flaring, including potential flare gas recovery systems. We continue to strive towards further reductions in the coming years through continuous process optimisation, improved maintenance initiatives, and greater liquids recovery.

Our overall carbon emissions reduction efforts also include efficiency improvements within our facilities, including evaluating methods of minimizing emissions from the Khor Mor plant's thermal oxidizer.

Direct & Indirect GHG Emissions
(Tonnes of CO₂eq.)



Flared Hydrocarbons
(Tonnes)



Our Commitment to the Environment continued

Carbon Offsets

As part of our continual drive to reduce our carbon intensity, in 2021 we offset our remaining carbon emissions, allowing us to become one of the first oil and gas companies to reach carbon neutrality. In 2021, we executed a contract with Ecosphere+ to offset an estimated 264,000 tCO₂e emissions annually by purchasing carbon credits from two projects: (i) Datang Chifeng Danianzi Wind Farm and (ii) Salkhit Wind Farm project.

The Datang Chifeng Danianzi Wind Farm Project is located in China and Datang China-Japan (Chifeng) New Energy Co.,Ltd is the project owner. The project aims to generate electricity using wind resources and to sell generated electricity to the Northeast China Power Grid (hereafter NEPG), with an estimated emissions reduction of 150,424 tCO₂e per year.

The Salkhit Wind Farm project is located about 70 km southeast of Mongolia's capital Ulaanbaatar, and was developed by Clean Energy LLC (along with Swedish Energy Agency). The wind farm has a capacity of 49.6 MW and generates (net) 168.5 GWh of electricity per year, with an estimated emissions reduction of 178,778 tCO₂e per year.

In the second half of 2021, there was a significant increase in nature-based carbon offset prices as the market matured and a growing number of companies and sectors adopted offsets as a decarbonisation strategy. We will continue to review and revise our offsetting strategy as needed to improve cost efficiencies.

Fugitive Emissions

In order to gain a more comprehensive understanding of emissions relating to flaring and fugitive emission leak points during 2021, we implemented a number of improvements:

- Conducted a metering study to identify waste gas and flare streams that were previously not monitored.
- Contracted with a third-party Leak Detection and Repair (LDAR) company; 'The Sniffers' to help identify fugitive emissions resulting from un-detectable leak points using state-of-the-art optical gas imaging (OGI). The company identified 42,350 leak sources associated with >65% of the process plant, equating to more than 102 tonnes of fugitive emissions per year (less than 0.1% of overall emissions). The remaining 35% of the process plant shall be surveyed during 2022.
- Installed ultrasonic meters on the LPG and EPF flare systems, which are used to measure overall flared volumes and identify variations in flared figures. The meters also help us determine internal leak points and equipment failures.
- Of the leak sources identified, resolution of leaks associated with 217 fugitive emission sources identified by 'The Sniffers' led to a substantial reduction in methane discharges, a reduction in potential major accident hazards and reduced workforce exposure to BTEX chemicals (i.e.: benzene, toluene, ethylbenzene and xylenes).

Mitigation work is ongoing and we continue to evaluate ways to further reduce fugitive emissions, including the evaluation of new technology and further facility repairs and enhancements.



Key Performance Indicator (KPI)	Units	2019	2020	2021
GHG Emissions				
Total flared hydrocarbons	tonnes	18,112	18,775	13,591
Flared hydrocarbon intensity	kg/ BOE produced	0.50	0.50	0.35
Methane emissions	tonnes	*	*	58.1
Volatile Organic Compounds (VOC) emissions	tonnes	*	*	24.8
Gas flared as percentage of production	tonnes	0.45%	0.45%	0.31%
Direct GHG emissions (Scope 1)	tonnes of CO ₂ eq	352,221	295,553	246,929
Indirect GHG emissions (Scope 2)	tonnes of CO ₂ eq	956	782	509
Total GHG emissions	tonnes of CO ₂ eq	353,177	296,335	247,438
GHG emissions intensity (Scope 1) (Carbon Intensity)	KG of CO ₂ eq/ BOE produced	9.70	7.93	6.29
GHG emissions intensity (Scope 1 & 2) (Carbon Intensity)	KG of CO ₂ eq/ BOE produced	9.72	7.95	6.30

* Data not available during this period



Our Commitment to the Environment continued

Energy Consumption

We monitor our annual energy consumption to assess our environmental impact and to identify opportunities to reduce our energy intensity. After a 46% decrease in our direct energy consumption between 2019 and 2020, energy consumption remained flat between 2020 and 2021. Indirect energy consumption, representing the electricity and steam produced by Crescent Petroleum, was 1,175,068 kWh in 2021. Encouragingly, Crescent Petroleum's energy intensity during 2021 was 22.76 kWh per BOE produced, which is approximately 5% below the Middle Eastern average of 24 kWh/ BOE.

We continue to evaluate options to utilize more renewable energy sources to reduce our overall carbon intensity. We are studying the feasibility of installing photovoltaic arrays in our new infrastructure projects to sustainably generate 20% of our power needs, as well as to move towards the use of electric vehicles at Khor Mor.

Separately we are working to improve our overall energy efficiency in other ways:

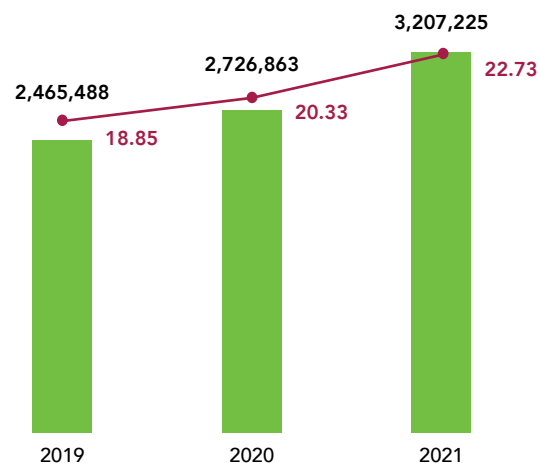
- All lights are switched off after working hours.
- Non-critical IT equipment switched off after working hours.
- All laptops have energy star ratings.
- Reducing travel when possible by using alternative communication tools like video conferencing.

- Leveraging SSD hard disks, which consume less power, in all laptops.
- Using cloud network where possible to reduce energy consumption in servers.

We also continue to seek ways of reducing energy consumption further by encouraging greater attention to such consumption in all activities.



Direct Energy & Energy Intensity



- Total direct energy consumption (Gigajoules (GJ))
- Energy consumption intensity (kWh/BOE Produced)



Key Performance Indicator (KPI)	Units	2019	2020	2021
Direct energy consumption				
Petrol consumption from operations and vehicles	L	456,004	261,815	270,673
Diesel consumption from operations and vehicles	L	369,140	186,900	180,025
Fuel gas	MMscf	2,229	2,480	2,920
Total energy consumption	GJ	2,465,488	2,726,863	3,211,455
Total energy consumption intensity	GJ/ BOE produced	0.07	0.07	0.08
Total energy consumption intensity	kWh/ BOE produced	18.85	20.33	22.73



Our Commitment to the Environment continued

Managing Natural Resources

We have long strived to manage the resources entrusted to us as stewards in the community. We take our responsibility for environmental impact seriously by promoting responsible use of water and other resources.

Water

Unlike many other industrial operations, our operations are not particularly water intensive. Our primary source of water consumption is the testing and cooling phases of our gas operations. We seek to

minimize our impact on local water supplies by reducing consumption. However, total water consumption increased by 20% between 2020 and 2021 in part due to increased activity post COVID-19.

We have also identified a variety of historical issues with the produced water system at the Khor Mor plant that have led to ineffective water management and disposal. To begin tackling these issues we established a Produced Water Task Force that includes employees from the operations, maintenance, and engineering departments, to identify potential improvements across the

operation, implement operational best practices and plant modifications where possible.

To date, the Produced Water Task Force has implemented the following improvements:

- Lining of the EPF interceptor pit to improve the separation of oil, water and oil effluent in the evaporation pond.
- Retrofitting a modified interface level control system to the produced water degasser, a device used to remove gasses from drilling fluid during well drilling. This will enhance process control and further improve oil and water separation.



Crescent Petroleum's commitment to operating in a sustainable and responsible manner by focusing on reducing its environmental footprint inspires us all to be more conscious about sustainability in our daily life."

Nila Dasko Azeez
Accountant, KRI



20%+



Total water consumption increased by 20% between 2020 and 2021 in part due to increased activity post COVID-19.

We are also evaluating plans for treating and reusing produced water at our Khor Mor plant. In doing so, we will be able to minimize water consumption and effluent discharge from our operations.

We are also working to verify wastewater sources and to develop a sampling and documentation process, conduct an education and awareness program around wastewater management, and ensure that Khor Mor operations and HSE teams are involved in the review of the wastewater process development at KM250.

Key Performance Indicator (KPI)	Units	2019	2020	2021
Total water consumption in water-stressed areas	m3	96,956	100,653	121,030.5
Water consumption intensity	m3/ BOE produced ('000)	2.67	2.70	3.09
Total volume of wastewater generated	m3	8,961.58	8,846.52	9,094.17



Our Commitment to the Environment continued

Waste

The proper management of non-hazardous and hazardous waste from our operations helps mitigate our environmental impact, promotes safe operations, and protects human health and safety. The non-hazardous waste we generate ranges from paper, food, glass, tires, scrap metal, wood and plastics.

Hazardous waste produced at the plant includes used filters, medical waste, waste oil, lubricants, batteries and e-waste. In 2021, 334 tonnes of hazardous waste resulted from an abnormal build up in our evaporation pond, stemming from a reduction in oil skimming and decanting activities used

for recycling purposes. In the KRI, both types of waste are either incinerated or sent to approved recycling facilities and/or a landfill.

Other ways we are currently seeking to reduce our waste generation include enhancing waste management guidance, exploring waste assurance processes to monitor waste volumes, and assessing options to compost organic waste and to purchase a plastic or cardboard baler.

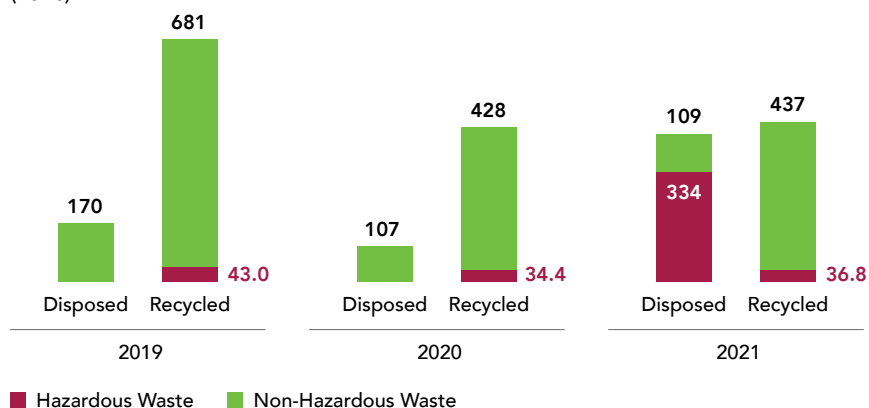
We intend to reduce waste at the source through increased recycling and reuse of resources. Compared to 2020, our recycling of non-hazardous and hazardous waste increased by 2%

and 7%, respectively. To help further reduce our e-waste, we engaged with E-Scrappy, a third-party certified recycling company located in the region, to recycle our e-waste. While most office staff worked from home for six months during 2021, we were able to recycle more than 467 kgs of e-waste. We also increased the number of employees at Crescent who utilize e-signatures for contract signing to 100% in all our offices.

In recognition of these recycling efforts, we were singled out as one of the top five companies in the Middle East Waste and Recycling Award, dedicated awards for the waste and recycling industry.

Key Performance Indicator (KPI)	Units	2019	2020	2021
Total hazardous waste disposed	Tons	0	0	334
Total hazardous waste recycled	Tons	43.0	34.4	36.8
Total non-hazardous waste disposed	Tons	170	107	109
Total non-hazardous waste recycled	Tons	681	428	437

Hazardous & Non-Hazardous Waste Disposed & Recycled (Tons)



467 kgs+



During 2021, we were able to recycle more than 467 kgs of e-waste.

Case Study



Enhancing Waste Management Practices

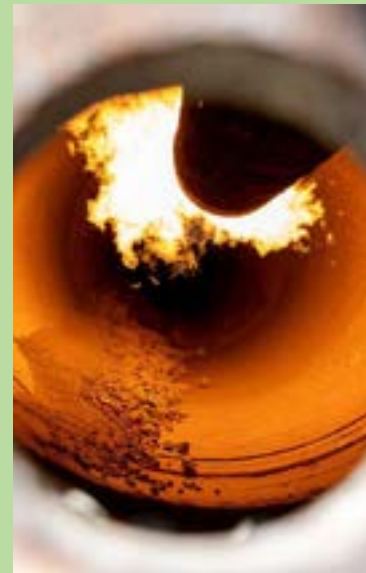
To dramatically reduce the waste sent to landfills, we invested into our Khor Mor waste management infrastructure in 2021, including procuring an incinerator, waste delivery truck and fabricated waste skips at strategic locations throughout our operations to control waste. We subsequently developed an associated waste management program, which defined operationally appropriate waste streams and incorporated training for the incinerator operators and technicians.

After successfully installing and commissioning the incinerator and its related operations, we were able to accelerate our overall waste

management practices by addressing the growing volumes of single use plastic caused by COVID-19's hygiene restrictions, and further reduced the waste sent to landfills from the KM250 project.

Description	Volume (KG)
Waste collected (indicative)	46,066
Waste reused (indicative)	10,694
Waste recycled (indicative)	4,476

In the future, we aim to expand the various types of waste processed by the incinerator to expand the throughput.



Reducing and Responding to Spills

Numerous measures are in place across our operations to prevent unnecessary releases to the environment. We prepare and maintain spill prevention and management plans at all our locations and have a dedicated team in place to respond in the event of an incident.

We also track, record, and determine the cause of any oil, produced water, or other spill or release. This allows us to identify trends to mitigate issues and take steps to prevent future releases.

In 2021, we had a total of eight hydrocarbon spills, zero deemed significant, six of them amounting to less than one barrel in volume, and the remaining two amounting to between one to ten barrels.

Additional ways we plan to mitigate spills and prevent contamination include:

- Identifying and confirming sources of contamination, especially for water wells.
- Establishing boundary monitoring wells to identify and determine any contamination arising from condensate storage and loading areas.
- Conducting onsite bunding reviews.

Key Performance Indicator (KPI)	Units	2019	2020	2021
Hydrocarbon spills	#	-	-	8

Pillar III



Ensuring Our Teams' Safety

We aim to create a safe and healthy work environment in which the wellbeing of all employees, contractors and partners supersedes all other considerations, both as a good citizen and as a matter of good business.

Material Topics

- Occupational safety
- Security practices
- Process safety, asset integrity and emergency preparedness





50 1971 - 2021
YEARS OF
PROGRESS



Ensuring Our Teams' Safety continued

Ensuring Our People's Wellbeing

Protecting our employees, contractors, and communities is a top priority at Crescent Petroleum. We actively identify and mitigate health and safety risks and cultivate a culture of safety throughout the organisation to ensure the health and wellbeing is prioritised.

Compensation for operational teams is linked to a scorecard that contains a range ESG-related KPIs, including Total Recordable Injury Frequency (TRIF) Rate, Major Motor Vehicle Incidents Frequency Rate, Number of Closed Asset Integrity Actions, and others related to HSE audits, training, critical maintenance, reliability standards and social investment projects.

Health & Safety

We believe that a culture that encourages and nurtures health and safety leads to increased productivity, better employee retention, and better financial results. We therefore ensure that all hazards inherent to our operations and activities are systematically identified, assessed, and controlled. Our Quality, Health, Safety, Security, and Environment (QHSSSE) Policy outlines our commitments and guides our actions.

In 2021, key performance indicators and lessons learned have been shared every month with senior management via a HSE performance dashboard.

Also, in 2021, we adopted the International Oil and Gas Producers Association (IOGP)'s Life Saving Rules, which were established to help mitigate risks and reduce fatalities in the oil and gas industry.



Permit to work



Lifting operations



Energy isolations



Working at heights



Driving



Confined space entry



Excavation



Protective equipment



Simultaneous operations

Communicating knowledge on hazards, risks, and operational controls is effected through mandatory inductions, training, written procedures, "toolbox talks", awareness programmes, and regular HSE meetings. This approach is applied to all activities under our control, including activities performed by our third party contractors.

We consistently monitor on-site working conditions, including the quality of worker accommodations, through our multi-level KRI Welfare Committee, formed in January 2021.

To ensure that our employees have access to non-occupational medical and health services, we have employee medical facilities on-site in Kurdistan and medivac available to local hospitals. Both our KRI- and UAE-based staff are provided comprehensive medical insurance.



3,000 hrs



Increased total HSE training hours for employees, from over 1,500 hours in 2020 to more than 3,000 hours in 2021.

We promote early reporting of HSSE and Social Performance unsafe act and conditions. To this end in 2021, we recorded more than 4,200 observations company-wide, representing a significant increase compared to 2020, due to primarily the increased activity in 2021 as result of the start of major works on our KM250 project.

All observations and incidents are recorded, mitigated, and closed out in a timely manner. We have also increased total HSE training hours for employees, from over 1,500 hours in 2020 to more than 3,000 hours in 2021, underscoring our commitment to the health and safety of our employees.

Specifically, for our KM250 project, Pearl Petroleum has developed a health, safety, security, environmental and social performance observation card for employees to complete when they observe an incident or intervention or would like to provide a suggestion for improvement.

The two-page card includes a request to identify which, if any, life-saving rules are relevant to the observation. The plan is to spread the use of this card into Operations.

Safety Performance

We experienced zero work-related fatalities in 2021, building on many years of zero work-related fatalities at the Khor Mor plant. While we experienced zero employee total recordable injuries again in 2021, we did experience five contractor total recordable injuries associated with our KM250 expansion project, resulting in an increased overall total recordable injury frequency (TRIF) rate for employees and contractors of 1.15. Only one of the contractor injuries resulted in lost time, resulting in a lost-time injury frequency (LTIF) rate to 0.23.

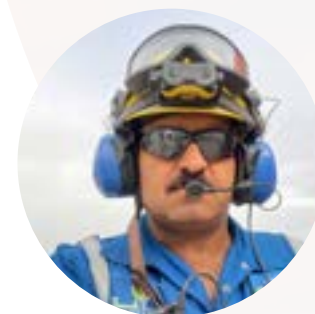
We regard any and all safety incidents as unacceptable and are therefore focused on reinforcing our safety culture and working closely with

our contractors to communicate our safety expectations to improve TRIF performance.

We also place considerable emphasis on road safety and preventing work-related vehicle accidents, which is typically a high area of risk. In 2020 and 2021, our employees drove more than 1.6 million kilometres with zero major work-related vehicle incidents.

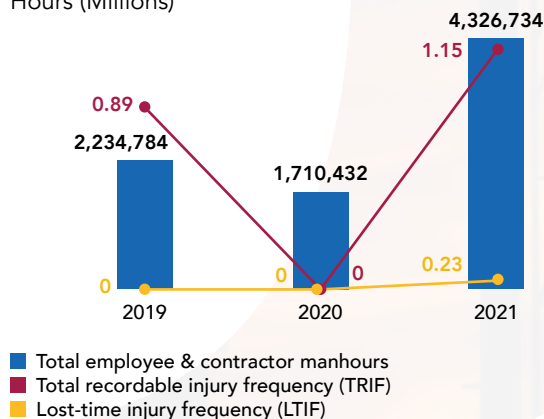


At Crescent Petroleum, we strive to maintain the highest standards in HSE and general safety and wellbeing by continuously monitoring our performance to ensure compliance and catching issues before they arise."



Omed Shukur Majeed
HSE Technician, KRI

Total Manhours vs. TRIF & LTIF
Hours (Millions)



Ensuring Our Teams' Safety continued

Contractor Management

Contractors comprise a significant part of Crescent Petroleum's workforce and play an important role in providing equipment, services, and labour to support our operations and developments. We have established a contractor management process to oversee prequalification, selection, monitoring, and performance reviews. We have additional requirements and processes in place for contractors engaged in the highest risk activities.

During the selection process, the contractors' HSE systems are assessed to ensure they meet our standards and requirements. Our review includes a full assessment of their programs, past performance, and regulatory compliance. Our bid evaluation includes a thorough assessment and verification of bid submissions, with evaluation outcomes integrated into overall bid selection criteria, alongside technical and commercial criteria.

Crescent Petroleum monitors both its own and its contractors' systems to ensure their continued effectiveness. We also engage with our contractors at the senior level to ensure that our expectations are clear, and that ongoing performance receives appropriate attention and oversight.

Continuous Improvement

Crescent carried out a series of cross-functional workshops focussed on the theme of continuous improvement. The workshops used an industry standard maturity model called Insight, to assess current status and future aspirations, using a 3-year timescale, and covered HSE management systems, environment, personal safety and process safety. The output was a set of detailed action plans that will be tracked over the forthcoming period. In 2022 this approach shall be extended to Occupational Health, Industrial Hygiene and Sustainability.

Personal safety improvements emanating from the maturity assessment include, but not limited to the following:

- Increasing the level of review required for high-risk activities.
- Developing processes and procedures to mandate site visits prior to and after completion of high-risk activities.
- Addressing audit action items more effectively.
- Embedding IOGP lifesaving rules throughout the organization.
- Developing light vehicle land transportation standard.
- Developing checks to ensure all drivers, including contractors, have completed driver awareness training.
- Extending our driver safety campaign to contract drivers.

- Examining the possibility of extending In-Vehicle Monitoring Systems (IVMS) to all company vehicles.
- Introducing a face mask "fit testing" policy.
- Reviewing and updating personal protective equipment (PPE) guidelines to ensure they are based on an appropriate risk analysis.
- Introducing prescription safety glasses for Khor Mor plant operations personnel.
- Defining on-site hearing protection zones.
- Assessing the risks of hydrogen sulphide, as well as reviewing and revising associated controls.
- Conducting hazardous substance risk assessments and development of a hazardous substance standard.
- Reviewing our behavioural safety approach adopted at site.
- Defining the contractor HSE management process, mapped to include how we categorize contract provision and evaluation criteria and selection throughout all contract phases.
- Reviewing and improving the process for HSE contractor evaluation to be based on service provision and risk category.



Key Performance Indicator (KPI)	Units	2019	2020	2021
Health and Safety				
Total employee manhours	#	1,152,444	1,112,256	1,741,752
Total contractor manhours	#	1,082,340	598,176	2,584,982
Total manhours	#	2,234,784	1,710,432	4,326,734
Employee fatalities	#	0	0	0
Contractor fatalities	#	0	0	0
Employee total recordable injuries	#	2	0	0
Contractor total recordable injuries	#	0	0	5
Total recordable injuries	#	2	0	5
Total recordable injury frequency	#	0.89	0	1.15
Employee lost-time injuries	#	0	0	0
Contractor lost-time injuries	#	0	0	1
Total lost-time injuries	#	0	0	1
Lost-time injury frequency (LTIF)	#	0	0	0.23
High Potential Incidents (HIPOs)	#	0	2	3
Major Road Accidents	#	0	0	0
Kilometres driven	#	-	1,691,512	1,611,601
Major Vehicle Incident Frequency	#	0	0	0
Number of Safety Observations	#	-	1,448	4,262
Observations Actions Close-Out	%	-	100%	100%
Health and Safety Audits				
Total number of health and safety audits for contractors	#	-	-	3
Health and Safety Training				
Total hours of HSE training provided	Hours	7,258	1,501	3,065



Ensuring Our Teams' Safety continued

From the numerous HSE training courses and activities provided throughout 2021, below is a list of the ten most commonly attended training courses (based on total hours of attendance). We continue to update and revise our training content as new materials, standards and practices are developed and made available.

Description of HSE Training	Total Number of Attendees	Total Training Hours
Working at Heights	75	200
PTW: Performing Authority	38	192
Fire Extinguisher	67	154
Confined Space Entry	75	147
Accident/Incident Reporting and Investigation	53	131
New PTW Users Overview	41	130
Self-Contained Breathing Apparatus (SCBA)	43	105
Camp Tool Box Talk	418	105
H2S Awareness	62	92
Toolbox Talk: HSE	337	87

Spotlight: Responding to ongoing COVID-19 challenges in the KRI

We are proud of the resilience and dedication our employees showed during the continuing pandemic, working long hours in challenging circumstances to help us maintain our operations and continue providing critical gas supplies to fuel power plants in the region. We are grateful to all those who ensured that operations continued uninterrupted under particularly challenging conditions.

As the COVID-19 pandemic continued into its second year, Crescent Petroleum continued to apply a number of extraordinary measures to

tackle the intersecting challenges of keeping employees healthy and safe, while maintaining productivity in our operations. A dedicated response team met regularly to assess issues and mitigations, reporting to senior management who reviewed risks and action plans in structured weekly meetings. As the situation evolved, so too did control protocols, including testing and quarantine requirements. At all phases, we ensured that staff and contractors remain informed and were aware of ongoing conditions.

As the pandemic became more endemic, we also revised our COVID-19 mitigation strategy from

“Keep it Out” to “Keep it Tame.” As vaccines became available in the KRI in April, 2021, we implemented vaccination awareness campaigns and established vaccination requirements for our employees and contractors. By August, 2021, 100% of our staff and contractors on site at the Khor Mor plant had been fully vaccinated. Our strict worksite protocols and controls have remained in place even as normal office working hours were resumed in June 2021, while a mandatory vaccination programme resulted in nearly all staff being vaccinated.



Maintaining Safe & Reliable Operations

At Crescent Petroleum, asset integrity and process safety are an integral part of our QHSSE Policy. Process safety refers to the equipment, procedures, and training that prevents the uncontrolled release of hazardous substances. We use the American Petroleum Institute (API) and IOGP guidance, to define process safety indicators. Some of the ways we assess process safety risks include:

- Hazard identification
- Hazard and operability reviews
- Technical safety assessments, including layers of protection analysis
- Safety integrity level analysis
- Fire and explosion assessments
- Job safety analysis
- Task-based risk assessments

Critical safety elements are defined and appropriate operational, testing and maintenance procedures have been established for all critical systems. Our goal is to prevent incidents with the potential for serious injuries and fatalities, widespread environmental impact, or property damage.

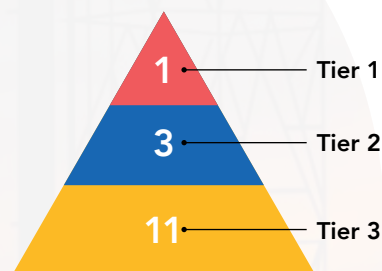
Tier 1 process safety events are defined as those that include loss of primary containment with significant consequences. Tier 2 includes loss of primary containment with less significant consequences, and Tier 3 includes events that challenge our safety systems or near misses.

According to the API, loss of primary containment is defined as an unplanned or uncontrolled release of any material from primary containment, including non-toxic and non-flammable materials.

In 2021, we experienced one Tier 1 process safety event, three Tier 2 process safety events, and 11 Tier 3 process safety events. In each case, we completed a thorough investigation and analysis to determine the root cause of each event. We determined if human factors, procedures, or preventive maintenance were the primary contributing elements and developed mitigation measures and prevention strategies to address all identified issues.

Key Performance Indicator (KPI)

Asset Integrity – process safety events



As discussed earlier, an Incident Management Team (IMT) responds to all incidents and responds according to regularly updated Incident Management Plans (IMP) including process safety events. We also have scenario-based local action plans, and intend to establish a Crisis Management Team (CMT) in 2022.

In addition, we have established a target for overdue safety critical maintenance, management of safety system overrides and a resolution of asset integrity inspection action items.

Security

Crescent Petroleum has established strict security arrangements covering all its operations. Our Khor Mor plant is regarded as a national security facility and receives strict government-level security. Our internal security plan provides appropriate protection for personnel and assets, and covers existing operations, remote well and rig locations, and personnel and materials movement. It establishes layers of protection, covering organisation, procedural, and hardware control measures.

Our security plan is based on risk and threat assessments provided by an independent security risk consultancy, and ongoing assessments and risk analysis by Crescent's Asset Protection department. The assessment methodology considers intent and capability of potential actors, as well as attractiveness of the assets in determining the threat level on a five-point scale. The threat level is then used to determine appropriate response measures, allowing for escalation or de-escalation should atmospherics and assessed threats change.

Regular monitoring of security incidents and intelligence takes place through a variety of means, including subscription services, private security provider reports, and local intelligence.

Pillar IV



Empowering Our Teams

Crescent Petroleum invests in our employees at every level, helping them to achieve their greatest potential and empowering them to collectively strive towards company objectives of long-term growth and sustainability. We value the diversity that each employee contributes and offer opportunities for them to advance and become leaders of their teams and within our organization.

Material Topics

- Training and capacity building of employees and local contractors
- Diversity and human rights
- Internal Engagement





Empowering Our Teams continued

Supporting and Engaging Our People

Our people are critical to our success. We seek to hire the best people and expect them to be innovators, team players, and good neighbours. We understand the importance of investing in our people and recruiting and retaining high performing employees.

Throughout the COVID-19 pandemic, we saw our employees navigate unforeseen challenges and come together to support each other and our company. Crescent Petroleum's ability to continue to provide uninterrupted gas supplies in KRI even during the COVID-19 challenges to the host government is a testament to their dedication.

Workforce Composition

At the end of 2021, we had 755 full-time employees, representing a 15% increase in our workforce compared to 2020. Of our full-time employees, 67 are female employees, while 42 of the total were senior managers at the end of 2021. We also had 31 contractors and/or consultants and 39 different nationalities represented in our workforce.

Key Performance Indicator (KPI)	Units	2019	2020	2021	
Workforce size					
Total number of employees					
- Full-time employees	#	749	654	756	
- Part-time employees	#	0	0	0	
Total number of contractors and/or consultants	#	31	9	31	
Number of skilled positions unfilled (full-time only)	#	3	21	19	
Workforce by employment level (full-time)		749	654	756	
Full time employees in senior management	#	38	35	42	
- Female	#	1	2	2	
- Male	#	37	33	40	
Full time employees in middle management		#	79	67	91
- Female	#	8	6	6	
- Male	#	71	61	85	
Full time employee staff (other levels)		#	632	552	623
- Female	#	60	51	59	
- Male	#	572	501	564	
Workforce by gender profile (full-time)		749	654	756	
- Female	#	69	59	67	
- Male	#	680	595	689	
Workforce by age (full-time)					
- Under 30 years old	#	150	80	125	
- 30 to 50 years old	#	480	466	507	
- Over 50 years old	#	119	108	124	
Workforce by location (full-time)					
- UAE	#	201	179	204	
- KRI	#	542	470	548	
- Other	#	6	5	4	
Nationalities					
- Number of nationalities represented in the workforce	#	37	37	39	

136



In 2021, we hired 136 new employees, including 15 women.



New Hires & Retention

In 2021, we hired 136 new employees, including 15 women. 45 of the new employees were under the age of 30, while 71 were between the ages of 30 and 50. About 20 of the new hires were over the age of 50. Meanwhile, 45 employees and contractors left the company in 2021, reflecting an attrition rate of 5.29% for the year.

Attracting and retaining talent is a core business consideration. Our attrition rate declined from 19.11% in 2020 to 5.29% in 2021 due in part to a significant drawdown in staff in 2020 due to the COVID-19 pandemic. Our Human Resources Department strives to ensure our employees' emotional and physical well-being by encouraging work-life balance, teambuilding activities, awareness events, and healthy lifestyles. A range of benefits are available to our full-time

employees, including provisions for schooling, laptops and tablets, mobile phones, medical and life insurance, accident insurance, parking privileges, annual leave airplane tickets, maternity leave, and compassionate leave. We offer our employees competitive compensation packages too, where the median male and female compensation was \$1,858 and \$2,044 in 2021, respectively. We also provide frequent opportunities for development and skills training.

Key Performance Indicator (KPI)	Units	2019	2020	2021
New employee hires by gender		95	29	136
- Female	#	13	2	15
- Male	#	82	27	121
New employee hires by age group		95	29	136
- Under 30 years old	#	33	6	45
- 30 to 50 years old	#	54	16	71
- Over 50 years old	#	8	7	20
New hires by location				
- UAE	#	30	15	38
- KRI	#	65	14	98
Total number of employees who left the company*	#	60	154	45
- Full-time	#	30	125	40
- Male	#	26	114	32
- Female	#	4	11	8
Contractor turnover				
- Total number of contractors/ consultants who left the company	#	30	29	5
Attrition rate				
- Attrition rate*	%	4.01	19.11	5.29

*Includes retirements

Empowering Our Teams continued

Diversity and Human Rights

We value the strength and competitive advantage that comes from a diverse workforce. Our individual differences make us a stronger team with greater depth and greater ability to deal with challenges. The remarkable performance of our teams during the pandemic underscored why we embrace and encourage this diversity in backgrounds and perspectives to creatively navigate challenges and achieve better outcomes.

We have a strict zero-tolerance policy on discrimination in the workplace and are committed to providing equal opportunity and merit-based advancement opportunities for all staff regardless of ethnicity, gender, religion, age, and physical abilities, or any other status whether legally protected or not. Crescent Petroleum actively cultivates an inclusive atmosphere that fosters a strong sense of belonging and a healthy, respectful, and productive workplace.

While the COVID-19 pandemic slowed plans to enhance and expand efforts to recruit more diverse staff, including women and youth, we are once again expanding these efforts with an eye to building more inclusive and diverse teams.

We have strict anti-harassment and anti-discrimination mechanisms that are accessible to all staff, as well as a process for escalating unresolved grievances. We believe in transparency and aim to proactively address problems before more serious negative impacts develop that have larger-scale consequences on business outcomes. We have an open-door policy and encourage a “speak up” culture that supports employees to raise concerns of misconduct without fear of retaliation. During the past three years, grievances reported by employees have been minimal.

We take steps to ensure basic human rights of our employees, including preventing child labour in our workforce. We maintain a very strict policy of non-employment of minors by the company or any contractor at a company site.

Our due diligence process ensures that every employee undergoes an extensive security check, including verification of national identification cards that indicate the age of the employee to ensure they meet minimum age requirements.

Internal Engagement

We ensure meaningful engagement that supports our people, as they are at the centre of our success. By proactively engaging with our employees and fostering a positive work culture, we retain our talented workforce and leverage their skills honed on the job to create long-term value for our company.



3,200 hrs



During 2021, employees completed nearly 3,200 training hours specific to HSSE, a 110 percent increase compared to 2020.

In the KRI, we have local employee engagement officers on site in Khor Mor, who serve as a single point of contact to address employee issues and concerns. The local employee relations officers also work closely with the Human Resources Department to inform company strategy on fostering employee relations based on knowledge of the local workforce, as well as implement policies and procedures for the full employment cycle.

In 2021, we also formed an employee welfare committee at our Khor Mor operation, which enhanced communication and identified opportunities to improve employee well-being that were carried forward and implemented at the site during the year. By strengthening the individual to be more resilient, we are building more resilient teams and a company culture that values well-being.

The employee welfare committee was formed in January of 2021 in response to the impact of the COVID-19 pandemic on employee morale and resilience, as personnel were unable to commute home and undertook extended stays at Khor Mor. The committee is composed of 26 employees—representing all 13 departments—who are responsible for gathering suggestions from colleagues and communicating these during monthly meetings.

During the year, the employee welfare committee members raised 42 action points for consideration, ranging from mealtime adjustments to enhanced leisure and entertainment options. Acting on points approved by the committee, the Morale, Welfare, and Recreation Centre, later renamed Hasanawa in Kurdish, was created to ensure employees had enhanced options for rest and relaxation that improved resilience during the pandemic and into the future.



“

Crescent Petroleum is committed to its employees' professional development and growth, and provides a solid platform to learn new skills, expand competencies, and gain top-notch experience. It's one of the reasons the company has a comparatively low employee turnover.”



Maria Scanlan
Legal Director, UAE



Empowering Our Teams continued

Training and Capacity Building

We are committed to fostering an environment that encourages professional growth and development of all employees to meet new challenges, regardless of their position. By enhancing skills and knowledge, our employees maximize job performance and contribute to our company's success in both the short and long-term. In 2021, despite continued challenges due to the COVID-19 pandemic and in-person trainings being cancelled, our employees completed more than 14,200 training hours and we maintained an average of two training days per employee during the year.

Crescent Petroleum strives to support our employees to reinforce their skills and advance in their careers. We have adopted best practices in learning and development by offering blended learning that includes experiential, on-the-job-training practiced in a safe space. All trainings are mapped against specific competencies and requirements and include a skills assessment component. We also recently began offering training courses through the international learning platform UdeMy.

Through our Learning and Development Training Centre, we offer a full range of courses, programs, services, and systems specifically

adapted to meet the needs and requirements of all aspects of Crescent Petroleum's operations. Our suite of courses includes Health, Safety, Security, and Environment (HSSE) programmes; technical training on plant, processes, and equipment; IT training; and English language training. We have a company-wide electronic tracking and monitoring system that allows us to collect training data and monitor progress against training requirements to facilitate accurate record-keeping and accountability. During 2021, employees completed nearly 3,200 training hours specific to HSSE, a 110 percent increase compared to 2020.

Key Performance Indicator (KPI)	Units	2019	2020	2021
Total employee training	Hours	41,543	11,130	14,274
Average number of training days undertaken by each employee	#	6	2	2
Total employee health and safety training	Hours	7,539	1,473	3,065
Percentage of employees that received a regular performance review	%	100%	100%	100%

“

As a chef, I know that my work leads directly to the wellbeing and general satisfaction of my colleagues, who spend many weeks away from home. Knowing that I am part of a company that dedicates so much to the wellbeing of its employees while supporting various communities gives me great pride to be part of the Crescent Petroleum family.”

Mariwan Marouf Ali
Lead Chef, KRI



Case Study








Enhanced Training Focus in KRI

The COVID-19 pandemic resulted in the drawdown of training activities worldwide and across industries. Crescent Petroleum experienced many of the same challenges as training for the local national workforce was paused and the learning and development team demobilized at Khor Mor. However, during 2021, we undertook concentrated recruitment efforts and doubled the size of our training team to 14 full-time trainers by the end of the year. We also doubled the size of our training space, which now has the capacity to accommodate 80 participants. We are looking ahead to enhancing training opportunities for our staff on site to support their growth and development with our newly increased capacity at the site and demonstrating our long-term commitment to the local workforce and surrounding communities.



Appendix A

2021 Contributions to the UN SDGs

SDG	Highlights of Crescent Petroleum's Contribution
SDG 1: No Poverty 	<ul style="list-style-type: none"> Total social contributions towards communities based in the KRI totaled \$2.3 million in 2021. Through significant energy infrastructure investments, as well as promoting local hiring and procurement practices, numerous employment opportunities (direct and indirect) have been created.
SDG 3: Good Health and Well-Being 	<ul style="list-style-type: none"> On-site medical facilities and medivac is available in the KRI. UAE-based staff are provided comprehensive medical insurance. Implemented vaccination awareness campaigns and established vaccination requirements for employees and contractors. Khor Mor employees and contractors were provide medical check-ups in support of a 'prevention is better than cure' campaign.
SDG 4: Quality Education 	<ul style="list-style-type: none"> In partnership with the American University of Cairo, helped empower 45 youths in Dakahlia by providing vocational training and spaces to incubate and scale up creative enterprises. Provided school transportation for 181 students from 21 different villages in Qadir Karam, Kurdistan. Supported the monthly salaries of 18 teachers in schools throughout Qadir Karam and supplied printers for one of the primary schools. Provided capacity building courses to high school students from Qadir Karam.
SDG 5: Gender Equality 	<ul style="list-style-type: none"> Strict zero-tolerance policy on discrimination in the workplace. Committed to providing equal opportunity and merit-based advancement opportunities for all staff regardless of ethnicity, gender, religion, age, and physical abilities, or any other status whether legally protected or not.
SDG 6: Clean Water and Sanitation 	<ul style="list-style-type: none"> Implemented equipment repairs to provide a continuous water supply to Cham Surkhaw Village in Qadir Karam. Rented a water truck for four months to distribute water within Qadir Karam town and surrounding villages in conjunction with the Qadir Karam Water Department. Supported water usage awareness campaigns in the towns of Chamchamal and Shorsh, including leaflet distribution, awareness presentations, and shows on local media channels Implemented a community drinking water project in Qadir Karam to make drinking water fountains more available.

SDG **Highlights of Crescent Petroleum's Contribution**

SDG 7:
**Affordable and
Clean Energy**



- Supply the KRI with reliable and cleaner fuel for power generation, compared to alternative and more carbon emitting energy sources, electricity supply, helping avoid carbon emissions.
- Partnered with Chatham House to support research and thought leadership related to the regional energy landscape and policies promoting the efficient use of natural gas.
- Collaborated with KESK, a woman-led start-up solar company based in the KRI to implement sustainable energy projects.
- Studying the feasibility of installing photovoltaic arrays in new infrastructure projects to sustainably generate 20% of Crescent Petroleum's power needs.
- Planning to replace onsite diesel vehicles with comparable electric vehicles.
- All laptops have energy star ratings.





SDG 8:
**Decent Work and
Economic Growth**






- 20,000 temporary jobs were created during the construction of the Kurdistan Gas Project.
- 2,200 permanent jobs were created during the operational phase of the Kurdistan Gas Project from 2008 to 2017.
- Hired 136 new employees, of which 15 were women and 45 were under the age of 30.
- Sponsored Chatham House to support the Iraq Initiative, a fieldwork-based policy initiative that aims to support institution-building and policy development in Iraq to encourage stronger governance and policy and empower economic growth and development.
- Adopted the International Oil and Gas Producers Association (IOGP)'s Life Saving Rules.
- Monthly HSE-related KPIs and lessons learnt are monitored by senior management.
- Lost time injury frequency (LTIF) of 0.23.

Appendix A

2021 Contributions to the UN SDGs continued

SDG		Highlights of Crescent Petroleum's Contribution
SDG 9: Industry, Innovation, and Infrastructure		<ul style="list-style-type: none"> Committed to the economic growth and infrastructural development of the KRI. Collaborated with KESK, a woman-led start-up solar company based in the KRI to implement sustainable energy projects. Invested over \$2.3 billion in the KRI to date.
SDG 10: Reduced Inequalities		<ul style="list-style-type: none"> Established an employee welfare committee to help employee morale and resilience. 100% of employees received a regular performance review. 14,274 total employee training hours. 39 nationalities represented across workforce.
SDG 11: Sustainable Cities and Communities		<ul style="list-style-type: none"> Supplied five villages in Qadir Karam, with free electrical power from our Khor Mor plant, an estimated value of more than \$1.3 million in 2021. Provided 9,200 litres of fuel each month to Qadir Karam and surrounding villages. Made road repairs in Qadir Karam to help ease travel constraints. Repaired vehicles used by the Qadir Karam Police and other government offices in Kurdistan that experienced significant wear and tear due to increased travel requirements related to COVID-19. Repaired generators in Qadir Karam and provided air conditioners to the Kurdistan Civil Defence Department.
SDG 12: Responsible Consumption and Production		<ul style="list-style-type: none"> Enhanced waste management infrastructure, which included the procurement of an incinerator, waste delivery truck and fabricated waste skips at strategic locations. Recycling of non-hazardous and hazardous waste increased by 2% and 7%, respectively. All contractors and their employees, whether local or international, must participate in a social performance briefing as a prerequisite for commencing work. Requirements have also been established for business ethics and anti-corruption.

SDG **Highlights of Crescent Petroleum's Contribution**

<p>SDG 13: Climate Action</p>		<ul style="list-style-type: none"> • It is estimated the Kurdistan Gas Project has helped the KRI to avoid 42 million tCO₂e GHG emissions over the last 14 years. • Reduced Scope 1 GHG emissions by 17%. • Reduced flaring by 28%. • Commissioned process modifications to eliminate flash gas from the EPF, reducing GHG emissions by an estimated 61,600 tCO₂e per year. • Improved the measured accuracy of CO₂ emissions and are assessing options to further reduce CO₂ emissions. • Identified 42,350 leak sources associated with >65% of the process plant, equating to more than 102,000 kg of fugitive emissions per year. • Resolution of leaks associated with 217 fugitive emission sources. • Offset 2021 total estimated carbon emissions of 264,000 tCO₂e.
<p>SDG 14: Life Below Water</p>		<ul style="list-style-type: none"> • Established a Produced Water Task Force. • Spill prevention and management plans are maintained at all locations. • A dedicated team is in place to respond in the event of a spill incident.
<p>SDG 17: Partnerships for the Goals</p>		<ul style="list-style-type: none"> • Committed to measure and demonstrate ESG performance using the World Economic Forum's Stakeholder Capitalism Metrics, which seek to accelerate convergence among leading private ESG standard-setters, bring greater comparability and consistency to the reporting of ESG metrics and disclosures, and to help companies consistently track their positive contributions towards achieving the UNs Sustainable Development Goals.

Appendix B

Acronyms and Glossary

API	American Petroleum Institute
3Cs	Community Centered Contractors
BOE	Barrells of Oil Equivalent
BTEX	Benzene, Toluene, Ethylbenzene and Xylenes
CEO	Chief Executive Officer
CMT	Crisis Management Team
CO₂	Carbon Dioxide
CO₂eq	Carbon Dioxide equivalent
COVID-19	Coronavirus Disease
CSR	Corporate Social Responsibility
EDR	Endpoint Detection and Response
EPF	Early Production Facility
ESG	Environment, Social and Governance
ExCom	Executive Committee
EY	Ernst & Young
GHG	Greenhouse Gas
GJ	Gigajoules
GRI	Global Reporting Initiative
HPIO	High Potential Incidents
HSE	Health, Safety, and Environmental
HSSE	Health, Safety, Security, and Environment
IBC	International Business Council
IDP	Internally Displaced People
IHSM	IHS Markit
IMP	Incident Management Plans
IMT	Incident Management Team
IOGP	International Oil and Gas Producers Association
ISAE	International Standard on Assurance Engagements

IT	Information Technology
IVMS	In-Vehicle Monitoring Systems
KG	Kilograms
KPI	Key Performance Indicator
KRG	Kurdistan Regional Government
KRI	Kurdistan Region of Iraq
kWh	Kilowatt hours
L	Litres
LDAR	Leak Detection and Repair
LPG	Liquified Petroleum Gas
LTIF	Lost-Time Injury Frequency
m³	Cubic Meters
MDR	Managed Detection and Response
MMscf	Million Standard Cubic Feet
MNR	Ministry of Natural Resources
MOOCs	Massive Open Online Courses
NGO	Non-governmental Organizations
NZF	Near Zero Flaring
PPE	Personal Protective Equipment
QHSSE	Quality, Health, Safety, Security, and Environment
SDG	Sustainable Development Goals
SOAR	Security Orchestration, Automation, and Response
SOC	Security Operations Centre
SSD	Solid-state Drive
TRIF	Total Recordable Injury Frequency
UAE	United Arab Emirates
UN	United Nations
WEF	World Economic Forum

Appendix C

GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organizational profile	
	102-1 Name of the organization	Front cover
	102-2 Activities, brands, products, and services	10, 11
	102-3 Location of headquarters	Back cover
	102-4 Location of operations	8 - 11
	102-5 Ownership and legal form	8
	102-6 Markets served	8
	102-7 Scale of the organization	8
	102-8 Information on employees and other workers	59
	102-9 Supply chain	29
	102-10 Significant changes to the organization and its supply chain	29
	102-11 Precautionary Principle or approach	38
	102-12 External initiatives	30-34
	102-13 Membership of associations	32-34
	Strategy	
	102-14 Statement from senior decision-maker	4
Ethics and integrity		
102-16 Values, principles, standards, and norms of behavior	7	

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 102: General Disclosures 2016	Governance	
	102-18 Governance structure	25, 26
	102-20 Executive-level responsibility for economic, environmental, and social topics	50
	102-21 Consulting stakeholders on economic, environmental, and social topics	16-17
	102-22 Composition of the highest governance body and its committees	16-17
	102-23 Chair of the highest governance body	24
	102-27 Collective knowledge of highest governance body	25
	102-29 Identifying and managing economic, environmental, and social impacts	33-34, 64-67
	102-30 Effectiveness of risk management processes	28
	102-31 Review of economic, environmental, and social topics	26
	102-33 Communicating critical concerns	26
	Stakeholder engagement	
	102-40 List of stakeholder groups	17
	102-41 Collective bargaining agreements	Not applicable
	102-42 Identifying and selecting stakeholders	16-17
	102-43 Approach to stakeholder engagement	16-17
	102-44 Key topics and concerns raised	16-17

Appendix C

GRI Content Index continued

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 102: General Disclosures 2016	Reporting practice	
	102-45 Entities included in the consolidated financial statements	10-11
	102-46 Defining report content and topic Boundaries	2-3
	102-47 List of material topics	19
	102-48 Restatements of information	None
	102-49 Changes in reporting	None
	102-50 Reporting period	2
	102-51 Date of most recent report	13
	102-52 Reporting cycle	2
	102-53 Contact point for questions regarding the report	3
	102-54 Claims of reporting in accordance with the GRI Standards	3
	102-55 GRI content index	70
102-56 External assurance	70	
Material Topics		
GRI 200 Economic Standard Series		
Economic Performance		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	33
Market Presence		
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	58

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	12-13, 65-66
	103-2 The management approach and its components	12-13, 65-67
	103-3 Evaluation of the management approach	12-13, 65-68
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	12-13, 65-69
	203-2 Significant indirect economic impacts	12-13, 65-70
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	29
	103-2 The management approach and its components	29
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	29
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	28
	103-2 The management approach and its components	28
	103-3 Evaluation of the management approach	28
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	28
	205-3 Confirmed incidents of corruption and actions taken	28, 29
Anti-competitive Behavior		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	28
	103-2 The management approach and its components	28
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	28

Appendix C

GRI Content Index continued

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Tax		
GRI 300 Environmental Standards Series		
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	46-47
	103-2 The management approach and its components	46-47
	103-3 Evaluation of the management approach	46-47
GRI 301: Materials 2016	301-2 Recycled input materials used	46-47
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	42-43
	103-2 The management approach and its components	42-43
	103-3 Evaluation of the management approach	42-43
GRI 302: Energy 2016	302-1 Energy consumption within the organization	43
	302-3 Energy intensity	42-43
	302-4 Reduction of energy consumption	42-43
	302-5 Reductions in energy requirements of products and services	42
Water and Effluents		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	44-45
	103-2 The management approach and its components	44-45
	103-3 Evaluation of the management approach	44-45
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	44-45
	303-2 Management of water discharge-related impacts	44-45
	303-4 Water discharge	45
	303-5 Water consumption	45
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	38
	103-2 The management approach and its components	38
	103-3 Evaluation of the management approach	38

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	39
	305-2 Energy indirect (Scope 2) GHG emissions	39
	305-4 GHG emissions intensity	41
	305-5 Reduction of GHG emissions	39
Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	46-47
	103-2 The management approach and its components	46-47
	103-3 Evaluation of the management approach	46-47
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	46
	306-2 Management of significant waste-related impacts	46
	306-3 Waste generated	46
	306-4 Waste diverted from disposal	46
	306-5 Waste directed to disposal	46
Environmental Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	20
	103-2 The management approach and its components	20
	103-3 Evaluation of the management approach	20
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	20
GRI 400 Social Standards Series		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56-60
	103-2 The management approach and its components	56-60
	103-3 Evaluation of the management approach	56-60
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	59
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	59

Appendix C

GRI Content Index continued

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	50-52
	103-2 The management approach and its components	50-52
	103-3 Evaluation of the management approach	50-52
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	52
	403-2 Hazard identification, risk assessment, and incident investigation	50-52
	403-3 Occupational health services	50
	403-4 Worker participation, consultation, and communication on occupational health and safety	50-51
	403-5 Worker training on occupational health and safety	50-51
	403-6 Promotion of worker health	50-51
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	55
	403-8 Workers covered by an occupational health and safety management system	50-52
	403-9 Work-related injuries	53
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	62-63
	103-2 The management approach and its components	62-63
	103-3 Evaluation of the management approach	62-63
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	62
	404-2 Programs for upgrading employee skills and transition assistance programs	62-63
	404-3 Percentage of employees receiving regular performance and career development reviews	62
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56-60
	103-2 The management approach and its components	56-60
	103-3 Evaluation of the management approach	56-60
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	58-59
	405-2 Ratio of basic salary and remuneration of women to men	59

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Non-discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	60
	103-2 The management approach and its components	60
	103-3 Evaluation of the management approach	60
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	60
Security Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	55
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
Human Rights Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	60
	103-2 The management approach and its components	60
	103-3 Evaluation of the management approach	60
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	29-34
	103-2 The management approach and its components	29-34
	103-3 Evaluation of the management approach	29-34
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	29-34
Supplier Social Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	29
	103-2 The management approach and its components	29
	103-3 Evaluation of the management approach	29

Appendix D

World Economic Forum's Stakeholder Capitalism Index

Principles of Governance		
Theme	Metrics & Disclosure	Reference
Governing purpose	Setting purpose: <ul style="list-style-type: none"> The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders. 	5 - 7
Quality of governing body	Governance body composition: <ul style="list-style-type: none"> Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation. 	24 - 26
Stakeholder engagement	Material issues impacting stakeholders: <ul style="list-style-type: none"> A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged. 	16 - 17
Ethical behaviour	Anti-corruption: <ul style="list-style-type: none"> Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. <ul style="list-style-type: none"> Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and Total number and nature of incidents of corruption confirmed during the current year, related to this year. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption. 	28
	Monetary losses from unethical behaviour: <ul style="list-style-type: none"> Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or violations of other related industry laws or regulations. 	28
Risk and opportunity oversight	Integrating risk and opportunity into business process: <ul style="list-style-type: none"> Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship. 	28

Planet		
Theme	Metrics & Disclosure	Reference
Climate Change	Greenhouse gas (GHG) emissions: <ul style="list-style-type: none"> For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO₂e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate. 	38 - 41
	Impact of GHG emissions: <ul style="list-style-type: none"> Report wherever material along the value chain (GHG Protocol Scope 1, 2 & 3) the valued impact of greenhouse gas emissions. Disclose the estimate of the societal cost of carbon used and the source or basis for this estimate. 	38 - 41
Freshwater availability	Water consumption and withdrawal in water-stressed areas: <ul style="list-style-type: none"> Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate. 	44 -45
Air pollution	Air pollution: <ul style="list-style-type: none"> Report wherever material along the value chain: nitrogen oxides (NO_x), sulphur oxides (SO_x), particulate matter and other significant air emissions. Wherever possible estimate the proportion of specified emissions that occur in or adjacent to urban/densely populated areas. 	41
Solid waste	Single-use plastics: <ul style="list-style-type: none"> Report wherever material along the value chain: estimated metric tonnes of single-use plastic consumed. Disclose the most significant applications of single-use plastic identified, the quantification approach used and the definition of single-use plastic adopted. 	46 -47

Appendix D

World Economic Forum's Stakeholder Capitalism Index continued

People		
Theme	Metrics & Disclosure	Reference
Dignity and equality	Diversity and inclusion (%): <ul style="list-style-type: none"> Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity). 	58 - 59
	Pay equality (%): <ul style="list-style-type: none"> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas. 	59
	Human rights review, grievance impact & modern slavery (#, %): <ul style="list-style-type: none"> Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country. Number and type of grievances reported with associated impacts related to a salient human rights issue in the reporting period and an explanation on type of impacts. Number and percentage of operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: <ul style="list-style-type: none"> Type of operation (such as manufacturing plant) and type of supplier; and Countries or geographic areas with operations and suppliers considered at risk. 	60
Health and well-being	Health and safety (%): <ul style="list-style-type: none"> The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers. 	49 - 55

Prosperity		
Theme	Metrics & Disclosure	Reference
Employment and wealth generation	Absolute number and rate of employment: <ul style="list-style-type: none"> Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region. 	59
	Infrastructure investments and services supported: Qualitative disclosure to describe the below components: <ul style="list-style-type: none"> Extent of development of significant infrastructure investments and services supported. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. Whether these investments and services are commercial, in-kind or pro bono engagements. 	39, 42, 47, 65, 66
	Significant indirect economic impacts: <ul style="list-style-type: none"> Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities (e.g. national and international standards, protocols, policy agendas). 	12-13, 65-66

Assurance Statement



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Independent accountant's assurance report

To the board of Directors and Management of Crescent Petroleum Company

Scope

We have been engaged by Crescent Petroleum Company to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Crescent Petroleum Company's Disclosure 303-1: Water Management; Disclosure 401-1: Localization and Job Creation; Disclosure 403-9: Occupational Safety from the environmental and social performance indicators disclosed in the 2021 Sustainability Report (the "Subject Matter") for the period from 01 January 2021 to 31 December 2021.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Crescent Petroleum Company

In preparing the Subject Matter, Crescent Petroleum Company applied the Global Reporting Initiative Standards (GRI) (Criteria).

Crescent Petroleum Company's responsibilities

Crescent Petroleum Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000'), and the terms of reference for this engagement as agreed with Crescent Petroleum Company on 30 May 2022. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics



Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Conducting interviews with personnel to understand the business and reporting process
- Conducting interviews with key personnel to understand the process for collecting, collating and reporting the subject matter during the reporting period
- Checking whether the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- Undertaking analytical review procedures to support the reasonableness of the data
- Identifying and testing assumptions supporting calculations
- Undertaking reviews of the presentation of the Subject Matter in the 2021 Sustainability Report
- Testing, on a sample basis, underlying source information to check the accuracy of the data

We also performed such other procedures as we considered necessary in the circumstances.

Appendix E

Assurance Statement continued



Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the period from 01 January 2021 to 31 December 2021, in order for it to be in accordance with the Criteria.

A handwritten signature in blue ink, appearing to read 'Ernst & Young', is written over a faint, light blue watermark of the EY logo.

Ernst & Young Middle East (Dubai Branch)
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15 October 2022



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