



شركة نفط الهلال
Crescent Petroleum

Sustainability Report
2022-2023

ENERGY FOR THE FUTURE







This report presents the concrete progress Crescent Petroleum has made against our four key sustainability pillars, while outlining the vision for our sustainability in the years to come.

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About this report

Crescent Petroleum is pleased to present its seventh annual Sustainability Report, covering our business and sustainability performance for the period between 1 January, 2022 and 31 December, 2022, as well as select business updates until its publication date.



In the following pages we present the concrete progress Crescent Petroleum is making against our four key sustainability pillars:

- Delivering on our promise to the community
- Our Commitment to the Environment
- Ensuring Our Teams' Health and Safety
- Empowering Our Teams.

This report was developed by a cross-functional team of subject matter experts throughout our company and reviewed by our senior leadership team. Specific areas of the report have been externally assured by Ernst & Young (EY) and overall, it has been prepared with reference to reputable sustainability reporting standards, including the Global Reporting Initiative (GRI) Sustainability Reporting Standards (please refer to Appendix C) as well as the Stakeholder Capitalism Metrics issued by the International Business Council (IBC) of the World Economic Forum (WEF) (please refer

to Appendix D). It also outlines our commitment to the 17 Sustainable Development Goals (SDGs) of the United Nations (UN) 2030 Agenda for Sustainable Development, with disclosures of our relevant SDG contributions for each of our priority areas (please refer to Appendix I).

Crescent Petroleum is a subsidiary of Crescent Group, with headquarters in the United Arab Emirates (UAE), and offices in the United Kingdom and Iraq. 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 proudly hold ourselves to a high standard of accuracy and excellence across all our activities, including our reporting.

The statistical reporting boundary for this report spans from 1 January to 31 December 2022 and pertains to all Crescent Petroleum operations in the UAE and the Kurdistan Region of Iraq (KRI) but excludes the performance of affiliate companies,

unless stated otherwise. Crescent Petroleum is a 35% shareholder in the Pearl Petroleum consortium, and together with Dana Gas, is joint operator for Pearl Petroleum in the KRI. In this report, unless stated otherwise, Crescent Petroleum reports 100% of statistics pertaining to Pearl Petroleum's activities in the KRI. We also qualitatively review key events and milestones that occurred in 2023 to provide further context to our reporting.

This report also outlines long-range plans and includes several forward-looking statements. All forward-looking statements are management's best estimates and projections at the time of publication, and not necessarily a guaranteed outcome. All currency figures are in US dollars, and all quantitative disclosures are in metric units, unless otherwise specified.

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



Message from the CEO



The title of this year's report, "Energy for the Future", reflects the sense of optimism as we progress on our sustainability journey.

We are pleased to present our 2022 Sustainability Report detailing the considerable progress made across our sustainability goals throughout 2022. This annual review, the seventh conducted since 2015, presents the concrete steps Crescent Petroleum is taking to align our business strategy with our commitment to building lasting social, economic, and environmental impact in the areas where we operate. The results of this report help define a roadmap for our sustainability journey in the years to come.

The title of this year's report, "Energy for the Future" reflects the sense of optimism as we progress on our sustainability journey. We continue to reinforce our sustainability efforts and strive to fortify that spirit in everything we do amongst our teams and operations to make a positive impact on the world around us.

Crescent Petroleum began its sustainability reporting journey in 2015, but sustainability has been a pillar of our business since our founding in 1971. As pioneers in the development of the Middle East's natural gas resources, we have long sought ways of embracing cleaner burning natural gas in place of fuels like diesel and coal.

Natural gas now accounts for nearly 78% of Crescent Petroleum's total production and facilitates cleaner, more affordable electricity for millions in the Kurdistan Region of Iraq (KRI), while allowing the region to avoid a cumulative 49 million tonnes of CO₂ emissions to date by replacing liquid fuels with natural gas. This is equivalent to removing 10 million cars from the

road for one year, according to the US Environmental Protection Agency.

We embrace the sustainability mindset across all areas of our business, encouraging our teams to always consider better, more efficient, and more sustainable ways of working. This report presents examples of how this is put into action, from our drill rigs to our operations and construction efforts and throughout our offices in the KRI, the UK, and the UAE.

The sustainability mindset means constantly considering ways of being more efficient, while considering environmental impact of our work. It is a mindset of progressive improvements that cumulatively make a major impact.

For example, in 2022 we undertook a major survey of methane leaks at our operations and have worked to eliminate them across our operations. This has culminated with our commitment in 2023 to the "Aiming for Zero Methane Emissions" initiative of the Oil and Gas Carbon Initiative, which seeks to eliminate methane leaks from oil and gas operations. We have also embraced ways of saving and reusing water, reducing waste and of composting the waste that remains.

Such continuous improvements, coupled with offsets for the remaining emissions, have established us as one of the first companies in the industry to reach carbon neutral beginning in 2021 and continuing.

This is a seminal time for the oil and gas industry as heightened attention to climate change, greenhouse gas emissions, and sustainability have become central to the industry's future.

As the world grapples to balance the energy trilemma of affordability, availability, and sustainability, natural gas will become ever more critical to providing cleaner, more reliable energy resources while enabling the adoption of intermittent renewable resources like wind and solar.

When the UAE hosts the COP28 at the end of 2023, considerable attention will be focused on enabling the transition in the developing world, where energy demand is growing fastest, and where CO₂ emissions are also increasing fastest. Therefore, enabling the carbon transition to begin now in the developing world will impact global carbon emissions rapidly. We believe the best means of accomplishing this is by embracing cleaner sources of fuel, especially natural gas, in place of diesel, coal and even wood that fuel many parts of the world.

While the future presents major challenges for the oil and gas industry, we see considerable opportunities too. Companies and countries that embrace a sustainable mindset and choose to work in partnership to help solve these problems will see tremendous opportunities as they progress.

We sincerely believe that improvements across the sustainability spectrum have made our business stronger and more resilient, even in the most challenging of times, and we hope to offer an example for others seeking a path forward amid this change.

Majid Jafar
Chief Executive Officer

2022 Sustainable Performance Highlights

Production from the Kurdistan Gas Project reached 110k barrels of oil equivalent (BOE) per day of clean burning natural gas, LPG, and condensates, fueling more than 80% of the power generated in the KRI.



Our Commitment to the Environment



Reduced Scope 1 emissions by

4.3% to 236,333 tonnes, amounting to a carbon intensity of

6.0 kgCO₂e/BOE versus 6.3 kgCO₂e/BOE in 2021, which is **less than half of the global industry average** (IOGP 2021 Environmental Performance Indicators).



Total flared hydrocarbons decreased

31% compared to 2021 to 9,403 tonnes, amounting to 0.2% of total production.



90% of hazardous waste recycled in 2022.



Created a **"Produced Water Task Force"** to identify opportunities to improve produced water management practices.



Began a comprehensive review of all Environmental and Social Impact Assessment (ESIA) action plans.



Delivering On Our Promise to the Community



More than **65.3%** local nationals across our operations.



Increased the local national workforce by more than **26%** to 592 in the KRI.



38% increase in female employees to 93 in 2022 compared to 67 in 2021.



Increased spending on local suppliers by **87.6%** to US\$127.02 million.



Increased the number of local suppliers engaged in its operations by **40.8%** to 576.



Ensuring Our Teams' Health and Safety



Marked 6 years of **zero** LTI in operations



Achieved **zero** Tier 1 process safety events.



Decreased total process safety events by **33.3%** to a total of 10 compared to 2021.



Reviewed and updated our **HSE and Social Performance Policy** in 2022, enhancing its focus on safeguarding individuals and mitigating potential health and safety risks.



Achieved **zero** major road accidents despite a 143.3% increase in the total number of kilometres driven.



Introduced **Leadership HSE Tours** and **Life Saving Rules**.



Established a **Corporate Crisis Management Team**.



Empowering Our Teams



Reduced attrition rate from 5.3% in 2021 to **4.7%** in 2022, while increasing the workforce by more than 22%.



Increased the number of nationalities represented by **17.9%** to 46 nationalities.



Significantly increased the total number of employee training hours by **222%** providing valuable opportunities for skill enhancement and personal growth.



Increased **female representation** to **12.3%** of new hires in 2022 from 6.9% in 2020.





Overview of Crescent Petroleum

Mission

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



Values

1



Ethics

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

2



Enterprise

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

3



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.

4



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.

5



Courage

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

6



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.





A Brief History of Crescent Petroleum

1971

Crescent Petroleum formed

1972

Oil discovered in the Mubarek Field in Sharjah, UAE

1973

Exploration activities in present-day Montenegro, Europe

1974

Mubarek field oil production begins in Sharjah

1981

Exploration and production concession obtained for the San Jorge Basin in Argentina

1990

Concession awarded for East Khalda in western Egypt. Gulf-South Asia Gas Project (GUSA) launched

1989

Controlling interest obtained in Buttes Resources Canada Limited (BRCL)

1986

Exploration concession obtained for the Potwar Basin of Pakistan

1985

Contract entered with the UAE Federal Ministry of Electricity and Water for gas supply pipeline from Sharjah

1991

First intra-emirate gas pipeline in the UAE established between offshore Mubarek Facilities and Jebel Ali, Dubai. Entry into Yemen with an exploration concession

1996

Enterprise Oil (now Shell) Mubarek Field, offshore Sharjah

1997

Chinese Petroleum Corporation, Taiwan. Mubarek Field, offshore Sharjah

2002

Crescent becomes the technical operator for the Bukha field, offshore Oman. Crescent becomes the technical operator for concessions in Ajman, Umm Al Quwain and Ras Al Khaimah

2005

Dana Gas founded with Crescent as single-largest shareholder, delivering the most successful and largest IPO in region's history



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 the UAE and we have offices in the United Kingdom and Iraq.

2007

With the award of the Khor Mor and Chemchemical fields, Crescent becomes among the first upstream oil and gas companies to begin operations in the KRI

2008

Sharjah Onshore Concession awarded

2009

Formation of the Pearl Petroleum consortium, with Crescent Petroleum and Dana Gas as the joint operator of KRI fields with 40% interest each in Pearl.

OMV and MOL join Pearl, acquiring 10% interest each

2010

Agreement signed with Rosneft to jointly explore the Sharjah Onshore Concession

2019

Pearl Petroleum signs 20-year Gas Sales Agreement with the KRG to enable production and sales of an additional 250 MMscfd

2018

Crescent Petroleum secures three concessions within federal Iraq for the development of gas fields in Diyala province, as well as southern Iraq

2015

RWE joins Pearl Petroleum consortium with 10 per cent share



2021

Crescent Petroleum becomes one of the first companies in the industry to achieve carbon neutrality across its operations after completing a series of projects to reduce carbon intensity and offsetting remaining emissions

2022

Crescent Petroleum celebrates 50 years of operations

2023

Crescent Petroleum signs three long-term contracts with the Iraqi Ministry of Oil for the development of gas fields in Diyala province as well as the Khidhr Al Mai exploration block in Basra



A Brief History of Crescent Petroleum continued

Our beginnings

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

1970s-80s

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.

1990s

In 1993, gas sales were established with Dubai through a purpose-built 92-kilometre, 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 kilometres 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.

2000s

The Kurdistan gas project

In 2007, Crescent Petroleum, together with Dana Gas entered into agreement with the Kurdistan Regional Government (KRG) of Iraq for the appraisal and development of the Khor Mor and Chemchemical fields; two major gas fields in the region. Under the terms of the agreement, Crescent Petroleum and Dana Gas were given exclusive rights to appraise, develop, process, market and sell petroleum from the substantial Khor Mor and Chemchemical blocks.

Gas began flowing in October 2008, a record 15 months from the start of construction, through newly built pipelines from Khor Mor to power plants in Chemchemical and Erbil.

In 2009 Pearl Petroleum was founded as the company assigned with the interests of its joint operators Dana Gas and Crescent Petroleum. Later that year, OMV of Austria and MOL

of Hungary, two major European energy companies, each became 10% shareholders in Pearl Petroleum. Then in 2015, RWE joined the Pearl Petroleum consortium, acquiring 10% interest.

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.

Production reached approximately 110,000 barrels of oil equivalent (BOE) per day at the end of 2022, comprising gas, condensate, and liquefied petroleum gas (LPG) with gas comprising nearly 78% of total production from the Khor Mor plant. Total production since inception in 2007 to the end of 2022 is approximately 403 million barrels of oil equivalent, with total capital investment amounting to \$2.6 billion during the 15-year period.



2020s

In 2019, Pearl Petroleum signed a 20-year Gas Sales Agreement with the KRG to enable production and sales of an additional 250 MMSCF/day to boost local power generation, significantly expanding the current 460 MMSCF/day production. A major oil and gas services provider was appointed in January 2020 to lead the engineering, procurement, and construction (EPC) of KM250, the first of two 250 MMSCF/day 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.

As part of the programme, four gas producing wells were successfully drilled in 2022 and completed safely, with zero recordable injuries. Two issues have impacted the development and timeline of the KM250 project:

The COVID-19 pandemic, which particularly impacted the supply chain of the EPC contract and local site access for the preparatory construction work. Movement restrictions and other disruptions forced the EPC contractor and the joint operators to take all commercially reasonable steps to mitigate the impact of COVID-19, causing delays in the delivery of the project. The operator resumed work on the civil engineering works for the expansion project in December 2020.

In June, July, and October 2022 projectile attacks targeted the Khor Mor field. Other than two minor injuries there was no harm to personnel, and production operations, drilling and non-EPC construction activities continued throughout as normal. However, works on the KM 250 project were suspended when the EPC contractor evacuated its workforce. Construction work resumed in December 2022. The project is expected for completion in 2024.

In September 2021, Crescent Petroleum became one of the first companies in the industry to achieve carbon neutrality across its operations after completing a series of projects to reduce its carbon intensity to 6.3 kgCO₂e/BOE and offsetting remaining emissions. The milestone was the culmination of years of effort to improve total process efficiencies and become one of the least carbon-intensive companies in the energy sector. The company had for some years been shifting focus to natural gas which now makes up c.78% of its total production and has reduced gas flaring by nearly 35% to 0.2% of production. As plans to further reduce carbon emissions progress, process improvements have allowed Crescent Petroleum to achieve a carbon intensity

of 6.0 kgCO₂e/BOE in 2022, which is less than half of the global industry average (IOGP 2021 Environmental Performance Indicators).

In 2022 the company offset the remaining emissions from its operations with carbon credits to support thermal oxidation of hydrofluorocarbon (HFC) 23 in India and wind power in China. Crescent Petroleum's own gas production over the past 15 years has made an even bigger impact by enabling the avoidance of a cumulative 49 million tonnes of CO₂ by replacing diesel with gas to generate power, equivalent to removing 10 million cars off the road for one year.

A Brief History of Crescent Petroleum continued

Crescent Petroleum is 35% owner of Pearl Petroleum and operates the Khor Mor gas plant together with Dana Gas as Joint Operator

Our partners in the Pearl Consortium



Dana Gas:

- Dana Gas is the largest private sector natural gas company in the Middle East with a current market cap of USD ~1.6bn.
- 35% shareholder and joint operator.
- Crescent Petroleum owns approx. 20% of Dana Gas.



MOL:

- MOL Group is a leading integrated Central Eastern European oil and gas corporation headquartered in Budapest, Hungary with a market cap of EUR 4.3bn.
- It has operations in over 30 countries and employs 25,000 people worldwide.
- Acquired 10% of Pearl in 2009.



OMV:

- OMV is a global energy and chemicals company and one of Austria's largest listed companies, with a market cap of USD 13.8bn.
- Global energy and chemicals company with sales exceeding EUR 60bn in the business year 2022.
- Acquired 10% of Pearl in 2009.



RWE:

- RWE is a German multinational energy company with a market cap of EUR 29.4bn.
- Acquired 10% of Pearl in 2015.

Source: Company information and publicly disclosed information.

Federal Iraq

Crescent Petroleum has committed to the development of opportunities across Iraq to support the redevelopment of the country. The company is the only international oil company to have maintained a continuous presence in the country for nearly 20 years, through our offices in Baghdad, Erbil and Sulaymaniyah.

In 2005, Crescent Petroleum signed a Memorandum of Understanding (MOU) with the Oil Exploration Company (OEC) of Iraq, a division of the Iraqi Ministry of Oil, which was one of the first agreements of its kind with a Middle Eastern petroleum company. The MOU covers technical co-operation and training and includes an exploration and appraisal study on an area assigned for Crescent Petroleum by OEC in southern Iraq.

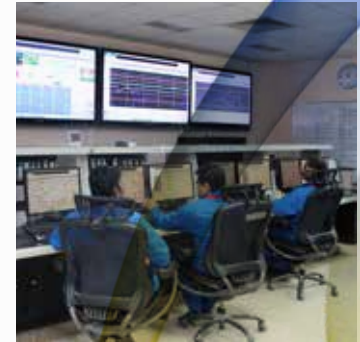
A Joint Steering Committee for the implementation of this MOU was set up between Crescent Petroleum and Iraq's Ministry of Oil. Under this MOU and during the period of the exploration study, Crescent Petroleum was engaged in the training of personnel from the Iraqi Ministry of Oil and its affiliate companies, for the strengthening of ties and the sharing of knowledge with the Ministry, in addition to providing full team participation to the Ministry throughout all phases of the study.

New Development blocks

In February 2023, Crescent Petroleum signed three long term contracts with the Iraqi Ministry of Oil for the appraisal, development and production from gas fields in Diyala province as well as the Khidhr Al-Mai exploration block in Basra province.

The new projects will deliver much needed natural gas to fuel nearby power plants and improve government services, creating thousands of new jobs in Diyala and elsewhere in Iraq. Crescent Petroleum will develop the Gilabat-Qumar and Khashim Ahmer-Injana fields in Diyala Province. A third exploration block, the Khidhr Al-Mai block in Basra province, will be explored and developed to add further supplies of oil and gas.

Crescent Petroleum is committed to meeting up to 90 percent Iraqi employment at its operations and will lead a variety of social performance projects to deliver training and capacity building, education, and social services support to benefit the residents of Diyala and the surrounding regions.



Highlights from Our 7-year Sustainability Journey



2015

Energizing Growth

- 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 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.

2016

Responsive and Resilient

- Developed Crescent Petroleum's sustainability framework, helping to shape and direct our sustainability priorities in the future.
- Over half (54%) of our procurement budget was spent on local companies and organizations.
- Conducted a supplier engagement survey to help evaluate and improve supply chain performance.
- Developed several policies to help foster 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.

2017

Partnering for Prosperity

- Reinforced our health and safety practices by developing 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).
- 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

- To reinforce stakeholder trust in our sustainability reporting practices, we obtained assurance by EY as per the ISAE 3000 Standard.
- Conducted a detailed impact assessment with the help of PwC 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

- 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

A Legacy of Progress

- Became one of the first companies in the oil and gas industry to achieve carbon neutrality.
- Celebrated 50 years of operations and the legacy of progress of Crescent Petroleum.
- Offset 264,000 tonnes of CO₂ equivalent and became one of the first oil and gas companies to reach Carbon neutrality.
- 28% increase in total employee training hours.
- Zero grievances reported by our employees.
- 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.



Sustainability at Crescent Petroleum

In 2022, Crescent Petroleum launched an in-depth review of its ongoing sustainability measurement efforts, stakeholder engagement and adherence to standards, to determine the areas requiring reinforcement.



Refreshing our sustainability roadmap

Our sustainability reporting is centred on four key sustainability pillars:

- Our Commitment to the Environment (delivering improved environmental management)
- Delivering on Our Promise to the Community (enabling progress for local communities)
- Ensuring Our Teams' Health and Safety (ensuring our employees' safety and wellbeing)
- Empowering Our Teams (enabling our employees to grow and develop).

We conducted a series of workshops with senior company stakeholders to review the maturity model currently in place, discuss the current methodologies, measurements and measurement techniques, and capture the outcomes from previous stages (gap assessment, sustainability report, benchmarking programs) as well as a review of the current rating of Crescent Petroleum per the model, and the targets identified for the company.

Taking a fresh look at stakeholder engagement

Crescent Petroleum's stakeholder engagement efforts centre on three core objectives: engaging stakeholders at national, corporate, and project levels; identifying and managing social risks; and supporting economic and social development of local communities. Our stakeholders include the communities where we operate, our employees, as well as government and regulatory agencies, thought leaders, academics, and non-governmental organizations (NGOs). Getting stakeholder feedback was critical to understanding stakeholder needs, determining stakeholder priorities, building strong relationships, and identifying opportunities to collaborate that enable positive sustainable outcomes.

The findings allowed us to define additional aspects to be included in the sustainability maturity assessment, determine gaps in measurement, and ultimately define a roadmap forward for our sustainability efforts.

Stakeholder Group	Modes of Engagement	Main Areas of Interest
 <p>Communities and NGOs</p>	<ul style="list-style-type: none"> • Direct engagement at facility • Dedicated corporate social responsibility (CSR) team • CSR initiatives and project • CSR visits to camps 	<ul style="list-style-type: none"> • Community development • Economic development • Employment opportunities • Education • Healthcare
 <p>Industry partners</p>	<ul style="list-style-type: none"> • Industry partner meetings • Presentations • Industry forums 	<ul style="list-style-type: none"> • Investment and collaboration opportunities • Best practices and shared experiences • International, regional, and local developments
 <p>Government</p>	<ul style="list-style-type: none"> • Structured meetings with ministries • Structured engagements through audits • Participation in forums 	<ul style="list-style-type: none"> • Economic development • Job creation • Government payments • Compliance with regulations • Nationalisation • Ethical conduct
 <p>Employees</p>	<ul style="list-style-type: none"> • Employee surveys • Team-building events • Capacity building and training • Grievance redress mechanisms • Internal newsletter 	<ul style="list-style-type: none"> • Health and safety • Career development and opportunities • Human rights • Working culture and management practices • Diversity and equality • Nationalisation
 <p>Suppliers and contractors</p>	<ul style="list-style-type: none"> • Contract agreements • Direct interactions • Supplier feedback survey 	<ul style="list-style-type: none"> • Procurement governance • Economic performance • Business opportunities • Health, safety, security, and environmental performance • Compliance with regulations • Timely payments and relationship stability

Refreshing our sustainability roadmap continued

Updating Our Materiality Matrix

We led an in-depth review and update of Crescent Petroleum's Materiality Matrix during 2022, in which we considered several key elements. Leading sustainability reporting standards were reviewed, such as the GRI 11: Oil and Gas Sector 2021 and SASB Standards: Oil & Gas – Exploration and Production. We also assessed the sustainability areas considered to have the most significant financial impacts for our industry, as identified by reputable ESG rating agencies. Finally, we reviewed the material sustainability areas managed

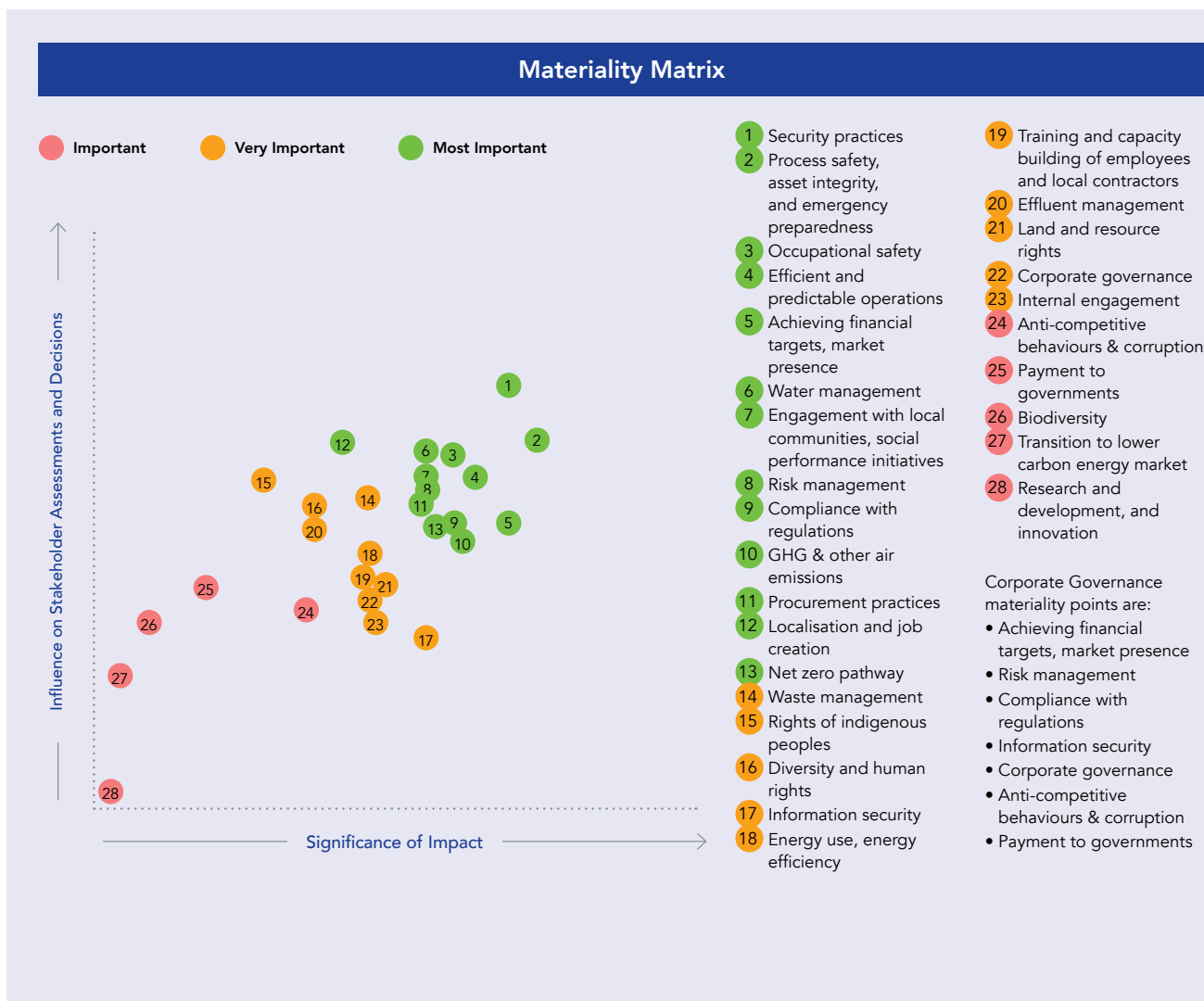
by our peers, including those with operations based in the KRI, as well as those considered to be industry leaders.

To prioritize our material sustainability areas, both existing and newly identified, we distributed materiality surveys among senior management and departmental heads. These surveys incorporated scoring assessments and solicited specific stakeholder feedback for each material sustainability area under review.

By involving key decision-makers and considering stakeholder input,

Crescent Petroleum gained valuable insights into the potential impacts and influences on stakeholder decision-making, allowing for a more comprehensive and informed approach to managing material sustainability areas.

As a result our updated Materiality Matrix now includes six new areas as well as enhancements to two existing material sustainability areas, and the removal of one material sustainability area that was deemed non-material in the review.





Summary of Changes to Materiality Matrix

Newly Added

- Corporate governance
- Efficient and predictable operations
- Net zero pathway
- Land and resource rights
- Rights of indigenous peoples
- Payments to governments

Enhanced

- Anti-competitive behaviours & corruption (previously “Anti-corruption, bribery”)
- GHG & other air emissions (previously “Greenhouse gas emissions”)

Removed

- Customer satisfaction, marketing

Summary of Changes to the Priority of Material Sustainability Areas

Change

Material Sustainability Area

"Very Important" to
"Most Important"

- Localisation and job creation
- Risk management

"Important" to
"Most Important"

- Procurement practices

"Most Important" to
"Very Important"

- Information security
- Training and capacity building of employees and local contractors
- Energy use, energy efficiency

"Most Important" to
"Important"

- Anti-competitive behaviours & corruption (previously “Anti-corruption, bribery”)
- Transition to lower carbon energy market

"Very Important" to
"Important"

- Biodiversity

Refreshing our sustainability roadmap continued

Defining Our Sustainability Framework for the Future

We also updated our sustainability framework to enhance our overarching sustainability priorities in the coming years. This strategic refinement enables Crescent Petroleum to effectively advance sustainable development, manage our material sustainability areas, monitor and report on their progress, and develop impactful sustainability strategies, to safeguard and create value for our stakeholders. Our reporting falls under four main sustainability pillars:

- Our Commitment to the Environment
- Delivering on Our Promise to the Community
- Ensuring Our Teams' Health and Safety
- Empowering Our Teams

As an early supporter of the WEF Stakeholder Capitalism Metrics Initiative, Crescent Petroleum remains committed to fulfilling and improving upon the initiative's sustainability disclosure commitments. To achieve this, we will apply the 21-core metrics and disclosures on non-financial factors outlined by WEF (See Appendix D).

These metrics provide a comprehensive framework for assessing and communicating sustainable practices against WEF and GRI standards.

By combining the WEF Stakeholder Capitalism Metrics with GRI standards, Crescent Petroleum demonstrates its dedication to comprehensive reporting. This holistic approach ensures that all

relevant sustainability areas are effectively covered, enabling Crescent Petroleum to provide stakeholders with a transparent and comprehensive understanding of its performance and progress.



 <p>Corporate Governance</p>	 <p>Our Commitment to the Environment</p>	 <p>Delivering on Our Promise to the Community</p>	 <p>Ensuring Our Teams' Health and Safety</p>	 <p>Empowering our Teams</p>
<ul style="list-style-type: none"> • Anti-competitive behaviours & corruption • Compliance with regulations • Risk management • Achieving financial targets, market presence • Payments to governments • Information security 	<ul style="list-style-type: none"> • Transition to lower carbon energy market • GHG & other air emissions • Energy use, energy efficiency • Net zero pathway • Waste management • Water management • Effluent management • Biodiversity • Research and development, and innovation 	<ul style="list-style-type: none"> • Engagement with local communities, social performance initiatives • Localisation and job creation • Procurement practices • Land and resource rights • Rights of indigenous peoples 	<ul style="list-style-type: none"> • Process safety, asset integrity, and emergency preparedness • Security practices • Occupational safety • Efficient and predictable operations 	<ul style="list-style-type: none"> • Training and capacity building of employees and local contractors • Internal engagement • Diversity and human rights
<p>SDG Contributions</p>	<p>SDG Contributions</p>	<p>SDG Contributions</p>	<p>SDG Contributions</p>	<p>SDG Contributions</p>
 	     	   	   	   

Enhancing Our Sustainable Practices

As we reviewed of our materiality matrix, we engaged key stakeholders to gather valuable insights and reassess our sustainability priorities. This process allowed the company to challenge assumptions and reassign materiality measures for several areas, ensuring that the sustainability strategy aligns with the expectations and concerns of our stakeholders.

We developed a new Sustainability Maturity Model (SMM) to define a roadmap for managing our material sustainability areas and reporting in the future. This model serves as a framework for regularly assessing the effectiveness of current business processes in managing these material areas, identifying opportunities, and track the progress of Crescent Petroleum's capabilities in managing its sustainability practices.

The SMM encompasses 16 distinct aspects that directly relate to the management of our material sustainability areas. These aspects include: energy usage, water usage, stakeholders and materiality, corporate social responsibility, green procurement and value chain, biodiversity, archaeology and heritage, sustainability-related governance, business ethics, security practices, human rights, training and development, regulatory compliance, information security, management of neighbors, and diversity and equality. Each of these aspects is assessed

according to predefined criteria, progressing through five levels of maturity.

Level one represents the least mature business processes, while level five signifies the most mature and advanced practices. To advance to the next level of maturity, Crescent Petroleum must fulfil the criteria for the current level, creating a clear roadmap for improvement.

To guide our progress, we have established target levels (examples for biodiversity shown in the table on the right) of maturity for each aspect defined in the SMM. For example, a target of Level 3 for biodiversity would require the business unit or asset to have met all of the Level 1, 2 and 3 requirements. These targets provide a strategic direction for Crescent Petroleum's efforts, enabling the company to develop specific plans and actions to enhance the maturity of its business processes in each aspect.

By implementing the SMM and setting clear targets for each aspect, we believe we demonstrate our commitment to continually advancing our sustainability practices. This comprehensive approach ensures that Crescent Petroleum effectively manages its sustainability challenges, aligns with industry best practices, and meets the evolving expectations of its stakeholders.

Examples of maturity levels: Biodiversity

As we work to boost our sustainability maturity, the below graphic outlines the measures needed to move to each stage in Biodiversity.

Level 1

- Absence of any biodiversity management program established.

Level 2

- Ecological compliance monitoring & reporting undertaken in accordance with local regulations, license conditions and/or Environmental & Social Impact Assessment commitments.

Level 3

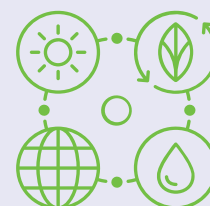
- Significant on-site and neighbouring ecological assets are identified and mapped.
- Potential impacts of operations on ecological assets have been identified and an impact minimization program is implemented.

Level 4

- On-site and neighbouring ecological assets are comprehensively identified and mapped.
- Repeat and/or seasonal surveys are conducted as appropriate.

Level 5

- Ecological assets are being actively protected, improved and expanded.



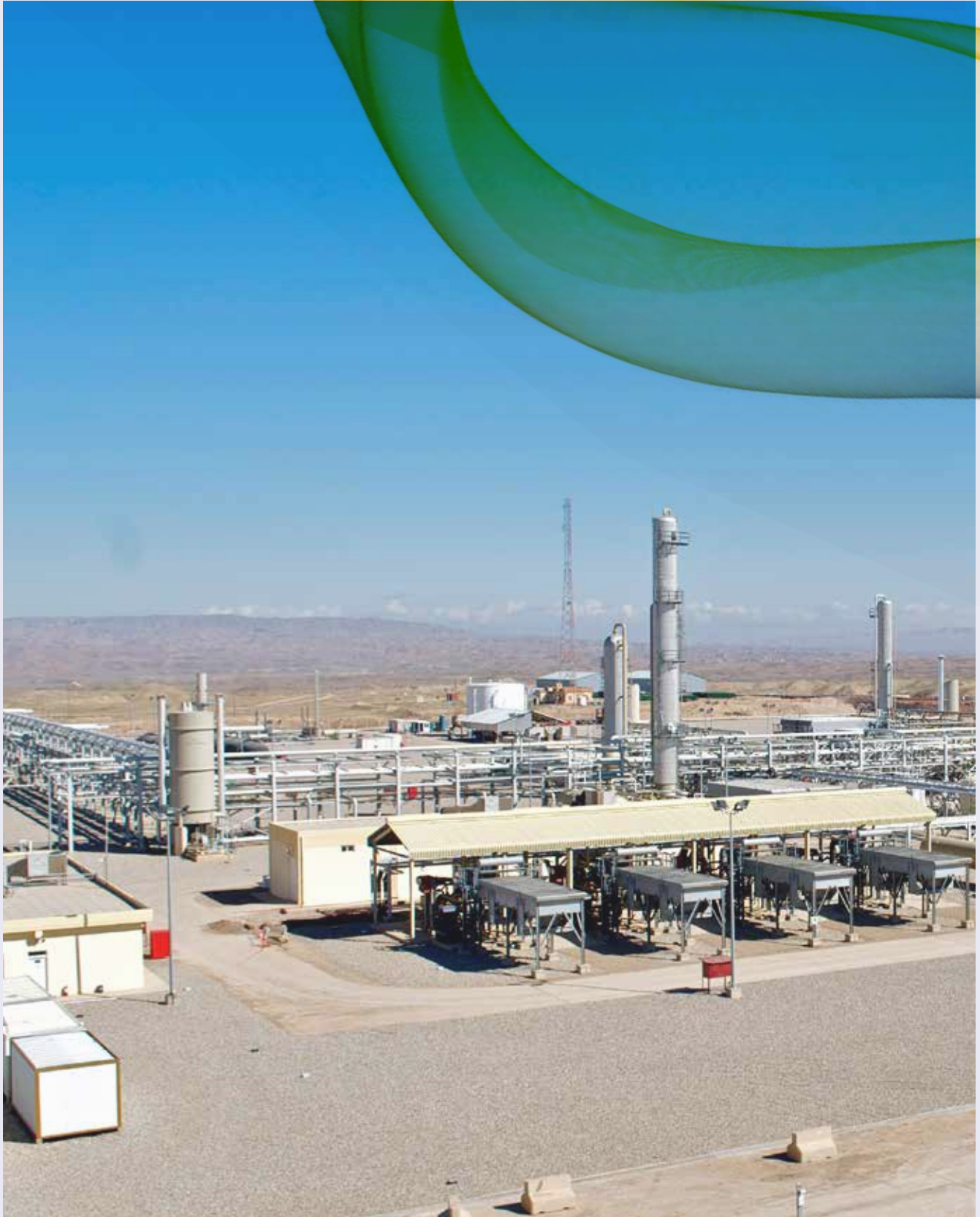
Enhancing Our Sustainable Practices continued

Where we'd like to be in 3 years

As part of our updated Sustainability Maturity Model, we defined initial targets for the business processes involved in managing the 16 aspects defined in the model. The graph below outlines the milestones we aim to reach within the next three years.

A roadmap with key actions is defined for each of these aspects, and we aim to pursue the roadmap in coming years. We will continue to assess our progress each year and make adjustments as needed.







Corporate Governance

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.

Material Topics

- Anti-competitive behaviours & corruption
- Compliance with regulations
- Risk management
- Business model resilience
- Achieving financial targets, market presence
- Payments to governments
- Information security

SDGs



Crescent Petroleum's Leadership

Crescent Petroleum strives to maintain high standards of corporate governance, starting from the Board of Directors of Crescent Group, down to the Executive Committee, who set the 'tone from the top', and throughout every area of its business. The following corporate governance structure has enabled Crescent Petroleum to create the necessary foundations to deliver on its promises and to effectively create positive stakeholder value.



Crescent Petroleum's Leadership continued

OUR CORPORATE LEADERSHIP



Crescent Petroleum's Executive Committee oversees strategy and decision-making, reviews strategic planning and mission, develops capital management guidelines, and sets company policies.



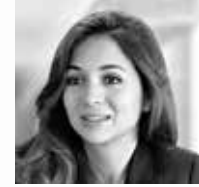
Hamid Jafar
Chairman ¹



Majid Jafar
Vice Chairman,
Crescent Group
CEO, Crescent
Petroleum ^{1,2}



Badr Jafar
Managing Director,
Crescent Group
President, Crescent
Petroleum ^{1,2}



Razan Jafar
Director ^{1,2}



Neeraj Agrawal
Chief Financial
Officer ^{1,2}



Abdulla Al Qadi
Executive Director,
Exploration and
Production ²



Ravi Kumar V
Chief Corporate
Officer ^{1,2}



Mohammed Makkawi
Executive Director,
Projects ²



Drazen Petkovich
General Counsel and
Executive Director,
Legal ²



Thomas Watts
Executive Director,
Projects ²

¹ Crescent Group Board member

² Crescent Petroleum Executive Committee member

Crescent Petroleum's Leadership continued

Crescent Petroleum places significant importance on effective risk management and governance, overseen by the Board of Directors of Crescent Group and the Crescent Petroleum Executive Committee. This dedicated team monitors and assesses operational, commercial, technological, and compliance-related risks across all areas of the company's operations and projects. To ensure comprehensive oversight, the Board convenes on a quarterly basis to review and evaluate Crescent Petroleum's overall strategy, financial performance, and operational risks.

Throughout 2022, the composition of the Board remained consistent, leveraging the expertise and experience of its members to guide Crescent Petroleum towards the achievement of its strategic objectives. Each Board member brings a wealth of knowledge and diverse backgrounds, having held esteemed leadership positions in various industries including oil and gas, management consulting, financial services, logistics, and law. This diverse range of experiences and qualifications provides valuable insights and guidance for the company's decision-making processes.

For more information on the individual members of the Board and their extensive backgrounds, please refer to their detailed biographies available at www.crescentpetroleum.com/management/.

Crescent Petroleum is dedicated to maintaining strong governance and a robust leadership structure to ensure sound decision-making, effective risk management, and the successful realization of its strategic goals.

Board of Directors	2020	2021	2022
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

Management Committees

The executive committees at Crescent Petroleum play a pivotal role in shaping the Company's strategic direction and overseeing key operational areas. Key responsibilities for each committee include:

Executive Committee

- Oversees implementation of policies at Crescent Petroleum.
- Provides strategic oversight, decision making, reviewing the strategic plan and mission, developing guidelines for management of capital, and setting company policy.
- Monitors and sets targets for key performance metrics against several key sustainability-related areas, including total recordable injury frequency rate, asset integrity, safety critical maintenance, and social investment, among others.

Human Resource Review Committee

- Responsible for all employee policies.
- Revises the compensation and benefits policies annually.
- Regularly amends the recruitment and performance evaluation guidelines.

Business Development Investment Committee

- Oversees Crescent Petroleum's business development.
- Monitors investment opportunities and recommends final investment decisions.

Kurdistan Operations Joint Operating Committee

- Facilitates and monitors key operational matters in the KRI.
- Comprises nominated representatives from Crescent Petroleum and Dana Gas.

Kurdistan Operations Training and Development Committee

- Provides guidance and support regarding the implementation and monitoring of learning and development activities in the KRI.
- Regularly evaluates the quality of in-house and external training programs.



Crescent Petroleum has created significant and positive socio-economic impacts for the KRI including:



More than
\$2.6 billion
in infrastructure investments to date.



\$31 billion
in fuel-cost savings for
the KRG to date.



20,000
temporary construction jobs and
more than 2,000 permanent jobs.



49 million
tCO₂e avoided to date by
substituting diesel with natural
gas to generate electricity



More than
\$30 billion
in contributions to the KRI's GDP.



Corporate Governance Priorities

Anti-Corruption, Bribery, and Business Ethics

We put great emphasis on our rigorous anti-corruption, bribery, and business ethics standards which apply across all facets of our operations and exercise zero tolerance for any infraction. These principles are documented in the Company's employee handbook, serving as fundamental policies that guide the behaviour and conduct of every employee.

These standards seek to ensure the highest level of integrity and ethical practices throughout the organization. Furthermore, when forging business partnerships, Crescent Petroleum emphasises partners who share its unwavering commitment to anti-corruption, bribery prevention, and ethical conduct. The proactive approach to choosing business partners reinforces Crescent Petroleum's dedication to maintaining a culture of integrity and ethical business practices throughout its network of collaborations and engagements.

Anti-Bribery and Corruption

Crescent Petroleum has zero-tolerance to bribery and corruption. We are committed to conducting ourselves professionally and with integrity in all our business dealings and relationships, both locally and abroad. The misuse of public or entrusted power for private profit is strictly forbidden. We also define bribery broadly as the provision or acceptance of an offer, promise, or payment of cash, gifts, or even excessive entertainment to employees or an inducement of any kind offered or given to any person, directly or indirectly through or to a third party.

Gifts, Entertainment, and Hospitality

Gifts, entertainment, and hospitality are acceptable only if they are reasonable, justifiable, and made in good faith. It is the responsibility of Crescent Petroleum employees to declare to their respective line manager or Human Resources department, any gift, entertainment, and/or hospitality received.

Conflicts of Interest

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.

Anti-Retaliation

We do not tolerate retaliation against anyone who, in good faith, raises a concern, or complaint about misconduct and wrongdoing, even if it turns out to be unfounded. Any negative change in treatment of someone is considered informal retaliation.

To ensure adherence, Crescent Petroleum ensures that its employees have easy access to key policies and training materials through its intranet platform. The Pearl compliance policy, applicable to all employees, provides guidelines on gifts, hospitality, bribery, reporting lines, record keeping, whistleblowing, and mandatory annual training.



Employees can conveniently access online gift and hospitality records, receive automated reminders for annual training, and access digital copies of key policies, promoting transparency, accountability, and adherence to ethical standards throughout the organization.

Crescent Petroleum recognizes the importance of protecting whistleblowers and provides a third-party hosted platform through Navex to enable this. This platform allows employees to report any breaches of the compliance policy, offering the option to remain anonymous if they prefer. In addition, Crescent Petroleum's legal team is available to provide guidance and receive reports on potential instances of corruption, ensuring a proactive approach to addressing misconduct.

As an extension of our business ethics and compliance policies, Crescent Petroleum conducts thorough due diligence on all business partners to ensure adherence to our standards. We have enlisted the services of

Wallbrook, a reputable organization dedicated to assisting companies in making informed and ethical decisions regarding their operations, partnerships, and acquisitions worldwide. Through Wallbrook's third-party intelligence services, we conduct Know Your Customer (KYC) checks on business partners.

At the start Wallbrook performs high-level "red flag" searches on the partner. If the counterparty is flagged as a Politically Exposed Person (PEP) or poses a high risk, more extensive investigation is conducted. Any red flagged result prompts Crescent Petroleum to consider additional and more detailed investigations based on the specific circumstances. This rigorous due diligence process results in more informed decisions about partners and maintains ethical partnerships.

Information Security

The security of our digital assets is a business-critical function guided by Crescent Petroleum's Information Technology Policy, which encompasses

a range of specific information security policies. In turn, the company has implemented a variety of state of the art systems and initiatives to enable these policies.

Crescent Petroleum operates a Security Operations Center (SOC) that is available around the clock to identify and quickly respond to any security event. The SOC is supported by a Security Orchestration, Automation, and Response (SOAR) platform, which uses predefined triage to assign levels of urgency to security events identified by the Security Information and Event Management system.

We aim to maintain high vigilance and preparedness for potential malware threats, and take immediate action to respond to potential risks when they are identified. In addition to this proactive approach, we place a high priority on vulnerability management, ensuring that every device under our purview is updated regularly with the most current security measures and software available.



Corporate Governance Priorities continued

An important defence is employee awareness and education in proper information security behaviour and cyber hygiene, for which we run regular, mandatory online training sessions and security awareness campaigns to cultivate good habits and practices, and ensure safe operation of devices in adherence with our information security and IT policies. Employees are regularly reminded of the information security, risk mitigation, and reinforcing best practices for safeguarding digital assets. These initiatives contribute to a culture of vigilance and responsibility to reinforce our robust cybersecurity measures throughout Crescent Petroleum.

Employee-focused information security measures include:

- Security awareness training, which offers programs designed to help users and employees understand their role in helping prevent

information security breaches. Key topics include:

- Identity theft
- Protecting personal information
- Strong and unique passphrases
- Portable storage device security
- Ransomware
- Public Wi-Fi
- Cloud sharing
- Importance of document disposal
- Clean desk policy
- Phishing and types of phishing

An internal phishing campaign leveraging phishing simulations created awareness of the dangers of phishing, in which sensitive data is collected through a fraudulent solicitation in email or on a web site. The campaign sought to train employees to recognize phishing attempts and how to tackle them.

Through continuous security awareness trainings, and by educating employees on the latest security incidents and effective protection measures, resulting in a significant reduction of phishing risk from 26.3% to 11%, outperforming the industry average of 17.2%. We aim to reduce this percentage notably in 2023.

Information Security

Crescent Petroleum continues to place great emphasis on information security with plans to further improve security-related areas by:

- Creating an IT risk register for more thorough information security risk assessment.
- Considering third-party certifications (e.g., ISO 27001) to validate Crescent Petroleum's information security management systems.



Our updated HSSE and Social Performance Policy

Crescent Petroleum's HSSE & SP Policy outlines our commitments and guides our actions across all operations. This policy was reviewed and updated in 2022 to expand coverage of crisis, emergency, security, and incident management.

The policy states:

Everyone who works on behalf of Crescent Petroleum is responsible for the Health, Safety, Security and Welfare of our Employees, Joint Venture Employees and Contractors, and for positively contributing to the protection of our Assets throughout their intended lifecycle; the Communities where we operate and for safeguarding the Environment.

We are committed to:

- Pursuing a goal of no harm to People, Assets, the Environment and Communities where we operate;
- Adhering to all applicable laws, regulations and industry standards;

- Ensuring those performing activities are aware of the relevant HSSE & SP risks and controls pertaining to their activities;
- Establishing HSSE & SP objectives and action plans that drive continuous improvement and actively measure and communicate performance against those objectives;
- Minimising discharges, wastes and emissions, safeguarding biodiversity and optimising the use of natural resources;
- Ensuring efficient use of energy and water is considered throughout the lifecycle of our assets;
- Ensuring that the design, operational and technical integrity of our assets are sustained throughout their lifecycle;
- Reporting and investigating incidents to ensure effective preventive and corrective actions and sharing lessons learned with relevant stakeholders;
- Strengthening organisational resilience through the effective application of risk management, security, emergency preparedness and business recovery practices;
- Actively engaging with relevant authorities, security organisations and local communities to ensure effective security standards are maintained;
- Investing in the local communities to ensure social advancement and positive relationships are maintained.

Our commitment to this policy is demonstrated through visible leadership, effective communication, a proactive performance culture supported by transparent monitoring and reporting systems in conjunction with continuous investment in our people, assets, environment, and local communities. This policy will be reviewed regularly for continued applicability and relevance. We encourage our Contractors and relevant Stakeholders to commit to this Policy.





Our Commitment to the Environment



We believe that good environmental performance is not just good citizenship but also good business and recognize the importance of reducing our overall emissions and carbon intensity to reduce the impact of our operations on the environment impact of CO₂ emissions on climate change. In keeping with the goals of the Paris Climate Agreement, we aim to reduce our carbon intensity wherever and whenever we can.



Material Topics

- Transition to lower carbon energy market
- GHG & other air emissions
- Energy use, energy efficiency
- Net zero pathway (new in 2022)
- Waste management
- Water management
- Effluent management
- Biodiversity
- Research and development, and innovation (new in 2022)

SDGs



Sustainability Highlights

- Reduced Scope 1 emissions by 4.3% to 236,333 tonnes, amounting to a carbon intensity of 6.0 kgCO₂e/BOE versus 6.3 kgCO₂e/BOE in 2021, less than half of the global industry average
- Total flared hydrocarbons decreased by 30.7% compared to 2021 to 9,403 tonnes, amounting to 0.2% of total production
- Reduced emissions combined with offsets maintained carbon neutrality
- Rolled out a fugitive emissions campaign involving a re-baseline of facility emissions using the latest Forward Looking InfraRed (FLIR) technology
- Initiated a Water Task Force to identify opportunities for water management practices
- Achieved a 49% waste recycling rate in 2022
- Began a comprehensive review of all Environmental and Social Impact Assessment (ESIA) action plans

Climate Change & Energy Security

Energy Security Landscape

Crescent Petroleum plays a crucial role in delivering reliable gas supply to power plants in the KRI, fuelling more than 80% of the KRI's power generation. The natural gas we produce helps deliver improved electricity services and reinforces the KRI economy, fostering growth and development in the region.

Clean burning natural gas offers distinct advantages to traditional liquid fuels like diesel and fuel oil that would otherwise be used to generate power in the region. Gas produces nearly half the emissions of liquid fuels, is cheaper and results in considerably improved maintenance schedules and costs.

Energy security became a central issue in 2022 as the first truly global energy crisis since the 1970s took hold, causing tremendous economic hardship and missed opportunities. Governments worldwide, having focused heavily on developing renewable energy projects at the expense of oil and gas development in recent years, were compelled to reverse or halt these initiatives to address the crisis.

Consequently, policymakers turned to energy producers across the world to bolster energy supplies, bidding up the cost of energy, and even restarted dormant coal-fired plants. This crisis served as a critical reminder that the path to a carbon transition is equally as important as the goal, as policies that overlook the importance of resilience in the energy system can lead to significant supply shortages with far-reaching economic and political consequences, hindering long-term efforts to reduce global carbon emissions.

Reinforcing our commitment to the environment in the new HSSE & SP Policy

Crescent Petroleum is strategically committed to reducing our emissions and carbon intensity, through progressive steps to improve processes and cut CO₂ emissions throughout our operations. We have continued to implement best practices, ongoing operational improvements, and invested in innovative technologies to cut these emissions.

This was defined in 2022 in our HSSE & SP Policy (see page 37), which reinforces our commitment to the environment and ensures alignment between our short-term actions and long-term plans. A comprehensive review of the Crescent HSSE & SP Policy in 2022 resulted in an updated policy that incorporates enhancements to specifically focused on greenhouse gas (GHG) emissions, climate change, and energy usage.

We define a clear ambition to progressively reduce our emissions where possible and effect an overall cut in intensity. Targets will be defined to guide the development of the company's roadmap and drive continuous improvement on environmental performance in the years to come.

Reducing emissions

Crescent Petroleum reduced its

Scope 1 emissions to 236,333 tons of CO₂eq in 2022, representing a decrease of 4.3% compared to 2021. The reduction is primarily due to improved process efficiencies, reduced flaring and overall efficiency improvements throughout all our operations. Scope 2 emissions increased to 565 tons of CO₂eq in 2022, representing an increase of 11% compared to 2021 due to ongoing construction activity and major works. *(These figures represent 100% of energy consumption from Crescent Petroleum's operations and projects including its joint operations with Dana Gas in the Pearl Petroleum consortium.)*

Total flared hydrocarbons decreased to 9,403 tonnes, amounting to 0.2% of total production, and representing a 30.8% decrease from 2021.

In 2022, our diesel consumption increased to 4,584,943 litres, and our petrol consumption increased to 488,103 litres, representing increases of 2,447% and 80% respectively, compared with 2021. These increases were primarily due to operation of a liquified petroleum gas (LPG) plant and a staff camp operating on temporary power generators, as well as the commencement of a drilling program. And though the increases were significant, total direct energy consumption only increased by 4.7% compared to 2021.



Flaring reductions can be attributed to progressive efforts to identify, minimize, and remediate sources of gas flaring, including:

- **Routine Flaring:** Improvements were made to address equipment performance and operational procedures, which resulted in significant reductions in routine flaring volumes.
- **Plant Upset Flaring:** Updated routines were implemented to address plant upset conditions such as gas flow fluctuations or interruptions, reducing the causes and actions necessary to minimize events requiring flaring.
- **Emergency Flaring:** New Emergency Shut Down (ESD) systems were implemented to improve overall plant performance and increase resilience to emergency events and spurious trips.



Total direct energy consumption increased by 4.7% compared to 2021.

Climate Change & Energy Security continued

Energy	Units	2020	2021	2022
Direct energy consumption				
Petrol consumption from operations and vehicles	L	261,815	270,673	488,103
Diesel consumption from operations and vehicles	L	186,900	180,025	4,584,943
Fuel gas	MMscf	2,481	2,920	2,897
Total direct energy consumption	GJ	2,726,863	3,207,225	3,358,042
Indirect energy consumption				
Electricity consumption (office, storage, facilities, etc.)	kWh	1,053,542	1,175,068	1,306,772
Total indirect energy consumption	GJ	3,793	4,230	4,704
Energy consumption				
Total energy consumption	GJ	2,730,656	3,211,455	3,362,746
Energy consumption intensity (direct energy only)	GJ/ BOE produced	0.07	0.08	0.09
Energy consumption intensity (direct energy only)	kWh/ BOE produced	20.33	22.73	23.85

Note: These figures represent 100% of energy consumption from Crescent Petroleum's operations and projects including its joint operations with Dana Gas in the Pearl Petroleum consortium, in which it holds a 35% equity share.

GHG Emissions	Units	2020	2021	2022
Direct GHG emissions (Scope 1)	tons of CO ₂ eq	295,553	246,929	236,333
Indirect GHG emissions (Scope 2)	tons of CO ₂ eq	782	509	565
Total flared hydrocarbons	tons	18,775	13,591	9,403
Total flared hydrocarbons	MMscf	804	582	403
Methane emissions	tons	not measured	58.0	175.9
VOC emissions	tons	not measured	24.822	14.397
Gas flared as percentage of production	percent	0.45%	0.31%	0.20%
Total GHG emissions	tons of CO ₂ eq	296,335	247,438	236,898
GHG emissions intensity (Scope 1)	KG of CO ₂ eq/ BOE produced	7.933	6.299	6.043
GHG emissions intensity (Scope 1 & 2)	KG of CO ₂ eq/ BOE produced	7.954	6.312	6.057
Methane emissions intensity	tons/ BOE produced	Not Measured	0.00000148	0.00000450
Flared hydrocarbons intensity	kilograms/ BOE produced	0.5039	0.3467	0.2404

Note: These figures represent 100% of gross emissions from Crescent Petroleum's operations and projects including its joint operations with Dana Gas in the Pearl Petroleum consortium, in which it holds a 35% equity share.

Our Carbon Offset Strategy

When we began in 1971, natural gas was seen as a waste product to be discarded. We sought to show the importance and value of natural gas as an energy source of the future. Natural gas is now Crescent Petroleum's central product, accounting for over 78% of our total oil and gas production. This clean burning energy source has been instrumental to delivering affordable electricity supply to millions of homes in the KRI.

By replacing liquid fuels with natural gas, we enabled the avoidance of more than 5 million tonnes of CO₂ emissions between 2021 and 2022, equivalent to removing about one million cars from the road that year. Additionally, the associated cost benefit of replacing diesel with cheaper fuel to the KRG has amounted to an impressive US\$31 billion.

While Crescent Petroleum has made substantial progress in reducing gas flaring at the Khor Mor plant, achieving a remarkable reduction of nearly 80% to 0.12% of production in 2020, our aim is to eliminate gas flaring entirely. As a result of our concerted efforts, we have successfully reduced our carbon intensity to 6.0 kgCO₂e/BOE in 2022, reflecting our drive and we expect to continue to reduce our carbon footprint.

As part of this drive, Crescent Petroleum has also embraced a carbon offset strategy to build on these reduction efforts. To offset the remaining 6.0 kgCO₂e/BOE in 2022, we supported thermal oxidation of HFC 23 in India and wind power in China by purchasing UN-approved certified carbon offset credits, making us one of the early adopters in the industry. By taking advantage of the current market conditions, we secured carbon offset credits for the years 2022 and 2023, enabling our operations to be become carbon neutral.

Our disciplined approach included extensive engagement with traders and consultants to explore alternative options, and ultimately focused on UN-certified carbon credits available at competitive prices. The purchase of these carbon credits not only supports the development of cleaner electricity supplies but also strengthens Crescent Petroleum's commitment to achieving carbon neutrality across our operations.

Achieving carbon neutrality underscores the success of our progressive and focused efforts over the years. Natural gas has emerged as a crucial element in the global energy transition, replacing coal and liquid fuels in developing nations and acting as a catalyst for the adoption of renewable energy sources and the future hydrogen economy.



Climate Change & Energy Security continued

Tackling Our Methane Emissions

Methane emissions, the second largest cause of global warming, pose a significant challenge in the fight against climate change because methane has more than 25 times greater impact than CO₂ on climate change. Methane is emitted by both anthropogenic and natural sources, but the energy sector, including oil, natural gas, coal, and bioenergy, are the single biggest contributor. Efforts to prioritize methane emissions reductions to mitigate the most severe impacts of climate change are quickly taking hold.

According to the Intergovernmental Panel on Climate Change (IPCC), methane has a Global Warming Potential (GWP) ranging from 84 to 87 over a 20-year timeframe (GWP20), and from 28 to 36 over a 100-year timeframe (GWP100). This means that one tonne of methane is equivalent to 28 to 36 tonnes of CO₂ in terms of its

impact over 100 years. Yet methane breaks down in the atmosphere much more quickly than CO₂ does, so a reduction in emissions will quickly have an effect.

As part of our ongoing sustainability efforts, Crescent Petroleum has committed to reducing its own methane emissions and to repair any methane leaks when they are found. The company has rolled out a fugitive emissions campaign involving a re-baseline of facility emissions using the latest Forward Looking InfraRed (FLIR) technology. This has consisted of three tranches of work as outlined in the table below.

In 2022, Crescent Petroleum's methane emissions totalled 175.9 tonnes, which is 7% of the industry average. The LDAR program reduced fugitive emissions by 42% compared to 2021, however, there was an overall net increase due to the inclusion of methane emissions

from plant equipment, well testing, camp power generation and vehicle methane emissions for the first time in 2022. To ensure accurate and realistic measurements, the Company conducted a comprehensive re-baselining exercise using advanced equipment with higher accuracy than previous methods. This exercise provided a more precise assessment of our methane emissions, allowing for better identification and quantification of emissions. The enhanced accuracy and rigor applied in the measurement process have also facilitated improved maintenance and repair strategies to effectively address identified emission sources.

In 2023, Crescent Petroleum reinforced its methane emissions efforts by committing to the "Aiming for Zero Methane Emissions" initiative of the Oil and Gas Climate Initiative. The initiative aims to achieve zero methane emissions from our operations by 2030.

Tranche One

An initial baseline assessment of the Khor Mor facility performed by an independent third-party expert organisation using the latest FLIR leak detection technology.

Tranche Two

As a result of Tranche One, a full Leak Detection and Repair (LDAR) program has been developed to remediate sources of emissions when they are detected.

Tranche Three

A program of continuous supervision is now in place, involving employees trained on the use of FLIR technology equipment.





Managing Natural Resources at Our Operations

Water Management

We aim to reduce our impact on local water supplies through responsible water management and consumption practices. Guided by our comprehensive HSSE and Social Performance Policy, Crescent Petroleum ensures that our actions in the field align with our commitments.

During 2022 the Company has established a dedicated Water Task Force to identify opportunities to improve. Notable measures implemented by the task force in 2022 include lining the EPF interceptor pit, enhancing the separation of oil, water,

and oil effluent in the evaporation pond, and retrofitting a modified interface level control system to the produced water degasser for improved process control and enhanced oil-water separation.

To further enhance our wastewater management practices, Crescent Petroleum has undertaken initiatives to verify wastewater sources and develop a comprehensive sampling and documentation process. The Company has also conducted an education and awareness program focused on wastewater management, engaging Khor Mor operations and HSE teams

in the review and development of wastewater processes at KM250.

We recorded a notable increase in our water consumption in 2022 as our operations have grown and major construction work continues. In turn we have worked to actively address the challenge with efforts to optimize water management and consumption practices wherever possible. Such measures and initiatives aim to minimize our water footprint and promote sustainable water management practices throughout our operations.

Water	Units	2020	2021	2022
Total water consumption	m3	100,653	121,031	242,062
Total water consumed in water-stressed areas	m3	100,653	121,031	242,062
Total freshwater consumed	m3	100,653	121,031	242,062
Water consumption intensity	m3/ BOE produced ('000)	2.70	3.09	6.19
Total amount of water reclaimed	m3	0	0	0

Wastewater	Units	2020	2021	2022
Total volume of wastewater generated	m3	8,847	9,094	150,392
Total volume of wastewater reused or recycled	m3	0	0	0
Percentage of wastewater reused or recycled	%	0%	0%	0%



Case study

Reducing water consumption in drilling operations

In 2022 Crescent Petroleum led an intensive drilling program as part of the wider plant expansion program, during which the team has sought to significantly reduce water usage and use recycled water when possible.

Drilling wells requires pumping considerable volumes of drilling mud and water into the well. The drilling mud is mixed at the well site using water and solid mud products and chemical additives. The resulting mixture, which resembles mud, is essential to the drilling operations for both safety and efficiency. Mud enters the hole and returns to the surface

carrying formation debris known as drill cuttings. This mixture of drilling mud and cuttings contains a significant amount of water which is discharged into a drilling waste pit designed to store the discharged drilling mud and other drilling fluids, and the water is typically discarded.

To reduce drilling waste volumes and use water more efficiently, the Company's drilling team focused on recycling water using a novel dewatering technique. As the returned mixture of mud and drilling cuttings sits in the waste pit, a sedimentation process occurs. Water at the surface remains

contaminated with fine and ultra-fine particles. A de-watering unit was installed at the well site to separate this material from the water, extracting water at the surface of the waste pit to allow it to be reused. This step has reduced water volumes dramatically. A secondary benefit of the project has been to reduce trucking of mud-laden water for treatment elsewhere, reducing total trucking by about 1,600KM and associated emissions avoidance.

This is an example of the company's ongoing efforts to do more with less and will be harnessed in other areas.



Managing Natural Resources at Our Operations continued

Managing our waste

We aim to prevent pollution and manage waste responsibly to optimize resource utilization and minimize landfill disposal and environmental impacts from waste. In 2022 the Company established a waste reduction target focused on recycling or incinerating 80% of our waste. While Crescent Petroleum achieved a notable 59% waste diversion rate in 2022, the Company remains focused on continuously improving its waste management practices.

We further advanced our waste management practices by strengthening waste management guidance, implementing waste assurance processes to monitor waste volumes, purchase of organic waste composters, and a plastic and cardboard baler.

We introduced a 'Green Team' to manage the increasing waste in our expansion Project and to support the

prioritization of the proper handling, storage, and disposal of waste to ensure compliance with applicable regulations and minimize any potential environmental risks.

Spill prevention

Comprehensive spill prevention and management plans at all operations define a dedicated team to promptly respond to any spill incidents. We diligently record all spill events and use this information to enhance our spill prevention measures, with the goal of preventing future releases.

In 2022, eight oil spills occurred, with the largest spill amounting to approximately 832 liters (5.23 barrels). These spills were primarily attributed to incidents such as natural gas liquid tanker leaks, intermediate bulk container leaks, equipment maintenance and troubleshooting, fuel transfer activities from third-party delivery tankers, accidental overflows, an air compressor failure on a truck, and a condensate fluid release event. We actively investigate the causes of

spills, identify and confirm sources of contamination, and implement mitigation measures to prevent further environmental impacts.

Furthermore, the Company has implemented additional measures to enhance spill mitigation and contamination prevention including identifying and confirming sources of contamination, particularly in water wells; establishing boundary monitoring wells to monitor any contamination originating from condensate storage and loading areas; and conducting reviews of onsite bunding to ensure effective containment measures.

Meanwhile at our headquarters in the UAE, we successfully collected and recycled 2,109 kilograms of electronic waste in collaboration with a reputable third-party recycler, contributing to the responsible management of electronic waste.



Waste	Units	2020	2021	2022
Total hazardous waste generated	tons	34.38	370.8	95.57
Total hazardous waste disposed	tons	0	334	9.22
Total hazardous waste recycled	tons	34.38	36.8	86.35
Total non-hazardous waste generated	tons	535	546	3,027.60
Total non-hazardous waste disposed	tons	107	109	1,592.19
Total non-hazardous waste recycled	tons	428	437	1,435.40
Hydrocarbon spills	#	19	8	8
<1 barrel	#	14	6	5
1 - 10 barrels	#	2	2	3
10 - 100 barrels	#	1	0	0
>100 barrels	#	2	0	0





Delivering on Our Promise to the Community

As responsible stewards, we are committed to positively impacting the communities where we operate. We also encourage our employees to be agents of change and to be partners with organizations in our communities and support them in meaningful ways.



Material Topics

- Engagement with local communities, social performance initiatives
- Localisation and job creation
- Procurement practices
- Land and resource rights (new in 2022)
- Rights of indigenous peoples (new in 2022)

SDGs



Sustainability Highlights

- Localisation of workforce reached 85.2%
- Increased the local national workforce by more than 26%
- Increased total procurement spending by 126.8%
- Increased spending on local suppliers by 87.6%
- Increased the number of local suppliers engaged in its operations by 40.8%

Creating Local Value

Local Employment

A direct way of empowering our communities is through direct local employment and training opportunities for residents from the communities where we operate. Within the KRI, Crescent Petroleum has maintained a consistent workforce composition, with local nationals accounting for 85.1% of its employees. In 2022, the number of local nationals in our full-time workforce increased by more than 26% compared to 2021. The Company also increased the percentage of Emirati employees at our Sharjah headquarters from 3.6% in 2021 to 6.1% in 2022 and aim to reach 10% by the end of 2026 in alignment

with UAE labour law.

Our Training and Development Department leads comprehensive training programs to develop our teams by boosting capacity and enhancing their skills. These programs encompass various activities such as one-on-one coaching, on-the-job training; workshops and e-learning courses; professional certification training; external training programs; leadership development; and dedicated programs for high-potential local employees.

To support these training initiatives, Crescent Petroleum has recruited skilled expatriate technical trainers who bring extensive experience and expertise. Additionally, the Company actively targets national talent through collaborations with universities and local job postings, giving preference to local candidates during recruitment processes.

By prioritizing local employment and investing in training and development, Crescent Petroleum aims to create a skilled and capable workforce while contributing to the economic growth and sustainable development of the regions in which it operates.

	Units	2020	2021	2022
Nationalisation				
Nationals among total full-time workforce	#	413	480	607
- UAE	#	8	8	14
- KRI	#	405	472	593
Nationalisation (by gender)				
Female national full-time employees	#	17	25	42
- UAE	#	3	3	9
- KRI	#	14	22	33
Male national full-time employees	#	385	455	565
- UAE	#	5	5	5
- KRI	#	380	450	560
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	#	4	4	4
- UAE	#	4	4	4
- KRI	#	0	0	0
Percentage of national personnel in Executive Committee positions and above				
Female full-time employees				
- UAE	%	12.5%	12.5%	7.1%
- KRI	%		0.0%	0.0%
Male full-time employees				
- UAE	%	50.0%	50.0%	28.6%
- KRI	%		0.0%	0.0%

Case study

Improving community access to potable water

Access to potable water remains one of the most significant challenges for residents in and around our areas of operation as changing weather patterns and droughts have drastically reduced mountain runoff and river levels have fallen, putting pressure on all water supplies. In many villages in the KRI today, water is only available for a few hours each day, resulting in a rush to fill tanks, low water pressure, and generally limited services.

Crescent Petroleum has long helped to supply water to Qadir Karam and other villages in the vicinity of our Khor Mor plant from rainwater collection ponds and artesian ground water wells. In 2022, the company supplied water to an additional 22 towns and villages further away from Qadir Karam with additional water supply.

Many areas in Chemchemical, located about 1 hour from Khor Mor, are supplied from the Dukan water reservoir. However, significant leaks throughout the underground supply pipeline resulted in extended shortages. In 2022, Crescent Petroleum funded repairs to the pipeline to reduce losses and improve supply.

Separately, the company supplied trucked water to several quarters that experienced the most severe shortages in 2022, delivering potable water to more than 10,000 people. Crescent Petroleum also extended water supply pipes to individual homes, constructed water storage tanks, and drilled new wells in Takya Jaber settlement. It also refurbished the central water tank at Qadir Karam to deliver reliable, clean water supply to the underserved areas.



Engaging Our Communities

Crescent Petroleum has delivered a variety of social performance and investment projects in support of the local communities where we operate since we first began operations. The company has focused on supporting in high impact areas such as education, health, energy, and infrastructure as well as in day-to-day employment of villagers, suppliers and contractors.

Our noteworthy community contributions range from delivering reliable and free electrical power, and school transportation to villages, sponsoring community workers and teachers and repairing community equipment and water infrastructure.

2022 Local Community Contributions:

Education

- Supported Qadir Karam subdistrict teachers and student transportation services for the school year 2021 -2022, which included funding the salaries of 26 teachers, as well as 15 drivers that transport 158 students on a monthly basis.
- Refurbished a high school within Takya Jabari. The refurbishment included providing specific teaching equipment (e.g.: black board), furniture, and sports equipment.
- Provided financial support to enhance the educational facilities for students in grades 9 through 12 in Qadir Karam and Takya Jabari subdistricts, which included arranging a summer student empowerment program.
- Provided school back packs and stationery to 886 students in Qadir Karam, Takya Jabar, and Chemchemical.

Creating Local Value continued

- Provided financial support to the primary school in Khor Mor Gawra, which is intended to improve the overall learning environment for these primary students.
- Completed the second phase of renovating the Shekh Hameed primary school in Shekh Hamid Village. The renovation addressed specific teaching equipment, furniture, and sports equipment.
- Continued the second phase of renovating Qadir Karam high school in the Qadir Karam subdistrict. The school is currently supporting 114 students from the surrounding villages and 14 teachers.
- Completed the second phase of renovating Qadir Karam primary school in Qadir Karam subdistrict. The school supports all primary students (154) in the town and some of the surrounding villages.
- Completed the second phase of renovating the Qaitul primary school in Qaitul Village. The renovation addressed specific teaching

equipment, furniture, and sports equipment.

- Continued building classrooms for the Padasht secondary school. The school is currently supporting 377 students and 20 teachers.

Water

- Provided an ultrasonic water leak detector tool to assist the Water Department of Chemchemical to identify leaks in underground water pipes.
- Replaced a damaged submersible water pump for one of the water wells that supplies the Qadir Karam subdistrict.
- Repaired a water truck for the Water Directorate in Qadir Karam, which serves the town and the surrounding villages.
- Provided financial support to renovate an elevated water tank and rebuild its fence wall in Qadir Karam.
- Established an independent water source for the Khor Mor Gawra and

Kani Qadir Qala villages, respectively.

- Continued to provide financial support to drill a water well within the Takya Jabari subdistrict. At present, the town is facing a water shortage, similar to Chemchemical town and other subdistricts in the area.
- Distributed drinking water in Chemchemical, Shorsh and Takya Kakamand, and restored two water wells for Bani Maqan.

Energy

- Continued to provide fuel to the local community of Qadir Karam and the surrounding area, an initiative supported by Crescent Petroleum since 2008.
- Provided 1,000 litres of fuel to Qaitawan Gawra related to upgrading and rehabilitating access roads within the village.
- Provided and currently installing a 10 megavolt-amperes (MVA) mobile substation for the Qadir Karam subdistrict.

Case study

Supporting local agriculture and industry

Qadir Karam has thrived as an agricultural town, helped in part by support from Crescent Petroleum. Today the village is renowned for its well-developed sheep husbandry sector thanks in part to the stable electricity supply provided by the Khor Mor plant, which ensured consistent

pumping, water supply, and refrigeration. The Company also purchases supplies and fresh produce from the local community.

In 2022, to support the local farming sector, Crescent Petroleum built five livestock dunking tanks at five locations in Qadir Karam. The dunk tanks provide for the control of ticks, flies, mites, lice, blowfly strikes, and other parasites that can severely impact livestock populations. Dipping is the most effective control of such parasites on livestock, especially inside the ears and behind the tail.



- Provided 400 litres of fuel for the power generator of Sheikh Hussien Qara Chewar Shrine within the Qadir Karam subdistrict.
- Provided 400 litres of fuel to be used for water pumping and distribution within the Qadir Karam subdistrict and surrounding villages.

Health

- Refurbished the health centre in Takya Jabari by overseeing building expansions (includes the emergency hall) and the provision of medical equipment.
- Sponsored two ambulance drivers for the health centre in the Qadir Karam subdistrict, which serves 52 villages

from surrounding areas, covering an estimated population of 2,500 people.

- Provided garbage cleaning services for six locations within the Chemchemical town, including: Raparin, Asuda, Ashte, Hafta Bazar, Dw Xushk Park, and Industrial compound.

Other

- Provided financial support to construct rooms in the Attorney General office building within the Chemchemical Court of Law.
- Provided financial support to the Municipality Department of Qadir Karam to plant 500 trees (five

different types) across six locations within the Qadir Karam subdistrict.

- Provided 750 food baskets to low-income earners and families, as well as persons with special needs, within Chemchemical and its subdistricts of Qadir Karam and Takya Jabari.
- Donated USD 4,000 to purchase a power generator for Rasulullah Mosque in Qadir Karam subdistrict.
- Upgraded the Qadir Karam Khor Mor plant road, which is essential to ensure the safety of drivers and trucks on the road.

Description	Units	2020	2021	2022
Social Investments	USD 000's	569	996	1,753
Power Supply to Villages	USD 000's	1,655	1,342	827
Total Social Contributions to Local Communities	USD 000's	2,224	2,338	2,580

Case study

Supporting education

An important focus of Crescent Petroleum's social performance efforts is education and capacity building in the local communities. The impact of COVID-19 and financial crisis significantly impacted the education sector in the KRI, limiting budgets of the Ministry of Education, and resulting in challenges with the upkeep of schools and teacher salaries.

Since 2019, Crescent Petroleum has sponsored various renovations at the Qadir Karam school subdistrict, in addition to supporting teacher salaries in the district. The company has supplied school furniture, illustration tools, and other equipment to the schools as well as introduced new teaching tools and supported education efforts.

Crescent Petroleum also led an ambitious program to renovate schools suffering from water leaks, wear and tear damage and malfunctioning electrical equipment. In 2022, the company expanded the effort to the Takya Jabari subdistrict, as well as schools on the outskirts of Chemchemical.



Creating Local Value continued

International engagements

In addition to its engagement efforts on the ground in the KRI, Crescent Petroleum also supports and leads a wide range of programmes and initiatives to support institution building and policy making pertaining to Iraq. Among these programmes included:

- Partnered with the Atlantic Council in Washington to lead research and thought leadership related to the regional energy landscape and policies, and the role of oil and gas in the carbon transition. This partnership included sponsorship of the Atlantic Council Global Energy Forum in March 2022,

which focused on ensuring reliable energy for the world while enabling the low carbon energy transition.

- Sponsored the Atlantic Council Iraq Programme which seeks to deepen ties between policymakers in Iraq and Washington, D.C. to encourage more enlightened policy and engagement to support institution building and governance in Iraq.
- Sponsored Chatham House Iraq Initiative, a fieldwork-based policy initiative that aims to support institution building and policy development in Iraq to encourage stronger policy and governance,

and to empower economic growth and development.

- Sponsored the Iraq Public Leadership Programme, a multidisciplinary policy education programme held under the auspices of the American University in Sharjah that aims to teach young Iraqis about policy frameworks and how policy is made in Iraq. The programme, now in its 11th year, brings together 20-25 Iraqis of all walks living both in and outside the country, to build a better understanding of policymaking within the country and reinforce Iraqi institutions.

Case study

Improving healthcare services in our areas of operation

The Company in 2022 undertook renovations of aging health centres in Qadir Karam and Takeya Jabari villages. Renovation projects have focused on repairs, essential replacements, and other general infrastructure work. The company collaborates with the Healthcare Directorate and the medics to determine the most critical repairs and renovations.

Qadir Karam, for example, operates the sole health service provider serving 173 families and surrounding villages. Crescent Petroleum renovated the Qadir Karam Clinic in 2019 and has supported the salaries of the two ambulance drivers since 2014. During COVID-19 (and in other cases with other infectious diseases), the ambulances served as the only certified means of transporting patients in the area. The ambulances are ready-to-assist Khor Mor operations.



Supply Chain Management

In 2022, Crescent Petroleum’s total procurement spending amounted to US\$197.6 million, representing an increase of 87.6% compared to 2021. This increase was attributed to spending associated with KM250 drilling operations and facility expansion projects.

We prioritise and promote responsible procurement and supply chain management in accordance with our procurement policies, which include thorough terms and conditions for our suppliers. Crescent Petroleum also ensures suppliers and contractors adhere to strict child labour and forced- or compulsory-labour prevention guidelines and codes.

Of the total procurement spending, US\$127.0 million was spent on local

suppliers in 2022, representing an increase of 87.6% compared to 2021. Furthermore, the number of local suppliers serving our operations increased by 40.8% over the same period.

The KRG Ministry of Natural Resources has specific requirements for procurement of goods and services from Community Centered Contractors (3Cs), which are defined as companies in proximity to the asset that are eligible to receive a maximum US\$250,000 per year in business. By the end of 2022, we had contracted nearly 30 3Cs, and planned an estimated local spend forecast at US\$3 to US\$4 million per year over the next few years, compared to US\$1 million per year in the past.

Crescent Petroleum has also set plans to enhance its procurement activities in the future, focusing on improving environmental and social performance metrics. These plans involve implementing enhanced pre-qualification questionnaires and contract terms and conditions that prioritize environmental and social considerations.

Additionally, Crescent Petroleum is working to establish a contractor audit protocol to ensure that expected performance levels are achieved. The resulting aim is to align its procurement practices with sustainability objectives, promoting responsible practices among contractors, and maintaining high performance standards throughout our supply chain.

Nationalisation	Units	2020	2021	2022
Total number of local suppliers engaged	#	364	409	576
Procurement spending on local suppliers	USD millions	16.7	67.7	127.0
Percentage of procurement spending on local suppliers	%	14%	78%	64%
Total procurement spending	USD millions	121.5	87.1	197.6



US\$127.0 million
 spent on local suppliers in 2022, representing an increase of 87.6% compared to 2021.

Supply Chain Management continued

Key areas addressed by Crescent Petroleum's procurement policy:



Compliance with Local and International Laws



QHSE 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



Case study

Ensuring ethical procurement practices throughout our operations

Crescent Petroleum embraces strict anti-corruption and bribery standards in all parts of its business, including our procurement department. As part of this, the company in 2022 conducted intensive training for procurement personnel on ethical procurement practices under Chartered Institute of Procurement and Supply (CIPS), UK, the largest professional body

serving procurement and supply chain professionals. All members of the procurement team involved in Sourcing and Supplier Management enrolled themselves as CIPS as members and completed an e-learning module and exam on procurement and supply chain ethics.

Upon completion of the certification, the company was awarded the "Kite Mark", which publicly highlights Crescent's adherence to ethical sourcing and supplier management practices and signals to suppliers, customers, potential employees, and other stakeholders that we are committed to high standards of ethics in procurement.

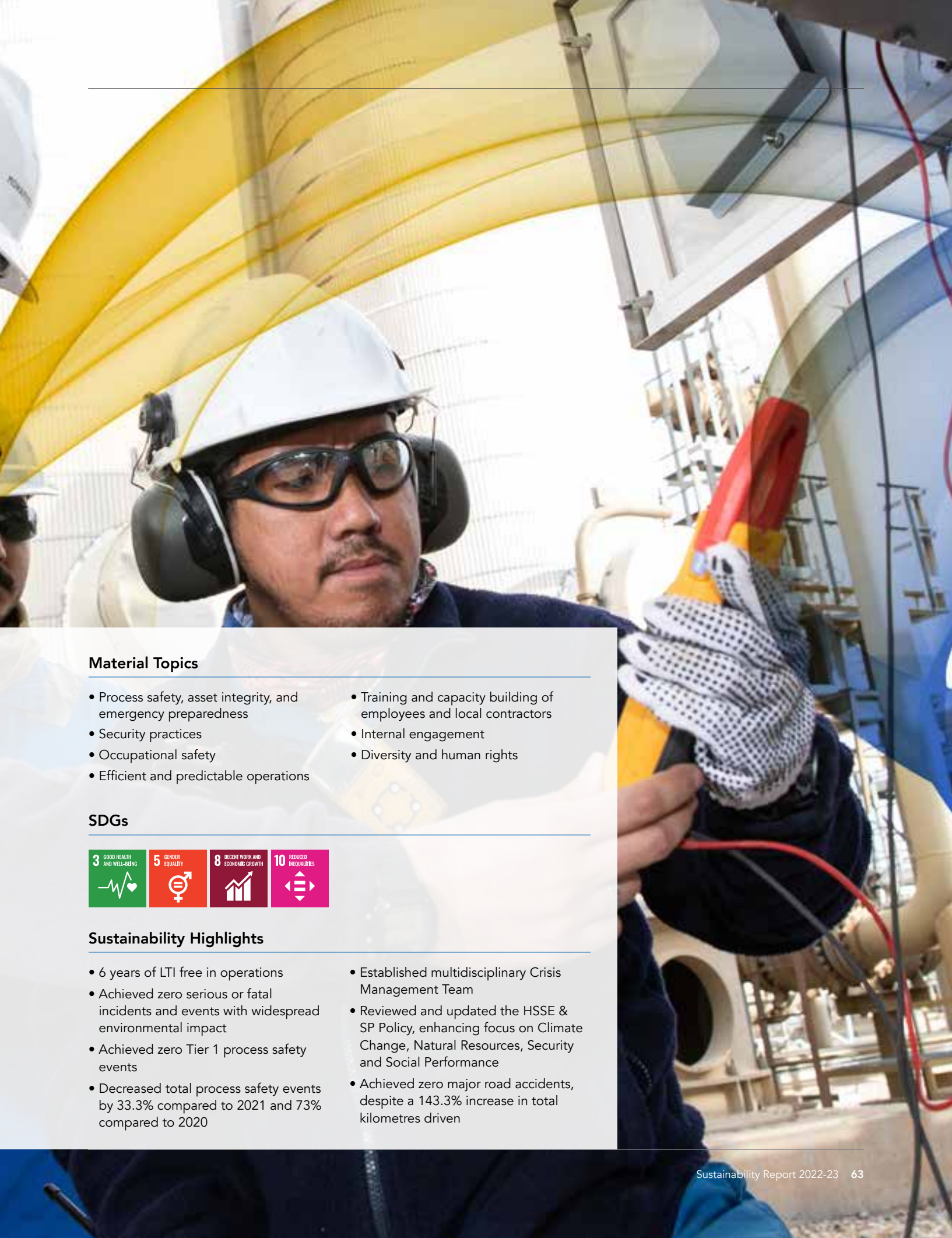




Ensuring Our Teams' Health and Safety



Crescent Petroleum is focused on creating a safe and healthy work environment in which the well-being of all employees, contractors and partners is prioritised, both to be good citizens and as a matter of good business.



Material Topics

- Process safety, asset integrity, and emergency preparedness
- Security practices
- Occupational safety
- Efficient and predictable operations
- Training and capacity building of employees and local contractors
- Internal engagement
- Diversity and human rights

SDGs



Sustainability Highlights

- 6 years of LTI free in operations
- Achieved zero serious or fatal incidents and events with widespread environmental impact
- Achieved zero Tier 1 process safety events
- Decreased total process safety events by 33.3% compared to 2021 and 73% compared to 2020
- Established multidisciplinary Crisis Management Team
- Reviewed and updated the HSSE & SP Policy, enhancing focus on Climate Change, Natural Resources, Security and Social Performance
- Achieved zero major road accidents, despite a 143.3% increase in total kilometres driven

Focusing on Safe & Reliable Operations

Asset Integrity

The safety of our employees, assets and processes is a central consideration in all our operations, and we seek to adhere to the strictest standards for the prevention of serious injury and events with widespread environmental impact or property damage.

Crescent Petroleum became a full member of the International Association of Oil and Gas Producers (IOGP) in 2022, reinforcing its commitment to industry best practices and allowing us to benchmark our performance against our peers.

Our early engagements with IOGP have entailed joining relevant committees and task forces to share knowledge and influence industry direction, as well as submission of key annual performance data, specifically of environmental and safety data.

In 2022 we recorded a total of 10 process safety events, amounting to a 37% decrease from 2021 and a 77% decrease compared to 2020. Of the 10 events recorded, none were considered Tier 1 events, beating industry standard IOGP regional and global benchmarks.

Our ability to maintain safe and reliable operations is driven in part by our focus on continuous improvements in practices as well as our adherence to our HSSE& SP Policy, which sets asset integrity as a core element. The industry standards and practices we adhere to have been established by the American Petroleum Institute (API) and International Association of Oil and Gas Producers (IOGP).

Crescent Petroleum's Asset Integrity Management systems are embedded within our operating and maintenance systems and procedures. These management systems underpin company operations and are

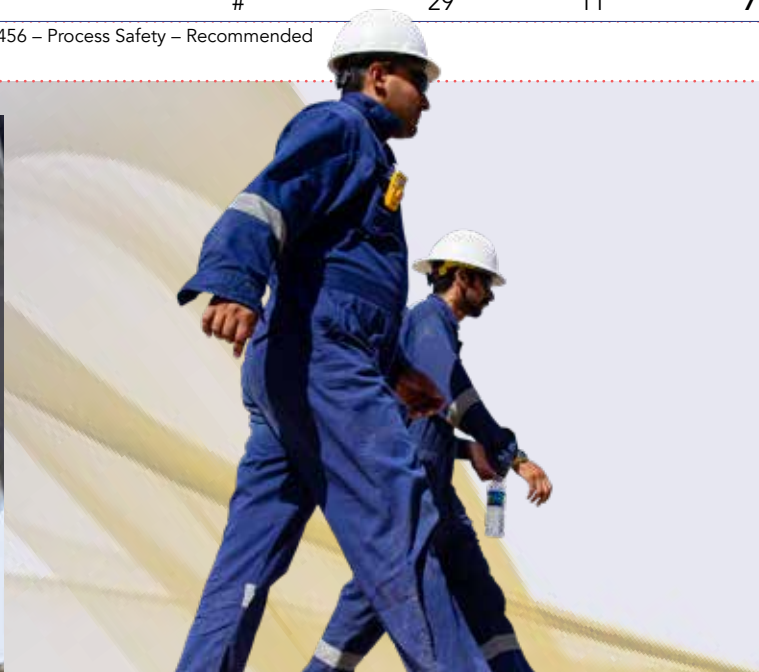
maintained and inspected at fixed and regular intervals in compliance with international standards and industry best practices.

We have also established asset integrity related KPIs and targets that are reviewed annually. For instance, our targets relate to overdue safety critical maintenance, management of safety system overrides, and a resolution of asset integrity inspection action items. For any process safety event that occurs, we conduct a detailed investigation and analysis to determine the root cause of the event. Furthermore, we maintain Incident Management Plans (IMP), Incident Management Teams (IMT), and scenario-based local action plans.

In 2022 we also established a multidisciplinary Corporate Crisis Management Team (CMT) to provide strategic input in the event of a critical emergency situation impacting our operations.

Process Safety Events	Units	2020	2021	2022
Tier 1	#	2	1	0
Tier 2	#	6	3	3
Tier 3	#	29	11	7

Process Safety Event (PSE) tiers in accordance with 'IOGP Report #456 – Process Safety – Recommended Practice on Key Performance Indicators'



Security

Protecting our personnel, assets, and materials is central to our ongoing operations. Our security practices focus on deterrence as well as rapid response to any threats. A range of security measures were implemented throughout in 2022, including site hardening activities to counter the increased threat from airborne indirect fire munitions, as well as enhanced access control and mustering at the KM250 Project. We have also provided governmental-level security to the Khor Mor plant, which is considered a critical national security facility.

Crescent Petroleum's security plans encompass layered and risk-based approaches, providing multi-level protection. The security model consists of three layers, combining the efforts of government security forces and internal security professionals to enhance the measures.

We conduct regular threat and vulnerability assessments to maintain

vigilance and preparedness. These assessments are led by security industry professionals and are updated based on observed security threats and insights from security and political intelligence reports provided by third-party security consultants. Additionally, Crescent Petroleum's Asset Protection Department conducts ongoing assessments and risk analysis, supported by Expert Consultants to identify potential vulnerabilities and develop appropriate mitigation strategies.

We rely on a robust security assessment methodology that first considers the intent and capability of potential actors, as well as the attractiveness of our assets. This methodology allows the organization to determine the threat level on a five-point scale and implement corresponding response measures. Flexibility is built into the security plans to enable escalation or de-escalation of security measures based on regional security changes.

To promote a culture of vigilance and security, Crescent Petroleum integrates security information into site-specific instructions, ensuring that personnel are informed about potential threats and necessary precautions. Additionally, senior-level awareness sessions and overviews are provided to leadership to ensure a comprehensive understanding of security considerations. The organization also regularly tests threat-specific emergency response scenarios at the site level to ensure preparedness and effectiveness in handling security incidents.



In June, July and October 2022 projectile attacks targeting the Khor Mor field resulted in two incidental minor injuries and minimal damage to the facilities. Production operations continued as normal. Future plans to improve Crescent Petroleum's security practices include:

- Enhancing the annual security training provided to employees, leadership, and contractors to ensure comprehensive knowledge and skills in threat awareness, emergency response, crisis management, and personal safety measures.
- Design and delivery of employee and contractor awareness package on workplace violence in collaboration with government security forces to promote a safe and secure work environment.
- Obtain PSC1/ISO 18788 compliance for Crescent Petroleum's security operations management systems, demonstrating adherence to internationally recognized standards, and exploring membership with The International Code of Conduct Association (ICoCA) to ensure the respect of human rights and humanitarian law by private security service providers.
- Developing a roadmap to comply with the International Finance Corporation's Performance Standard 4 - Community Health, Safety, and Security, to strengthen Crescent Petroleum's commitment to the well-being and security of the communities in which it operates.
- Exploring opportunities to further engage with KRG authorities in promoting responsible security practices, fostering collaboration, and aligning efforts to maintain a safe and secure operational environment.

Focusing on Safe & Reliable Operations continued

Health & Safety

Crescent Petroleum prioritizes the well-being and security of its employees, contractors, and communities in which it operates. The Company's commitment to ensuring a safe and secure environment is deeply ingrained in its HSSE & SP Policy, which serves as a comprehensive framework for guiding its actions.

The company aims to continuously improve its health and safety practices through an industry standard maturity model, which has defined detailed action plans covering a 3-year period.

The total number of manhours recorded in 2022 amounted to 6,057,231, representing a 40% increase compared to the previous year, and a surge of 254% when compared to 2020 when strict COVID restrictions and policies were in place. Most of this increase stemmed from ongoing KM250 drilling operations and KM250 facility expansion projects. In 2022, contractors accounted for 67% of total manhours, representing an increase from the 59.7% in 2021.

Our core operations team successfully marked 6 years without a Lost Time Injury (LTI) during the reporting period, while the exploration and production (E&P) team recorded an entire year without any recordable injuries. However, the projects team, with a workforce of up to 1500 workers focused on construction of the KM250 project, recorded a total of three lost time injuries.

To enhance overall health and safety performance, we also seek to ensure all necessary knowledge on hazards, risks, and operational controls are sufficiently understood by our workforce through mandatory instructions, training, procedures, awareness programs, and HSE meetings.

We also place great emphasis on maintaining a high standard of health and safety performance throughout our operations. To effectively monitor and track our progress, the Company utilizes KPIs that offer valuable insights into overall health and safety performance. These KPIs, along with the lessons learned, are shared monthly with senior management through a dedicated HSE performance dashboard.

Crescent Petroleum also provides non-occupational medical services on-site in Kurdistan, enabling prompt and easily accessed medical assistance when needed. Additionally, the Company has established a medivac system, which enables the rapid transportation of individuals to local and international hospitals if required.

Contractors play an important role in supporting Crescent Petroleum's operations and strategic objectives; they provide Crescent Petroleum with any necessary equipment, specialized services, and overall labour support. Specific health and safety training is also provided to increase the level of competence in our Contractor Workforce.

Recording HSE Observations

We maintain a health, safety, and environmental, observation card for employees and contractors whenever they observe a potential incident or intervention or would like to provide a suggestion for improvement. Although the number of safety observations increased by 468% in 2022, all the observations were recorded, mitigated, and closed in a timely manner.

We use our contractor management processes to oversee prequalification, selection, monitoring, and performance reviews. Additional requirements and processes have been established for contractors engaged in the highest risk activities. Key elements of these processes include:



Assessing HSE systems and programmes



Reviewing historical HSE performance



Reviewing compliance with all applicable regulations



Engaging with senior management to ensure Crescent Petroleum's expectations are sufficiently understood and to address any performance issues

Logged
6,057,231
total man hours in 2022,
representing a 40%
increase from 2021.

Vehicle Safety

Vehicle safety remains a top priority at all operations. Crescent Petroleum had no major road accidents in 2022 despite a 143.3% increase in the total number of kilometres driven. We maintain high standards of transportation safety in the following ways:

- Land transportation risk assessments are conducted for the routes driven for the transfer of personnel between the Khor Mor field and offices in Sulaymaniyah and Erbil. These are regularly reviewed and revised for any emerging security risks.
- Contractors must use a similar approach regarding route risk assessments. Crescent Petroleum maintains Vehicle Request Forms (VRF) and an associated management system to ensure the route, carrier, driver, and/or load has been approved and that the relevant local parties are notified.
- We also ban vehicle journeys during darkness and avoid routes through smaller villages and townships when possible.

Health & Safety	Units	2020	2021	2022
Total employee manhours	#	1,112,256	1,741,752	1,998,964
Total contractor manhours	#	598,176	2,584,982	4,058,267
Total manhours	#	1,710,432	4,326,734	6,057,231
Employee fatalities	#	0	0	0
Contractor fatalities	#	0	0	0
Employee recordable injuries	#	0	0	3
Contractor recordable injuries	#	0	5	11
Total recordable injuries	#	0	5	14
Total recordable injury frequency	#	0.00	1.16	2.31
Employee lost-time injuries	#	0	0	0
Contractor lost-time injuries	#	0	1	3
Total lost-time injuries	#	0	1	3
Lost-time injury frequency (LTIF)	#	0.00	0.23	0.50
High Potential Incidents (HiPos)	#	2	3	5
Major Road Accidents	#	0	0	0
Kilometres driven	#	1,691,512	1,611,601	3,921,781
Vehicle incident frequency	#	0	0	0
Number of Safety Observations	#	1,448	4,262	24,206
Observations Actions Close-Out	%	100%	100%	100%
Total number of health and safety audits for contractors	#	NA	3	0
Total hours of HSE training provided	Hours	1,501	3,065	8,560





Empowering Our Teams



Crescent Petroleum seeks to invest in its employees at every level, helping them to reach their full potential and empowering them to collectively strive to meet company objectives for long-term growth and sustainability. We value their diversity and encourage their contributions and take measures to empower them to advance and grow as leaders within the organisation.



Material Topics

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

SDGs



Sustainability Highlights

- Decreased the attrition rate from 5.29% in 2021 to 4.71% in 2022
- Increased the workforce by more than 22%
- Increased the number of nationalities represented among employees by 17.9%
- Increased female representation from 6.9% of new hires in 2020 to 12.3% by 2022
- Increased the total number of employee training hours by 222.2%

Empowering Our Teams continued

We owe our success and accomplishments to the collective skills, perseverance and hard work of our employees, who are empowered to work collaboratively in teams and to lead. We aim to instil a culture of constant improvement, innovation, and collaboration to boost efficiencies, safety and long-term value for all our stakeholders.

Due to the ongoing expansion projects in the KRI, the number of full-time employees employed by Crescent Petroleum grew to 930 in 2022, amounting to 22.9% growth year

over year. The number of contractors also increased to 96, amounting to a doubling compared to 2021. Contractors accounted for 9.4% of Crescent Petroleum's total workforce, reflecting the steady increase since 2020.

Engaging contractors allows Crescent Petroleum to meet immediate or anticipated manpower needs, as well as secure specialized skill sets for specific responsibilities or positions. By the end of 2022, the number of skilled positions which remained unfilled doubled compared to the previous year.

More than three quarters of Crescent Petroleum's full-time employees are based in the KRI up from 72% in 2021.



Key Performance Indicator (KPI)	Units	2020	2021	2022
Workforce size				
Total number of employees				
- Full-time employees	#	654	756	930
- Part-time employees	#	0	0	0
Total number of contractors and/or consultants	#	9	31	96
Number of skilled positions unfilled (full-time only)	#	21	19	38
Workforce by employment level				
Full-time employees in senior management	#	35	42	47
- Female	#	2	2	2
- Male	#	33	40	45
Full-time employees in middle management	#	67	91	128
- Female	#	6	6	9
- Male	#	61	85	119
Full-time employee staff (other levels)		552	623	755
- Female	#	51	59	81
- Male	#	501	564	674
Workforce by gender profile (full-time)				
- Female	#	59	67	93
- Male	#	595	689	837
Workforce by age (full-time)				
- Under 30 years old	#	80	125	157
- 30 to 50 years old	#	466	507	629
- Over 50 years old	#	108	124	144
Workforce by location (full-time)				
- UAE	#	179	204	230
- KRI	#	470	548	696
- Other	#	5	4	4
Nationalities				
- Number of nationalities represented in the workforce	#	37	39	45

New Hires & Leavers

Crescent Petroleum optimizes its workforce in line with business requirements. The Company's growth is exhibited by the growth in our workforce, driven primarily by our ongoing expansion projects in the KRI.

In 2022, Crescent Petroleum employed 219 new full-time employees, a 61% increase in new joiners compared to the previous year.

Most of these new hires were in the KRI, which accounted for over 80% of the total new hires.

Our overall attrition rate dropped from 5.29% in 2021 to 4.30% in 2022, reflecting efforts to enhance employee satisfaction and retention as well as limited redundancies and terminations. The attrition rate includes terminations, redundancies, and retirements, as well as voluntary resignations.



Workforce	Units	2020	2021	2022
New employee hires by gender		29	136	225
- Female	#	2	15	28
- Male	#	27	121	197
New employee hires by age group		29	136	225
- Under 30 years old	#	6	45	86
- 30 to 50 years old	#	16	71	129
- Over 50 years old	#	7	20	10
New hire rate				
- Female	%	7%	11%	12%
- Male	%	93%	89%	88%
New hires by location				
- UAE	#	15	38	43
- KRI	#	14	98	182
- Other	#	0	0	0
Total number of full-time employees who left the company	#	125	40	40
- Full-time	#	125	40	40
- Part time	#	0	0	0
Total number of full-time employees who left the company by gender profile				
- Female	#	11	8	3
- Male	#	114	32	37
Contractor turnover				
Total number of contractors/ consultants who left the company	#	29	5	18
Attrition rate	%	19.11	5.29	4.30

Empowering Our Teams continued

Diversity, Equality & Human Rights

We place tremendous value on diversity in our teams and seek to enable a culture that values and respects differences among employees. We believe that diversity brings to bear a variety of perspectives and experience when approaching corporate objectives and overcoming challenges, and ultimately results in better decision making and choices. Our commitment to diversity and inclusion is outlined in the Crescent Petroleum employee handbook, which sets out our policies and requirements.

The company has witnessed a major increase in the number of nationalities represented among our employees, with a 5.4% rise from 2020 to 2021 and a subsequent 17.9% increase from 2021 to 2022. We also observed a notable rise in women's representation within our workforce, accounting for 6.9% of new hires in 2020, 11% in 2021, and reaching 12.3% in 2022.

Employment policies, systems, and processes are regularly reviewed to guarantee fair treatment of employees. Recruitment, selection, development, and advancement decisions within

Crescent Petroleum are based solely on merit, reinforcing the Company's commitment to a fair and unbiased approach. We believe that providing equal employment opportunities for all staff, regardless of race, colour, religion, sex, age, national origin, or disability is simply good business and a driver of our success.

We promote employment of young adults aged between 18 and 24 years of age but maintain a strict zero-tolerance policy on child labour under this age group. In keeping with international labour standards, the Company ensures that no employee below the minimum working age is considered for employment in any of our operations. Every employee must undergo an extensive security check, which includes verifying their national identification cards to confirm their age and compliance with minimum age requirements.

In the UAE, we regularly participate in career fairs hosted by the American University of Sharjah, from which we have hired interns and trainees. In the KRI, we aim to recruit fresh graduates and enrol them in the relevant training programs.

Our attention to human rights extends beyond our operations to our suppliers and partners. The Company's supplier code of conduct explicitly requires all suppliers to adhere to human rights principles, promoting responsible practices throughout our supply chain. We believe this approach demonstrates our commitment to upholding human rights standards and contributing to a fair and ethical business environment.

We strive to celebrate important occasions and raise awareness of important issues for our workforce every year. One such event is the annual off-site workshop held to celebrate International Women's Day. During this workshop, women in influential positions are invited to share their inspiring success stories, fostering a sense of empowerment and motivation among attendees. We also dedicate efforts to raise awareness of women's health issues, exemplified by initiatives such as hosting Breast Cancer Awareness Day to promote early detection and prevention of breast cancer.



These initiatives and statistics highlight Crescent Petroleum's commitment to fostering a secure and diverse workforce, while also actively promoting gender equality and raising awareness of crucial health issues. To continue driving improvements in our diversity, equality, and human rights practices, we have developed the following plans to be implemented in subsequent years:

Diversity and equality:

- Set clear diversity targets for Crescent Petroleum's operations in the KRI to foster an inclusive and diverse workforce
- Enhance the disclosure of key compensation metrics related to diversity and equality, demonstrating Crescent Petroleum's commitment to transparency and fairness
- Develop specific diversity and equality policies that outline the Company's principles and practices in promoting equal opportunities and fostering an inclusive workplace

Human rights:

- Provide comprehensive human rights training to Crescent Petroleum's social performance teams, who play a vital role in engaging with and supporting local communities
- Conduct human rights training for Crescent Petroleum's security personnel to ensure their awareness and adherence to human rights principles in all aspects of their work
- Offer training programs on human rights principles to all employees of Crescent Petroleum, promoting a culture of respect and dignity
- Conduct regular human rights risk assessments across Crescent Petroleum's operations to identify and mitigate potential risks, ensuring the protection and promotion of human rights throughout the Company's activities

Employee Engagement & Grievances

We aim to actively engage employees by understanding their needs better and maintaining an "open-door" policy to discuss any issues or grievances. This policy encourages transparent and positive communication, allowing employees to freely express their concerns, questions, complaints, thoughts, suggestions, and opinions.

The Company has a zero-tolerance policy towards discrimination of any kind, abuse or harassment. The employee handbook explicitly states that any employee who raises a concern or complaint about misconduct and wrongdoing in good faith will not face any negative consequences, even if the concern turns out to be unfounded. The Company recognizes that any negative change in treatment can be seen as informal retaliation and actively encourages employees to report such incidents in line with its open-door policy.

Employee Engagement	Units	2022
Total number of grievances	#	18
Total number of grievances outstanding	#	0
Total number of incidents of discrimination and harassment	#	0
Total number of incidents of human rights violations	#	0



Empowering Our Teams continued

By fostering an environment of open communication and non-retribution, Crescent Petroleum strives to create a workplace where employees feel supported and valued. This commitment to employee wellbeing and the promotion of open dialogue contributes to a positive and inclusive work culture throughout the organization.

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

We established an employee welfare committee at our Khor Mor operations in 2022 to improve communications, identify employee well-being improvement opportunities, and monitor on-site working conditions. The committee comprises employees from all departments and meets every month. In 2022, the committee identified 43 improvement opportunities, with 37 completed during the year.

Employees can report their concerns, questions, complaints, thoughts, suggestions, and opinions to the human resources department via

email. If any employee's issue remains unresolved, they are encouraged to start speaking to the following positions in the order listed below:

- Line manager
- Employee Engagement Division of the Human Resources Department
- Director, Human Resources

During 2022, 18 grievances were submitted pertaining to personal matters, the natural death of an employee, and performance management issues. None pertained to discrimination, harassment, or human rights violations.

Training & Development

We place strong emphasis on the professional growth and development of its employees, recognizing them as a valuable asset and vital to the Company's success. The organization is committed to creating an environment that encourages individuals to seek opportunities for enrichment and advancement, while also fostering a culture where supervisors, managers, and employees actively identify and pursue training and development initiatives to enhance job performance and unlock their full potential in their current or future roles.

Employee training is a key priority to enable employee progress. We established the Learning & Development Training Centre in 2019 to provide comprehensive training for

Crescent Petroleum's operations and maintenance activities. The center offers a wide range of programs and courses covering various disciplines, including mandatory safety training, technical skills development (such as mechanical and electrical training), and language proficiency (such as English language training). All training activities align with the Competency Assurance Program (CAP), which encompasses assessments of essential knowledge, awareness, and skills. The CAP is carefully aligned with the operational and maintenance requirements of Crescent Petroleum.

The total number of employee training hours in 2022 grew significantly to 45,989 hours, up 222.2% compared to the previous year. This surge in training in large part reflects a return to normal training activities following the disruptions caused by the COVID-19 pandemic, but also highlights the desire of employees to develop new skills.

Crescent Petroleum also encourage a range of community activities ranging from the Crescent Toastmasters Club speech and debate club to various athletic activities. In 2023 Niyas Khan, Accounts Specialist from the Accounting Team, represented Crescent Petroleum at the Chicago Marathon in October completing the race with a time of 3 Hours and 16 minutes.



Training & Development	Units	2020	2021	2022
Total employee training hours	Hours	11,130	14,274	45,989
Average days of training that the organizations employees have undertaken during reporting period	#	2	2	6
Health and safety	Hours	1,473	3,065	8,560
Percentage of employees that received a regular performance review	%	100	100	100

To monitor and evaluate training and progress, we utilize a company-wide training monitoring system. This system enables the collection of training data and facilitates ongoing monitoring of employees' progress in meeting their identified training requirements.

Regular performance reviews are conducted for all employees, providing valuable insights that help identify specific training needs and inform individual career development plans. These performance reviews also play a significant role in Crescent Petroleum's succession planning initiatives, ensuring a seamless transition and continuity within the organization.





This dedication to employee training and development demonstrates our commitment to fostering a skilled and capable workforce, enabling individuals to thrive and contribute to the Company's long-term success. To continue enhancing the ways Crescent Petroleum invests in the training and development needs of its employees, it aims to:

- Enhance Crescent Petroleum's training needs assessments alongside its performance management processes.

- Establish a process for managing contractor health, safety, and environment competencies.
- Conduct studies on the effectiveness of the training and development activities administered (e.g.: productivity gains identified).




2022 Contributions to the UN SDGs

SDG	Highlights of Crescent Petroleum's Contribution
<p>SDG 1: No Poverty</p> 	<ul style="list-style-type: none"> • Through Crescent Petroleum's significant energy infrastructure investments, as well as promoting local hiring and procurement practices, numerous employment opportunities (direct and indirect) have been created. • Total social contributions towards communities based in the KRI totalled \$2.58 million in 2022.
<p>SDG 2: Zero Hunger</p> 	<ul style="list-style-type: none"> • To support the local farming sector, Crescent Petroleum built five livestock dunking tanks at five locations in the Qadir Karam subdistrict.
<p>SDG 3: Good Health and Well-Being</p> 	<ul style="list-style-type: none"> • Achieved zero Tier 1 process safety events. Marked 6 years of zero LTI in operations. • Decreased total process safety events by 33.3% compared to 2021 and 73% compared to 2020. • Established a Corporate Crisis Management Team (CMT). • Reviewed and updated Crescent Petroleum's HSSE & SP Policy in 2022, enhancing its focus on safeguarding individuals and mitigating potential health and safety risks. • Achieved no major road accidents despite a 143.3% increase in the total number of kilometres driven. • Resolved 100% of reported safety observations. • Sponsored two ambulance drivers for the health centre in the Qadir Karam subdistrict. • Refurbished the health centre in Takya Jabari and provided it with medical equipment.
<p>SDG 4: Quality Education</p> 	<ul style="list-style-type: none"> • Supported hundreds of primary through secondary students, as well as over 60 teachers, based across multiple areas and villages, including Qadir Karam, Takya Jabari, Khor Mor Gawra, Shekh Hamid, Qaitul, and Padasht. Such support included financially supporting a range of renovations, providing students with school supplies, and organizing student empowerment programs. • Sponsor Iraq Public Leadership Programme under the auspices of American University of Sharjah.


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

SDG 5:
Gender Equality




- 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.
- More than doubled the number of females working in the KRI.
- Increased female representation to 12.3% of new hires.

SDG 6:
Clean Water and Sanitation




- Conducted an education and awareness program focused on wastewater management.
- Reduced drilling waste volumes and enhanced water efficiency through innovative techniques like water recycling through novel dewatering techniques.
- Supported local communities in their efforts to gain access to a reliable water supply and to reduce water waste. Such support included providing an ultrasonic water leak detector, replacing submersible water pumps, repairing water trucks, establishing independent water sources, distributing drinking water, and restoring water wells.
- Began a comprehensive review of all Environmental and Social Impact Assessment (ESIA) action

SDG 7:
Affordable and Clean Energy



- \$31 billion in fuel-cost savings for the KRG to date.
- Crescent Petroleum plays a crucial role in providing reliable energy sources to meet over 80% of the KRI's power demand, as well as reinforces regional energy security and promotes a sustainable and affordable energy future through its natural gas production, which produces significantly less GHG emissions when compared to alternative and more carbon emitting energy sources.
- Gas produced allowed the KRI to avoid more than 49 million tonnes of CO₂ emissions, equivalent to removing 10 million cars from the road for one year.





SDG 8:
Decent Work and Economic Growth



- Increased the local national workforce by more than 26%.
- Workforce localisation of 85.1%
- Increased spending on local suppliers by 87.6%.
- Increased the number of local suppliers engaged by 40.8%.
- Decreased the attrition rate from 5.29% in 2021 to 4.71% in 2022.
- Contributed more than \$30 billion to KRI's GDP.


Appendix A

2022 Contributions to the UN SDGs continued

SDG	Highlights of Crescent Petroleum's Contribution
<p>SDG 9: Industry, Innovation, and Infrastructure</p> 	<ul style="list-style-type: none"> • Significant energy infrastructure investments, totalling over \$2.3 billion, invested in the KRI to date.
<p>SDG 10: Reduced Inequalities</p> 	<ul style="list-style-type: none"> • Increased female representation from 6.9% of new hires in 2020 to 12.3% by 2022. • Increased diversity in our workforce to include 7 nationalities. • Workforce localisation of 85.1%
<p>SDG 11: Sustainable Cities and Communities</p> 	<ul style="list-style-type: none"> • Continued to provide fuel to the local community of Qadir Karam and the surrounding area, an initiative supported by Crescent Petroleum since 2008. • Provided hundreds of litres of fuel to support road upgrades, power generation, and water pumping activities in Qaitawan Gawra and Qadir Karam. • Provided and currently installing a 10 megavolt-amperes (MVA) mobile substation for the Qadir Karam subdistrict. • Supported local communities in efforts to gain access to a reliable water supply and to reduce water waste through ultrasonic water leak detector, replacing submersible water pumps, repairing water trucks, establishing independent water sources, distributing drinking water, and restoring water wells.
<p>SDG 12: Responsible Consumption and Production</p> 	<ul style="list-style-type: none"> • Achieved a 59% waste diversion rate in 2022. • Established target focused on recycling or incinerating 80% of waste. • In Sharjah, UAE, successfully collected and recycled 2,109 kilograms of electronic waste. • Led intensive training of procurement personnel on ethical procurement practices under the Chartered Institute of Procurement and Supply (CIPS). • Rolled out fugitive emissions campaign to detect methane emissions • Awarded the "Kite Mark" quality certification mark. • Committed to the "Aiming for Zero Methane Emissions" initiative of the Oil and Gas Climate Initiative to achieve zero methane emissions from operations by 2030.


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

SDG 13:
Climate Action




- Reduced Scope 1 emissions by 4.3% compared to 2021 and 20.0% compared to 2020.
- Crescent Petroleum's shift to natural gas has prevented 49 million tons of CO₂ emissions in the last decade by replacing liquid fuels.
- Focused efforts have led to a reduction in carbon intensity to 6.0 kgCO₂e/BOE in 2022, demonstrating a strong commitment to reducing their carbon footprint.
- Secured carbon offset credits for the years 2022 and 2023, ensuring our operations remain carbon neutral.
- Pearl has rolled out a fugitive emissions campaign involving a re-baseline of facility methane emissions using the latest Forward Looking InfraRed (FLIR) technology.
- Total flared hydrocarbons decreased 30.7% compared to 2021 and 50% compared to 2020.
- Made substantial progress in reducing gas flaring, achieving a remarkable reduction of 35% to 0.2% of production in 2022.

SDG 14:
Life Below Water




- Created a Produced Water Task Force to identify opportunities for improved produced water management practices.
- Maintained comprehensive spill prevention and management plans at all operational locations, as well as a dedicated team to promptly respond to any spill incidents.

SDG 16:
Peace, Justice and Strong Institutions



- Zero cases of corruption.
- Established employee whistleblowing through a third-party hosted platform (Navex).
- Through Wallbrook's third-party intelligence services, Know Your Customer (KYC) checks are conducted on business partners.

SDG 17:
Partnerships for the Goals



- Continued reinforcing Crescent Petroleum's commitment to measure and demonstrate its ESG performance through 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.

Acronyms and Glossary

API	American Petroleum Institute
3Cs	Community Centered Contractors
BOE	Barrells of Oil Equivalent
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
HIPO	High Potential Incidents
HSE	Health, Safety, and Environment
HSSE	Health, Safety, Security, and Environment
IBC	International Business Council
IDP	Internally Displaced People
IMP	Incident Management Plans
IMT	Incident Management Team
IOGP	International Oil and Gas Producers Association

ISAE	International Standard on Assurance Engagements
IT	Information Technology
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	Liquefied Petroleum Gas
LTIF	Lost-Time Injury Frequency
m³	Cubic meters
MMscf	Million standard cubic feet
MNR	Ministry of Natural Resources
MOOCs	Massive Open Online Courses
NGO	Non-governmental organizations
OGCI	Oil & Gas Climate Initiative
PPE	Personal Protective Equipment
SDG	Sustainable Development Goals
SOAR	Security Orchestration, Automation, and Response
SOC	Security Operations Centre
TRIF	Total Recordable Injury Frequency
UAE	United Arab Emirates
UN	United Nations
WEF	World Economic Forum

GRI Content Index

Statement of use	Crescent Petroleum has reported the information cited in this GRI content index for the period between 1 January, 2022 and 31 December, 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 2: General Disclosures 2021	2-1 Organizational details	3, 8-17
	2-2 Entities included in the organization's sustainability reporting	3
	2-3 Reporting period, frequency and contact point	3
	2-4 Restatements of information	None
	2-5 External assurance	92-94
	2-6 Activities, value chain and other business relationships	12-17
	2-7 Employees	68
	2-8 Workers who are not employees	68
	2-9 Governance structure and composition	31-34
	2-10 Nomination and selection of the highest governance body	Confidential
	2-11 Chair of the highest governance body	34
	2-12 Role of the highest governance body in overseeing the management of impacts	34
	2-13 Delegation of responsibility for managing impacts	34
	2-14 Role of the highest governance body in sustainability reporting	Executive Committee
	2-15 Conflicts of interest	36
	2-16 Communication of critical concerns	73-75
	2-17 Collective knowledge of the highest governance body	34
	2-18 Evaluation of the performance of the highest governance body	34
	2-19 Remuneration policies	34
	2-20 Process to determine remuneration	34
	2-21 Annual total compensation ratio	Confidential
	2-22 Statement on sustainable development strategy	5

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 2: General Disclosures 2021	2-23 Policy commitments	36-39
	2-24 Embedding policy commitments	36-39
	2-25 Processes to remediate negative impacts	27, 46, 48, 50, 64, 73, 75
	2-26 Mechanisms for seeking advice and raising concerns	73-74
	2-27 Compliance with laws and regulations	25, 34
	2-28 Membership associations	64-65
	2-29 Approach to stakeholder engagement	24-25
	2-30 Collective bargaining agreements	Collective bargaining is prohibited in the UAE
GRI 3: Material Topics 2021	3-1 Process to determine material topics	26
	3-2 List of material topics	26
	3-3 Management of material topics	34, 36, 39, 42, 45-46, 48, 50, 54-55, 59-60, 64-67, 72-75
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	54
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	21, 35, 55-57
	203-2 Significant indirect economic impacts	35, 76
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	59
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	79

Appendix **C**

GRI Content Index continued

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 302: Energy 2016	302-1 Energy consumption within the organization	44
	302-2 Energy consumption outside of the organization	44
	302-3 Energy intensity	44
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	48
	303-2 Management of water discharge-related impacts	48
	303-3 Water withdrawal	48
	303-4 Water discharge	48
	303-5 Water consumption	48
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	44
	305-2 Energy indirect (Scope 2) GHG emissions	44
	305-4 GHG emissions intensity	44
	305-5 Reduction of GHG emissions	42-43, 45-46
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	50
	306-2 Management of significant waste-related impacts	50
	306-3 Waste generated	51
	306-5 Waste directed to disposal	51
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	71

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	66
	403-2 Hazard identification, risk assessment, and incident investigation	64-67
	403-3 Occupational health services	64-67
	403-4 Worker participation, consultation, and communication on occupational health and safety	67
	403-5 Worker training on occupational health and safety	66, 67
	403-6 Promotion of worker health	66
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	66
	403-8 Workers covered by an occupational health and safety management system	64-67
	403-9 Work-related injuries	67
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	75
	404-2 Programs for upgrading employee skills and transition assistance programs	75
	404-3 Percentage of employees receiving regular performance and career development reviews	75
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	34, 70
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	74
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	73
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	54-58

World Economic Forum’s Stakeholder Capitalism Index

Principles of Governance		
Theme	Metrics & Disclosure	Reference
Governing purpose	<p>Setting purpose:</p> <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. 	5,8,10
Quality of governing body	<p>Governance body composition:</p> <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. 	30-34
Stakeholder engagement	<p>Material issues impacting stakeholders:</p> <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. 	35-27
Ethical behaviour	<p>Anti-corruption:</p> <ol 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. <ol 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. 	36-37
	<p>Monetary losses from unethical behaviour:</p> <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. 	79
Risk and opportunity oversight	<p>Integrating risk and opportunity into business process:</p> <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. 	34

Planet		
Theme	Metrics & Disclosure	Reference
Climate Change	Greenhouse gas (GHG) emissions: <ul style="list-style-type: none"> For all relevant greenhouse gases (e.g. CO₂, methane, nitrous oxide, F-gases etc.), report in metric tonnes of CO₂ equivalent (tCO₂e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate. 	44
	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. 	40-46
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. 	48-49
Air pollution	Air pollution: <ul style="list-style-type: none"> Report wherever material along the value chain: nitrogen oxides (NOx), sulphur oxides (SOx), 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. 	44
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. 	50-51

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). 	54, 70-72
	Human rights review, grievance impact & modern slavery (#, %): <ol 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: <ol 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. 	72-73
Health and well-being	Health and safety (%): <ol 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. 	64-67
Skills for the future	Number of unfilled skilled positions (#, %): <ol style="list-style-type: none"> Number of unfilled skilled positions (#). Percentage of unfilled skilled positions for which the company will hire unskilled candidates and train them (%). 	70

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. 	71
	Infrastructure investments and services supported: Qualitative disclosure to describe the below components: <ol 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. 	21, 35, 55-57
	Significant indirect economic impacts: <ol 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). 	35, 76

Assurance Statement

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Independent accountant's assurance report

To the board of Directors and Management of Crescent Petroleum Company International Limited

Scope

We have been engaged by Crescent Petroleum Company International Limited 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 International Limited's** environmental and social performance indicators in the 2022 sustainability report including Four (4) disclosures below:

- Disclosure 306-3: Waste generated
- Disclosure 303-1: Water Management
- Disclosure 401-1: Localization and job creation
- Disclosure: Recordable work-related injuries

(the "Subject Matter") for the year 01 January 2022 and ended 31 December 2022.

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 International Limited in preparing the **Subject Matter, Crescent Petroleum Company International Limited** applied the Global Reporting Initiative Standards (GRI) (the Criteria).

Crescent Petroleum Company International Limited responsibilities

Crescent Petroleum Company International Limited'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 International Limited** on 10 June 2023. 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

ASSURANCE STATEMENT



on our judgement, including an assessment of the risk of material misstatements, 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 independent 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 expertise 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. Our work did not include physical visits to any of the Crescent Petroleum facilities and operating assets due to health and safety restrictions linked to the COVID-19 pandemic.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Four (4) disclosures mentioned above and related information and applying analytical and other appropriate procedures.

Our procedures included:

- a) Conducting interviews with personnel to understand the business and reporting process
- b) Conducting interviews with key personnel to understand the process for collecting, collating and reporting the subject matter during the reporting period
- c) Checking whether the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- d) Undertaking analytical review procedures to support the reasonableness of the data
- e) Identifying and testing assumptions supporting calculations
- f) Undertaking reviews of the presentation of the Subject Matter in the 2022 Sustainability Report

Assurance Statement continued

ASSURANCE STATEMENT



g) 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.

Conclusion

Based on our procedures and the evidence obtained, no matters have come to our attention that causes us to believe that the Subject Matter information for the year ended 31 December 2022 is not prepared, in all material respects, in accordance with the applicable 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)

Dubai, United Arab Emirates

08 November 2023





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