

New Frontiers

Sustainability Report
2023-2024




New Frontiers



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.

For more information on Crescent Petroleum please visit our website

 www.crescentpetroleum.com

 [crescent-petroleum-company/](https://www.linkedin.com/company/crescent-petroleum-company/)

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Crescent Petroleum at a Glance



Founded in 1971 and headquartered in Sharjah, Crescent Petroleum is the oldest and largest private upstream oil and gas company in the region.

For over five decades, Crescent Petroleum has been a pioneer in the MENA energy sector, channeling our vision to creatively unlock energy resources and make a transformative impact on the communities we serve.

Operations

Kurdistan Region of Iraq

Khor Mor
Chemchemical
Block 19
Block 20

- Joint Operator with Dana Gas and 35% shareholder of Pearl Petroleum
- Continuous Production Operation from Khor Mor since 2008

Diyala Governorate and Basra Governorate in Iraq

Khashim Ahmer-Injana ("KAI")
Khider Al-Mai ("KAM")
Gilabat-Qumar ("GQ")

- Operator and 100% concession holder
- Contracts activated in 2023 and initial work commenced on KAI and KAM



Production

Kurdistan Region of Iraq

Y2023 Total Production: 119,429 boe/d
(of which circa 80% Gas)
Gas Production: 479 MMScf/d
Condensate Production: 15067 bbl/d
LPG Production: 1054 MT/d

- Inception to Y2023 production: 446 million boe
- Largest gas producer in KRI



Investment

Kurdistan Region of Iraq

- Total Investment (since 2007) in Iraq by Pearl >US\$3.2 billion



Total Reserves and Resources

Kurdistan Region of Iraq

- Proven and Probable (2P) reserves as at 15 May 2019 certified by GCA

12.6 Tscf Gas; 388.6 MMbbl Condensate; 37.8 MMT LPG
51.3 MMbbl of oil reserves

- Resources - joint operators estimates:

total geologically risked petroleum initially in-place (PIIP) resources of the Khor Mor and Chemchemical Fields to be 75 Tscf of wet gas and 7 billion barrels of oil (P50 estimate).

Economic and Social Impact

Kurdistan Region of Iraq

- Gas produced from Khor Mor fuels more than 80% of power generated in KRI
- More than 5 million Iraqi nationals benefitted from power supply generated with gas from our operations in KRI
- US\$32 billion fuel cost savings from 2008 to 2023 to KRG from diesel replacement by gas
- Created thousands of jobs directly and indirectly in Iraq employment in Iraq; 84% local national employees



Workforce

Kurdistan Region of Iraq and United Arab Emirates

- Total workforce 1070
968 employees
102 contractors
- 47 Nationalities



Environmental Impact

Kurdistan Region of Iraq

- Carbon intensity of 5.8 kg CO₂e/boe; 1/3 of the global average and 2/3 of our peers in MENA
- Carbon neutral since September 2021; one of the first in the oil and gas industry
- Enabled KRI to avoid 52 million tonnes of CO₂ emissions by replacing liquid fuels with gas over the past 15 years



Joint Venture Partners

Kurdistan Region of Iraq

- Dana Gas (35%)
- Crescent Petroleum (35%)
- MOL, Hungary (10%)
- OMV, Austria (10%)
- RWE, Germany (10%)



Dana Gas (Crescent Petroleum's 20% affiliate)-listed on ADX

Egypt and UAE: (Excluding Kurdistan Region of Iraq)

- Dana operates 14 development leases onshore in the Nile Delta: four concession areas, all 100% working interest
- Total investment by Dana Gas in Egypt > US\$2 billion
- 2P reserves as at 31Dec '23 of 33.8 MMboe
- Y2023 Net production in Egypt: 21,800 boe/d
 - Gas - 106 MMScf/d
 - Condensate - 2182 bbl/d
 - LPG - 173 MT/d
- Total workforce 106 comprised of 13 Nationalities




Embracing our New Frontiers




We are pleased to present the Crescent Petroleum 2023-24 Sustainability Report. This eighth edition in our annual sustainability reporting journey highlights our progress throughout 2023 and the early part of 2024 towards our long-term sustainability goals.



Carbon Intensity 

5.8 kg CO₂e/BoE

1/3 the global average of our peers and 2/3 of our regional peers (IOGP)

52 MT CO₂e 

emissions avoided to date by replacing liquid fuels with natural gas

In the following pages we take a 360-degree view of our operations and their impact across our material sustainability measures, and showcase the concrete steps taken to improve our processes, build sustainability awareness among our staff, and define a sustainability roadmap for the company.

This year's theme, "New Frontiers," reflects our ambition as we broaden our operations, advance existing projects, and positively impact the communities where we operate. As we work to develop the region's gas resources, we aim to extend this positive environmental impact across all our operations.

Since our inception in 1971, sustainability has been a strategic pillar in our business. As pioneers in the development of the Middle East's natural gas resources, we have long championed the adoption of cleaner-burning natural gas over more

polluting fuels. Our commitment to producing natural gas more cleanly and efficiently drives our focus on continuous improvements in our operations that resulted in a carbon intensity of 5.8 kg CO₂e/BoE compared to 6 kg CO₂e/BoE in 2022. This amounts to one-third of the global average of our peers and two-thirds of our peers in the Middle East region.

This proactive approach also led us to achieve carbon neutrality in September 2021, a first for our industry. We've maintained this status through ongoing enhancements in our sustainability practices. Currently, natural gas accounts for nearly 80% of our production, providing cleaner, more affordable electricity to millions in the Kurdistan Region of Iraq (KRI). In fact by substituting liquid fuels with natural gas, the KRI has managed to avoid over 52 million tonnes of CO₂ emissions over the past 15 years since the Kurdistan Gas Project began operations.

Enabling the KRI to avoid 52MT CO₂e over 15 years is equivalent to:



Removing
12,376,095
gasoline cars from the road for one year



Eliminating
286,000
railcars' worth of coal burned

To underscore our commitment to sustainability in 2023 we signed on to a series of charters and initiatives aimed at reducing the oil and gas industry's emissions:

- We signed on to The World Economic Forum Joint Communiqué on Climate Action in MENA, committing to achieving net zero by 2050 and to reducing CO2 emissions by 200mt by 2030.
- We committed to the COP28 Oil & Gas Decarbonisation Charter, which calls for the industry to commit to net zero by 2050, to eliminate methane emissions by 2030, and to eliminate routine flaring by 2030, while working towards industry best practices in emissions reductions.
- We committed to the "Aiming for Zero Methane Emissions Initiative" of the Oil and Gas Climate Initiative (OGCI), which commits to implement all reasonable means of avoiding methane venting and flaring and to repair any detected methane leaks.

A pivotal year

2023 also proved pivotal for Crescent Petroleum as we began exciting new projects in Diyala and Basra that will add to the ongoing KM250 expansion at our existing operations in the KRI. In February, we signed two 20-year contracts with the Midland Oil Company (MDOC) for the Khashim Ahmer-Injana and Gilabat-Qumar fields in Diyala Governorate, and another 20-year contract with the Basra Oil Company (BOC) for the Khider Al-Mai block in Basra Governorate. These projects signify a major expansion of our operational footprint in Iraq and

herald a period of significant growth, eventually creating thousands of jobs, and contributing to the communities where we operate.

The expansion of the Khor Mor operation in KRI promises to increase gas production by 250 million cubic feet per day to deliver much needed gas for local power stations in the KRI and beyond.

As we progress, we will infuse our sustainability ethos into all our operations, drawing on our extensive experience in natural gas development in the region. This ethos empowers our teams to consistently explore more efficient and more sustainable ways of working, ensuring continuous iterative improvements, to yield a major cumulative impact across our sustainability measures.

In 2023 the increased construction activities and plant maintenance issues have led to a temporary increase in emissions, flaring, and other related measures. However, these short-term issues will ultimately lead to notably lower emissions and carbon intensity in the future, reinforcing our sustainability objectives and efforts.

Crescent Petroleum also faced challenges during this time. It is with deep regret that we report a drone strike on our Khor Mor gas plant in April 2024 resulting in the tragic loss of four subcontractor employees. We extend our heartfelt condolences to the families of Awadh Abdo Ali Al-Limias, Ali Abd Ahmed Nasser, Yousef Yaser Hamood Farea, and Esam Mohammed Ahmed Al-Kazmi, and our thoughts are with their loved ones during this difficult time. In response to the incident, several measures have been implemented on site to boost the

security of personnel and the plant.

This tragic event has underscored our immense appreciation for the dedication, professionalism, and resilience of our employees and contractors. Their work is crucial, impacting not just our company but also the millions in the Kurdistan Region and the rest of Iraq who depend on our gas production.

Our gratitude has reinforced our commitment to our employees and to our sustainability goals. We embrace opportunities to make a positive difference in our communities and to be a source of support in times of great uncertainty and challenge. We reiterate our commitment to doing all we can to embrace those opportunities and deliver on our responsibilities and our values to all our stakeholders.

Majid H. Jafar

Chief Executive Officer

KM250



The KM250 expansion of the Khor Mor operation continues to take shape promising to bring much needed gas for power generation in the KRI.

250MM scfd

250 million cubic feet per day of much-needed additional gas production to supply the local power stations.



Halting

13.4

coal-fired power plants for one year



GHGs absorbed by

60,711,530

acres of U.S. forest for one year



Equivalent to recycling

18,711,530

of waste instead of disposal

About This Report



Crescent Petroleum's 2023-24 Sustainability Report, is the eighth annual publication on our sustainability journey reflecting our enduring commitment to sustainability and responsible business practices.

Scope and Content

The statistical reporting boundary for this report spans from 1 January to 31 December 2023 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. Unless stated otherwise, Crescent Petroleum reports 100% of statistics pertaining to Pearl Petroleum's activities in the KRI.

Our progress is presented across four sustainability pillars:

- 1 **Environmental Stewardship:** Minimising our ecological footprint.
- 2 **Community Empowerment:** Enriching the communities where we operate.
- 3 **Team Well-being:** Ensuring the health and safety of our workforce.
- 4 **Employee Development:** Promoting a culture of empowerment and growth.

Forward-Looking Statements

This report contains forward-looking statements based on our long-term strategies. These reflect management's current estimates and projections and are not guarantees of future performance. All financials are in US dollars, and metrics are in metric units unless otherwise noted.

Standards Alignment

A cross-functional team of experts prepared this report, followed by a detailed review by senior management. The report 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) (see Appendix D). Specific areas of the report have also been externally assured by Ernst & Young (EY).

We disclose our sustainability performance in alignment with these metrics. In this year's report, we have also expanded the use of additional sustainability reporting standards to disclose our performance against new materiality areas, helping us to provide additional insights for the following areas:

- GHG emissions
- Procurement
- Health and safety
- Risk management

In subsequent reports, we will continue to disclose Crescent Petroleum's sustainability performance through additional and newly introduced sustainability reporting standards, including the IFRS standards taking effect for 2024 reporting.

We also outline in this report how our sustainability measures align with 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 (see Appendix A).

Contact Us

Your comments and feedback are invaluable to advancing our sustainability efforts. For comments or suggestions, please contact us at CPsustainability@crescent.ae.



2023 Sustainability Highlights



Corporate Governance



Identified and promptly addressed one data security breach, implementing measures to prevent future occurrences.



Conducted due diligence on all business partners to ensure adherence to our high ethical standards.



Digital Security Operations Centre operates 24/7 to maintain security vigilance.



Our Commitment to the Environment



4.3% drop in carbon intensity to 5.8 kg CO₂e/BoE, 1/3 of the global industry average and 2/3 the regional industry average.



Scope 1 emissions: 248,274t CO₂e, up

4.3%

Scope 2 emissions: 561 tCO₂e, down

0.7%



10% decrease in total direct energy consumption compared to 2022, stemming from a 14% reduction in fuel gas consumption.



Enabled KRI to avoid **52 MT CO₂e** by replacing diesel with gas.

Reinforced our carbon neutrality since 2021 by completing a series of projects to reduce carbon intensity and offsetting remaining emissions with UN approved carbon credits.



Collected and recycled **3,307 kg** of electronic waste at the Sharjah headquarters.



Delivering On Our Promise to the Community



Increased share of local nationals in full-time workforce in the UAE by **2%** compared to 2022.



84% local national employees in the KRI.



Increased percentage of UAE local nationals to **8%**.



\$93 million in procurement spend with local suppliers out of \$227 million total.



Contracted with **30** Community Centred Contractors (3Cs).



Total social contributions to local communities in 2023 to **\$1.7 million**



Ensuring Our Teams' Health and Safety



83% increase in manhours due to ongoing KM250 expansion project.



Zero serious road accidents, despite a 264% increase in total kilometres driven.



Lost time injury rate of **0.09** amounting to half the IOGP global average.



100% close-out of safety observation actions.



Developed second generation improvement plans for key health and safety areas.



Developed Health and safety related standards aligned with IOGP best practices.



Adopted IOGP Process Safety Fundamentals and established new Risk Management and Incident Reporting Standards.



Empowering Our Teams



Achieved **30%** female representation among the employees in the UAE, surpassing the 25% target.



Implemented a comprehensive localisation strategy in the KRI.



4% increase in full-time employment due to ongoing expansion projects in the KRI.



Increased nationalities represented by **4%** reaching 47 nationalities.



Employee grievances dropped by **17%** compared to 2022, with no incidents of discrimination, harassment, or human rights violations reported.



Provided **30,067** hours of employee training through the Learning & Development Training Centre.



Established on-site Employee Relations position.



About Crescent Petroleum



Founded in 1971, Crescent Petroleum is a subsidiary of Crescent Group, with its headquarters in the Emirate of Sharjah, United Arab Emirates (UAE), and offices in the United Kingdom and Iraq. We are the largest and oldest private upstream oil and gas company in the Middle East.



OUR MISSION & VALUES

Our Mission

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

Our Values

Ethics

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

Enterprise

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

Responsibility

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

Safety Conscious

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

Courage

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

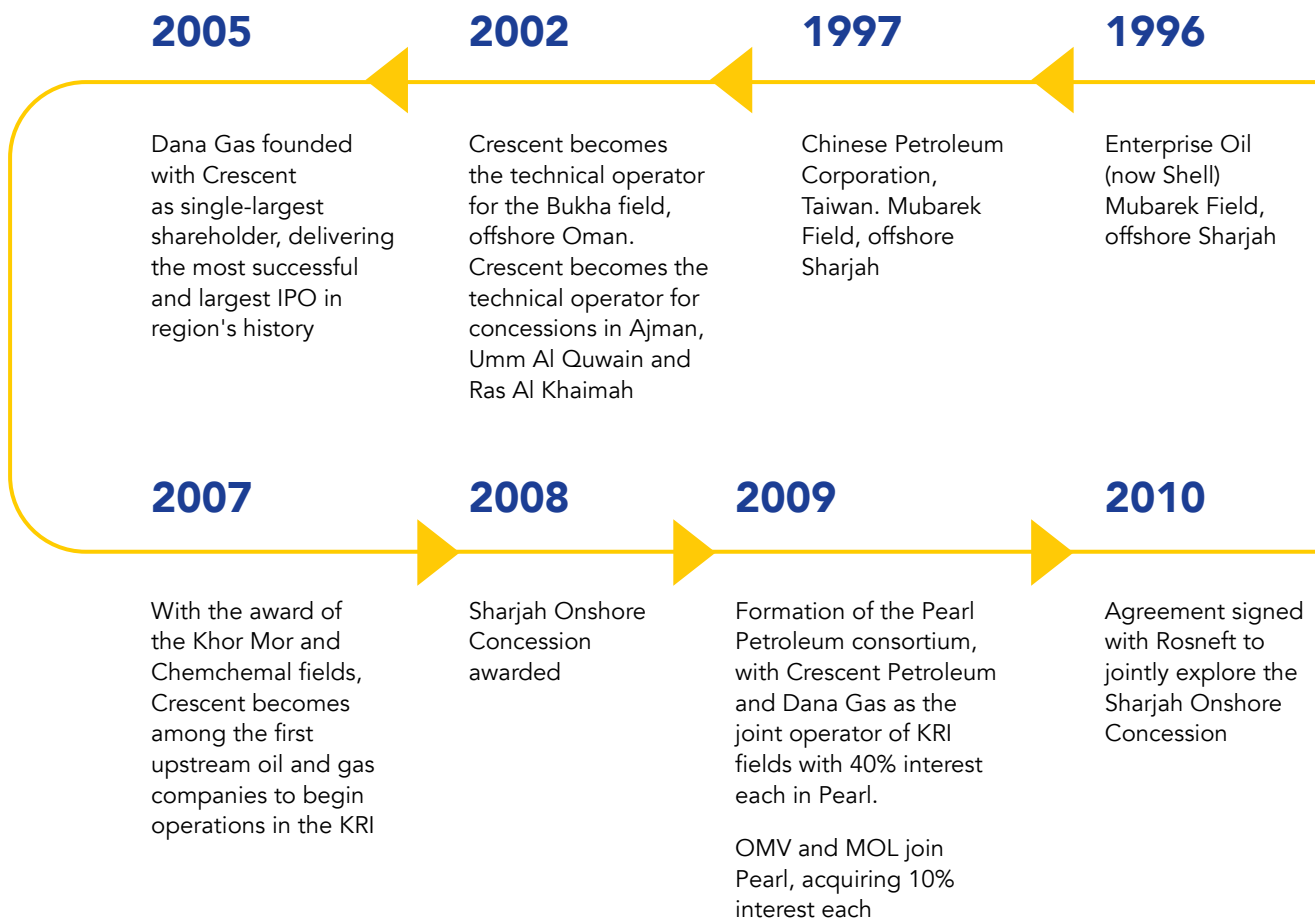
Care

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



Corporate History

Since our inception in 1971, we have grown to be the 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.



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

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

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

2015

RWE joins Pearl Petroleum consortium with 10 per cent share

2018

Crescent Petroleum secures three concessions within federal Iraq for the development of gas fields in Diyala governorate, as well as an exploration block in Basra governorate

2019

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

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

2023

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

2022

Crescent Petroleum celebrates 50 years of operations

A Pivotal Year

Crescent Petroleum's Landmark Year

For over half a century, Crescent Petroleum has been a pioneering force in the energy sector in the region, known for innovative partnerships and for unlocking natural resources for the greater good. Today we are proud to be the region's oldest and largest private upstream oil and gas company, with operations in Iraq, the UAE, and interests in Egypt.

Our story began with the 1972 offshore discovery in the Mubarek Field, propelling Crescent Petroleum and Sharjah into the global oil and gas spotlight. Oil production in Sharjah commenced in 1974 with the first export shipped to Japan, and the Mubarek Field reached full production at a rate of over 60,000 barrels per day. As we celebrate 50 years since that momentous occasion, we are proud of the impact Crescent Petroleum has helped make on the UAE.

In April 2007, we secured exclusive rights with the Kurdistan Regional Government for the Khor Mor and Chemchemal fields in the Kurdistan Region of Iraq. By October 2008, just 15 months later, we commenced production from Khor Mor, setting another industry benchmark and solidifying our innovative legacy.

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 2023, 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 2023 is approximately 446 million Barrels of Oil equivalent, with total capital investment amounting to \$3.2 billion during the 16-year period.

During 2019, Pearl Petroleum signed a 20-year Gas Sales Agreement ("GSA2") with the Kurdistan Regional Government of Iraq ("KRG") to provide much needed gas supplies to support domestic electricity generation. In early 2020, Exterran, a leading oil and gas services provider (who was subsequently acquired by Enerflex in October 2022), was appointed to carry out the Engineering, Procurement and Construction ("EPC") of a 250 MMSCFD gas processing train and provide operations related technical assistance services post hand over of the plant ("the KM250 project").

Declarations of force majeure were made under the EPC contract and GSA2 over the past few years firstly due to COVID pandemic in early 2020 and then following various security related incidents, the latest being on 26 April 2024 wherein a drone strike took place which resulted in 4 fatalities and 8 minor injuries to onsite personnel.

On 1 May 2024, based upon concrete actions which have been taken by the Government of Iraq and the Kurdistan Regional Government to significantly strengthen defences at the Khor Mor site as well as firm commitments from the highest levels of those authorities, Pearl took steps to recommence production from the Khor Mor field which was fully restored to normal levels on 3 May 2024.

The aforesaid challenges faced by Pearl have impacted the works on KM250 project. The main EPC contractor has declared Force Majeure thus delaying completion of the KM-250 project. On 19 August 2024, Pearl announced that it had

formally issued a notice of termination to Enerflex, following numerous performance issues which have arisen during the execution of the contract works. The ongoing impact of these performance issues has materially affected Enerflex's ability to meet its contractual obligations, leading to unacceptable delays and hindering the progress and timely completion of the Khor Mor gas expansion project (KM250) in the Kurdistan Region of Iraq (KRI). As a result, Pearl Petroleum has been compelled to intervene directly to ensure the timely and successful completion of the project. To safeguard the interests of Pearl Petroleum, its stakeholders and the people of the KRI, the Company has taken the necessary step of issuing this notice of termination. This action will enable Pearl Petroleum to assume direct control over the remaining phases of the project, ensuring that it is brought back on track and completed in a timely manner.

Concerted efforts are in-hand to establish a new timeline and completion date for the project including careful consideration of multiple external factors. Crescent Petroleum and its partners in Pearl are committed to the resumption of construction activities by Pearl as safely and swiftly as possible.

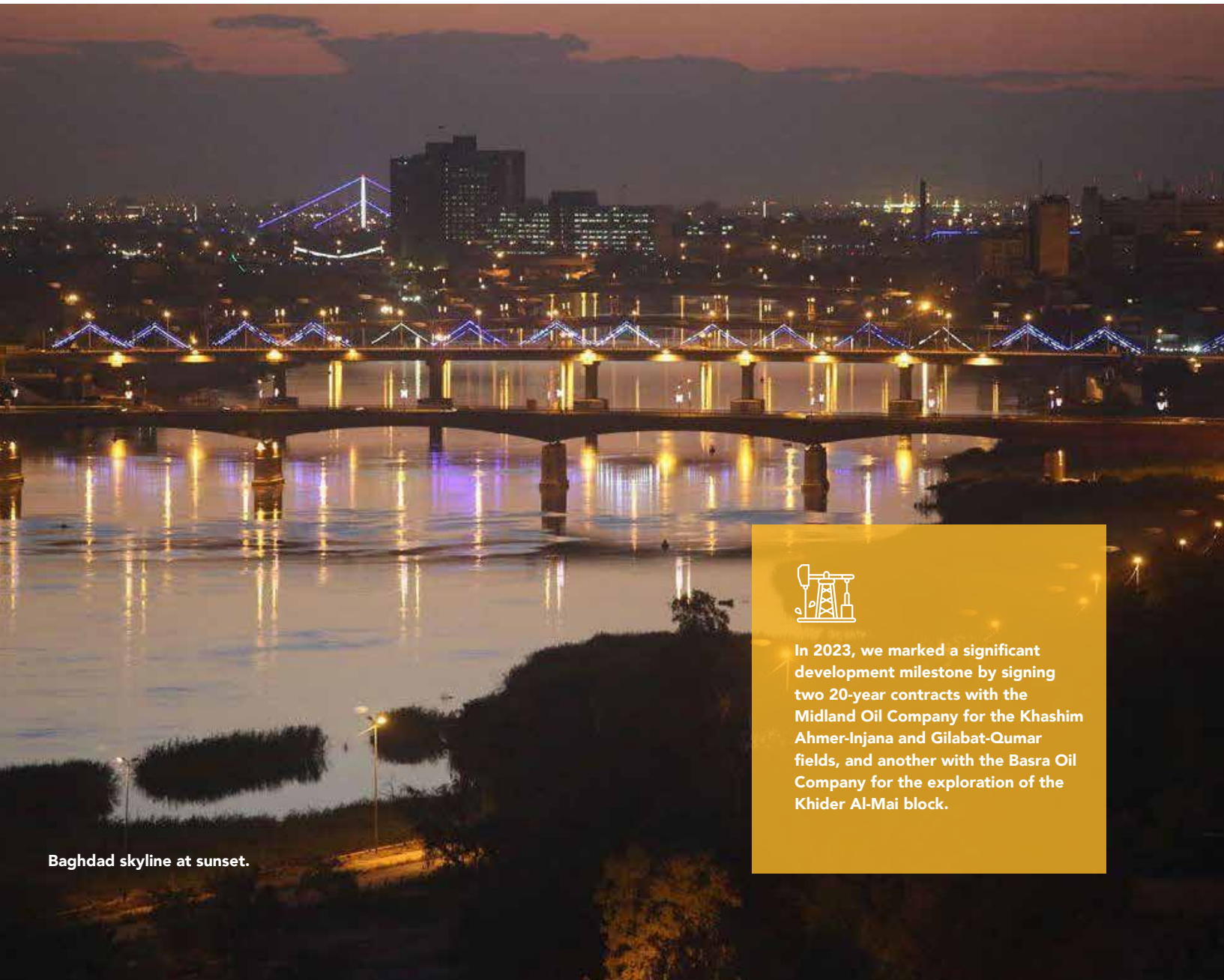
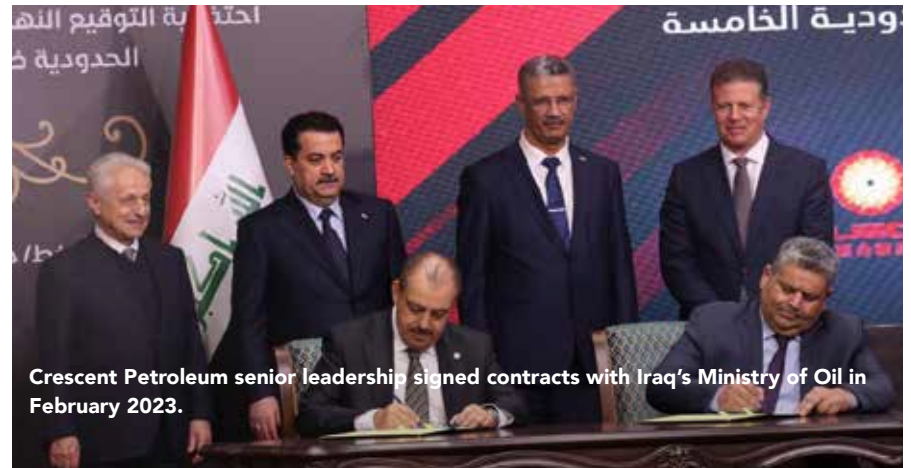
Strategic Expansion in Iraq

In 2023, we marked a significant development milestone by signing two 20-year contracts with the Midland Oil Company for the Khashim Ahmer-Injana and Gilabat-Qumar fields in Diyala governorate, and another with the Basra Oil Company for the Khider Al-Mai block exploration in Basra governorate.

Between October and December 2023, the Ministry of Oil activated these contracts, and we have commenced development in the Khashim Ahmer-Injana block, with plans to explore and drill in the Khider Al-Mai block. The new blocks significantly expand our operational footprint, making us the largest upstream operator in Iraq by field count and area.

As we progress, we are committed to achieving up to 90% Iraqi employment in our operations and will initiate social performance projects for training, education, and social services in Diyala and beyond to support the communities where we will operate.

In the following pages we showcase our efforts to reach a number of these milestones already, as well as to accelerate towards others as we embrace sustainability as a strategic pillar and embrace carbon transition as an opportunity despite its challenges.



Baghdad skyline at sunset.



In 2023, we marked a significant development milestone by signing two 20-year contracts with the Midland Oil Company for the Khashim Ahmer-Injana and Gilabat-Qumar fields, and another with the Basra Oil Company for the exploration of the Khider Al-Mai block.

Our Sustainability Journey

2015

- Published Crescent Petroleum’s inaugural sustainability report, “Energizing Growth,” aligned with GRI G4 reporting guidelines.
- Assessed and adjusted security protocols implemented in 2014 to strengthen safety and security at KRI operations.
- Launched the Centre for Economic Growth in Abu Dhabi, collaborating with INSEAD and regional private sector companies to foster dialogue on youth unemployment, employable skills, and driving economic growth through independent research.



2016

- Published “Responsive and Resilient” sustainability report.
- 54% of procurement budget spent locally.
- Supplier engagement survey to evaluate and improve supply chain performance.
- Developed policies fostering inclusion, equal opportunities and a healthy work environment.
- Formalised “Second Step” reporting system – risk management tool for safety culture.



2019-20

- Published “Empowering Resilience” sustainability report.
- Sponsored 2019 Special Olympics World Summer Games in Abu Dhabi.
- Partnered with Edraak to develop free online career readiness classes.
- Committed to WEF Stakeholder Capitalism Metrics.
- Supported KRG’s COVID-19 mitigation efforts through donations of equipment and supplies to hospitals and medical institutions.
- Launched “The Career Readiness Specialization” to equip Middle Eastern youth with language, computer, and communication skills.
- Sponsored Chatham House’s Iraq Initiative to support institution building, policy development, governance, and economic.



2021

- Published “A Legacy of Progress” sustainability report.
- Achieved carbon neutrality, becoming one of the first oil and gas companies to do so.
- Celebrated Crescent Petroleum’s 50 years of operations and legacy of progress.
- Offset 264,000 tonnes of CO2 equivalent.
- Increased total employee training hours by 28%.
- Reported zero employee grievances.
- Collaborated with KESK, a woman-led start-up solar company in KRI, to implement sustainable energy projects, starting with a solar power upgrade at remote motorised valve stations.



2017

- Published “Partnering for Prosperity” sustainability report.
- Developed Asset Integrity Management System to identify Safety Critical Elements.
- Supported AMAR International Charitable Foundation, funding a primary healthcare centre and vocational training institute in Khanke, KRI, benefiting over 18,000 IDPs.
- Partnered with Chatham House for research on regional energy landscape and policies promoting efficient natural gas use.



2018

- Published “Energy with Impact” sustainability report.
- Obtained assurance by EY as per ISAE 3000 Standard.
- Conducted a detailed impact assessment with PwC to evaluate socioeconomic and environmental benefits in the KRI, revealing:
 - Operations saved KRI approximately \$19.2 billion between 2008-2017.
 - Enabled KRG to avoid 29 million tonnes of CO2 emissions.
 - Created 20,000 jobs (4,000 direct).
- Completed studies to assess water conservation and reuse opportunities in the KRI.



2022

- Published “Energy for the Future” sustainability report.
- Reduced total flared hydrocarbons by 31% (9,403 tonnes or 0.2% of total production) compared to 2021.
- Recycled 90% of hazardous waste in 2022.
- Achieved more than 65.3% local nationals across operations.
- Maintained 6 years of zero Lost Time Injuries (LTI) in operations.
- Recorded zero Tier 1 process safety events.
- Increased the number of nationalities represented in the workforce by 17.9% to 46.



2023

- Published “New Frontiers” sustainability report.
- Expansion of KM250 continues.
- Signed three contracts to develop oil & gas fields in Diyala, Basra Governorates.
- 10% decrease in total direct energy consumption compared to 2022, stemming from a 14% reduction in fuel gas consumption.
- Collected and recycled 3,307 kilograms of electronic waste at the Sharjah headquarters.
- Developed an Integrated Operations Management System and 20 HSSE&SP Standards.
- USD 93 million spent with local suppliers in 2023.



Understanding our Materiality Matrix



In 2022 Crescent Petroleum launched a comprehensive process to identify and prioritise 28 material sustainability areas that can significantly impact our strategic objectives and are critical to our stakeholders.

This process involved conducting a thorough materiality assessment, which took into account inputs from various reputable sources, including:

- **GRI 11:** Oil and Gas Sector 2021
- **SASB Standards:** Oil & Gas – Exploration and Production
- Significant financial impacts identified for our industry by respected ESG rating agencies
- Material sustainability areas recognised by a carefully selected group of peers, including those operating in the KRI as well as other ESG-leading organisations

As part of our commitment to regularly review and re-prioritise our material sustainability areas, we engage senior management and department heads. Through materiality surveys, we assess and actively seek specific stakeholder feedback for each area. Involving key decision-makers and stakeholders helps us intelligently manage our material sustainability priorities.

The in-depth assessment enabled us to identify new focus areas for Crescent Petroleum and reprioritise those material sustainability areas to account for future growth. This ensures that our approach to promoting sustainable development remains aligned with the evolving expectations of our stakeholders and business.

The additional materiality areas have also expanded the use of additional sustainability reporting standards pertaining to these new areas. In 2023, we strove to provide additional performance insights associated with:

- GHG emissions
- Procurement
- Health and safety
- Risk management

As Crescent Petroleum has committed itself to disclosing its performance against the UN WEF Stakeholder Capitalism metrics, we tend to emphasise the disclosure of our sustainability performance in alignment with these metrics, however, as these metrics strive to create a common and consistent form for reporting

sustainable value creation, our new disclosures are either the same or closely aligned with these metrics.

In some cases, the new measure may require us to develop the internal capabilities and start accurately capturing and measuring our performance, which we look forward to disclosing in subsequent sustainability reports.

In the process we identified several new focus areas, including corporate governance, efficient and predictable operations, net zero pathway, land and resource rights, the rights of indigenous peoples, and payments to governments. While most of these areas are already being effectively managed within Crescent Petroleum, explicitly highlighting each of them within our material matters allows us to adaptively shape our sustainability agenda, strategically allocate resources, and more effectively promote sustainable development.

Materiality Matrix



- 1 Security practices
- 2 Process safety, asset integrity, and emergency preparedness
- 3 Occupational safety
- 4 Efficient and predictable operations
- 5 Achieving financial targets, market presence
- 6 Water management
- 7 Engagement with local communities, social performance initiatives
- 8 Risk management
- 9 Compliance with regulations
- 10 GHG & other air emissions
- 11 Procurement practices
- 12 Localisation and job creation
- 13 Net zero pathway
- 14 Waste management
- 15 Rights of indigenous peoples

- 16 Diversity and human rights
- 17 Information security
- 18 Energy use, energy efficiency
- 19 Training and capacity building of employees and local contractors
- 20 Effluent management
- 21 Land and resource rights
- 22 Corporate governance
- 23 Internal engagement
- 24 Anti-competitive behaviours & corruption
- 25 Payment to governments
- 26 Biodiversity
- 27 Transition to lower carbon energy market
- 28 Research and development, and innovation

Corporate Governance materiality points are:

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

A Renewed Sustainability Framework



Crescent Petroleum’s Sustainability Framework serves as a roadmap for our overarching sustainability priorities. It enables us to effectively advance our sustainability agenda, manage material sustainability areas, monitor and report on our progress, and develop impactful sustainability strategies. By doing so, we safeguard and create value for our stakeholders, ensuring that our efforts align with their interests and expectations.

One of the key considerations in developing this Framework is our commitment to transparency and accountability. We take pride in disclosing our performance against the WEF Stakeholder Capitalism Metrics Initiative (see Appendix D) and globally recognised GRI standards. Additionally, we benchmark our performance against other relevant standards and industry bodies, such as the Ipeca sustainability reporting guidance for the oil and gas industry, as well as the International Association of Oil and Gas Producers (IOGP). The combination ensures robust, reliable sustainability reporting that is in line with industry best practices.



Corporate Governance



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

SDG Contributions



Our Commitment to the Environment



- 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

SDG Contributions





Delivering on Our Promise to the Community



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

SDG Contributions



Ensuring Our Teams' Health and Safety



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

SDG Contributions



Empowering our Teams



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

SDG Contributions



Sustainability Maturity Model

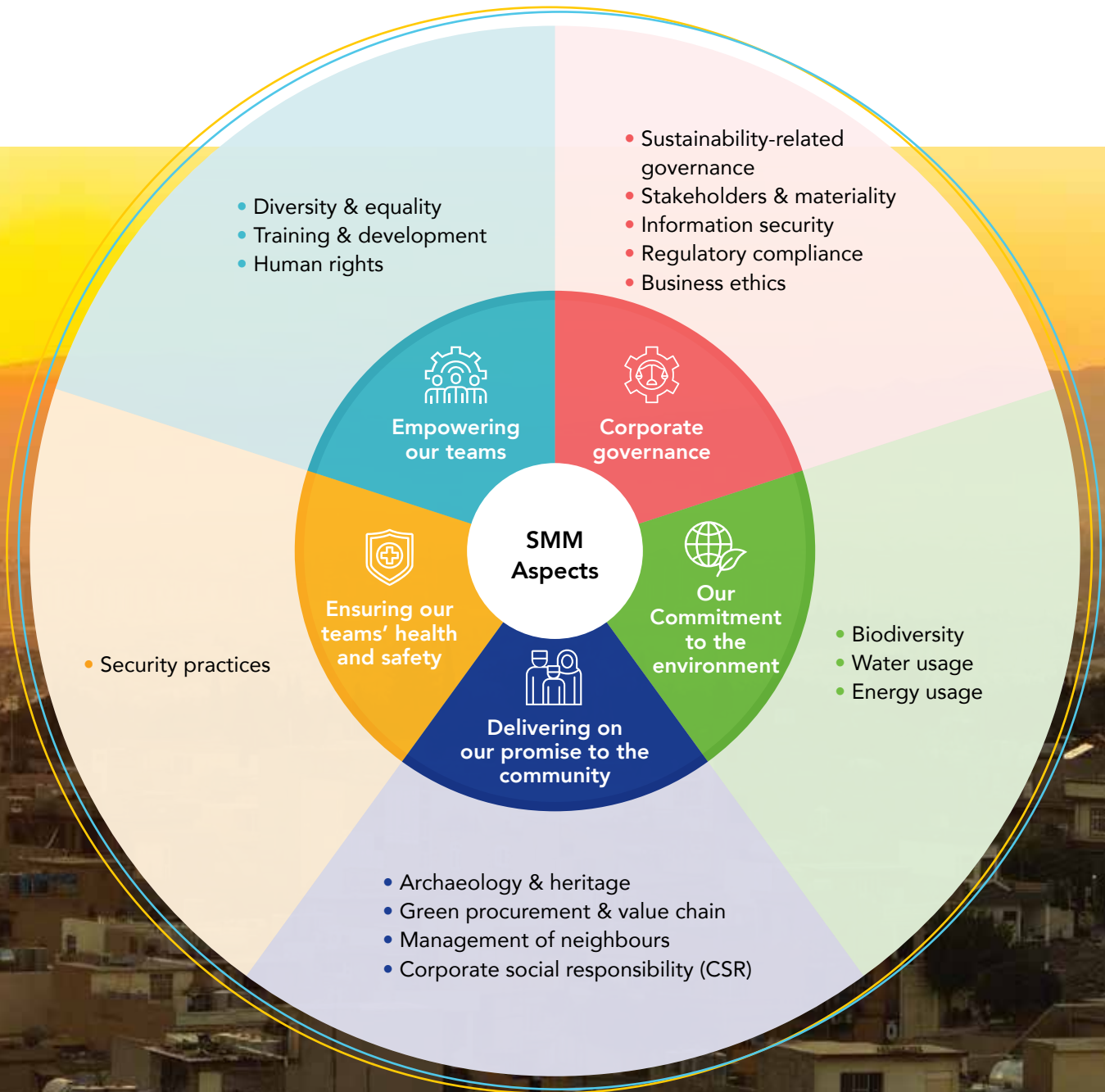


To further strengthen our sustainability management processes, we introduced the Sustainability Maturity Model (SMM) in 2022. The SMM is a powerful tool to measure and improve the effectiveness of the business processes involved in managing our material sustainability areas.

By identifying improvement opportunities, tracking progress against agreed targets and ensuring our processes mature to desired levels, the SMM helps us to continuously enhance our sustainability performance. It is important to note that prior to the introduction of the SMM, similar maturity models and plans were already in place, covering critical areas of our business such as personal safety and the environment. The SMM has further elevated and enhanced these plans and processes.

In line with our commitment to continuous improvement, we have set targets for each of the aspects covered under the SMM. These targets are designed to drive ongoing improvements and ensure that we are making meaningful progress towards our sustainability goals. As we monitor our progress each year, we may make necessary adjustments to the established targets and/or the aspects covered under the SMM, ensuring that our sustainability efforts remain agile, responsive, and effective in the face of evolving challenges and opportunities.





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
Country Chair, Iraq
MD, Diyala & Basra
Executive Director,
Business Development



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



Narik Basmajian
Executive Director,
Projects & Commercial

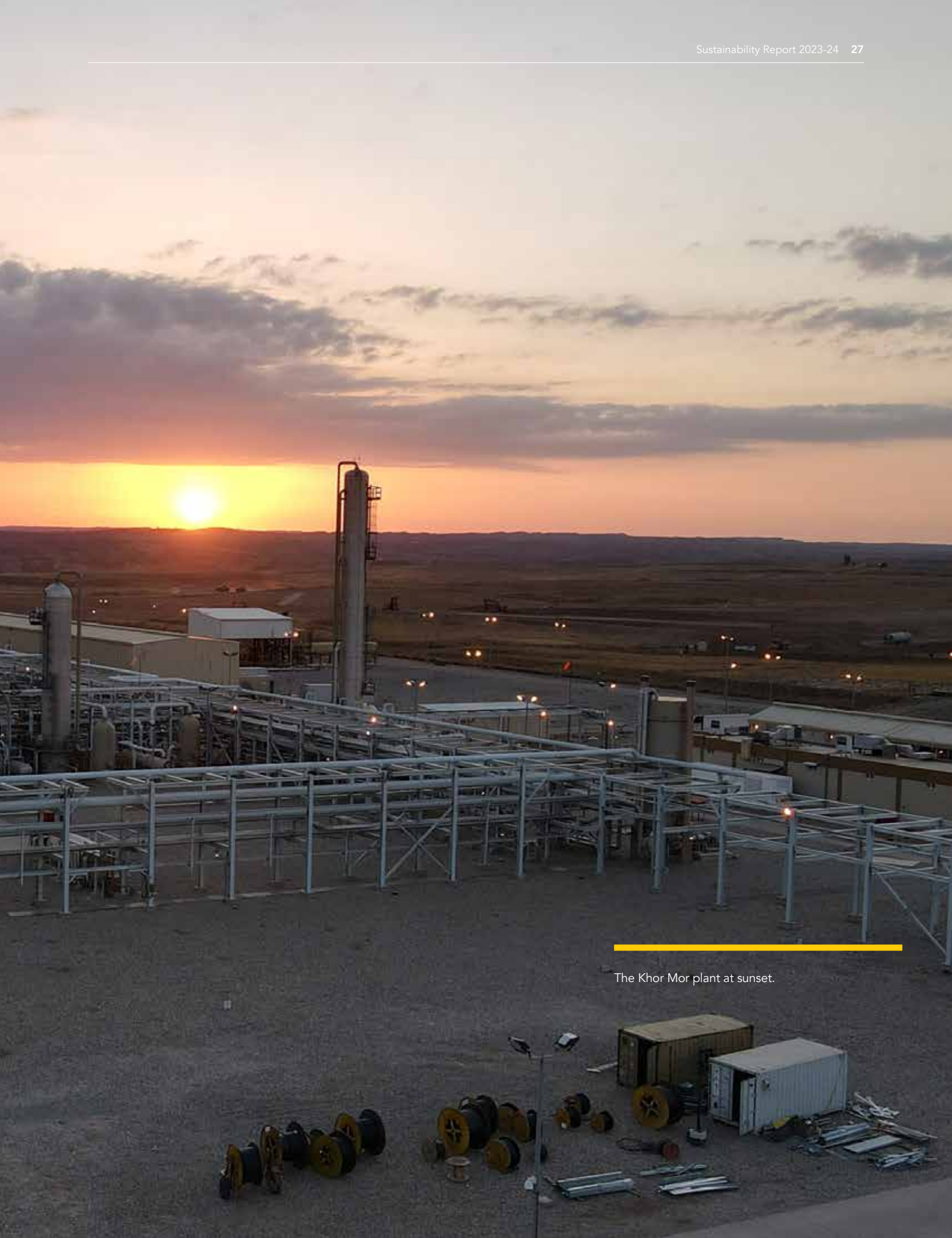


David Marsland
Executive Director,
Upstream

¹ Crescent Group Board member

² Crescent Petroleum Executive Committee member





The Khor Mor plant at sunset.



Corporate Governance

The success of our business is intrinsically linked to the well-being of our stakeholders and partners. We are therefore committed to upholding the highest standards of corporate governance across our operations. Robust corporate governance is part of our DNA, and sets a strong foundation for sustained economic growth, safeguarding the long-term interests of our stakeholders, and reinforcing trust in our company. In turn, our corporate governance framework is designed to ensure transparency, accountability, and ethical conduct at all levels of our organisation.

Material sustainability areas covered

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

SDGs





Crescent Petroleum is committed to maintaining a strong governance structure and effective leadership to ensure considered decision-making, robust risk management, and progress toward strategic goals. The Executive Committee and Board-level Management Committees play an instrumental role in shaping the company's strategic direction and overseeing key operational areas, supporting the Board in fulfilling its oversight responsibilities and steadily and consistently driving the organisation forward.

Our key commitments

- **Transparency and rigorous reporting** – Implementing thorough disclosure practices that are verified by external assurance.
- **Active stakeholder engagement** – Engaging stakeholders to identify and prioritise material sustainability issues.
- **Comprehensive risk management** – Systematically managing risks with oversight from the Board of Directors.
- **Leadership and governance oversight** – Senior-level commitment to governance sets the tone for governance and operational strategies across the entire organisation.
- **Regulatory compliance** – Adhering to all applicable laws and regulations to ensure legal and ethical operations.
- **Robust information security** – Actively securing company data and digital assets against cyber threats and maintaining constant vigilance for emerging threats.



Performance highlights

Maintained a stable Board composition, providing effective oversight and strategic guidance.

Zero cases of corruption throughout the year.

No legal actions regarding anti-competitive behaviour or violations of anti-trust and monopoly legislation.

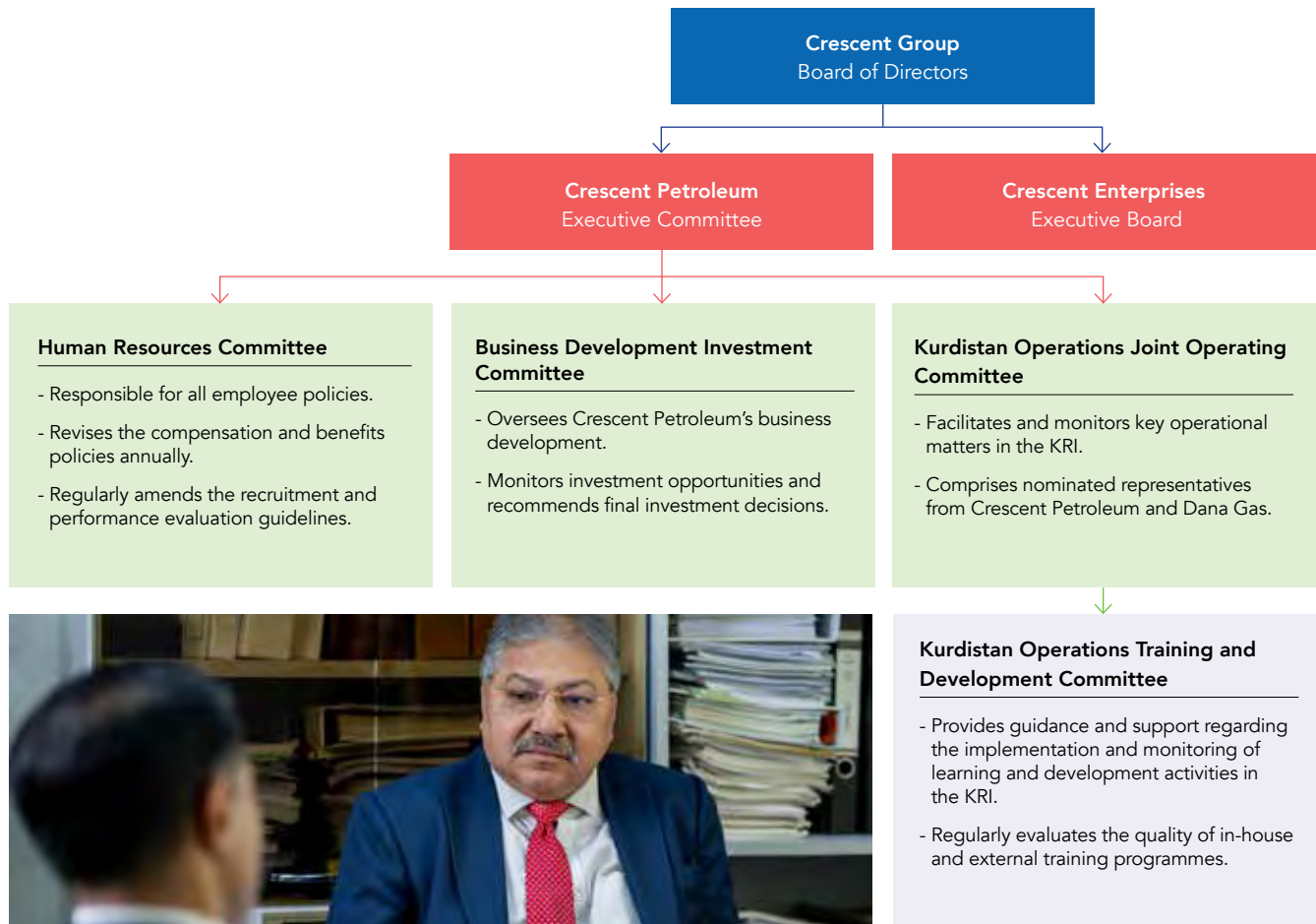
Conducted due diligence on all business partners to ensure adherence to our high ethical standards.



Governance and leadership by example

A stable and skilled Board

Crescent Petroleum is committed to upholding the highest standards of corporate governance in every facet of our operations, a core value exemplified by senior leadership and overseen by the Board of Directors and the Executive Committee. This top-level commitment to good governance and leadership by example sets the tone for the entire organisation. It creates a solid foundation upon which to deliver on our sustainability commitments and generate lasting value for our stakeholders.



We prioritise effective risk management and robust governance practices which are overseen by a senior leadership team that monitors and assesses operational, commercial, technological, and compliance-related risks across all areas of our operations and projects. The Crescent Group Board meets quarterly to review and evaluate performance against Crescent Petroleum's overall strategy, and offers guidance and direction as needed.

In 2023, the composition of the Crescent Group Board remained unchanged, allowing Crescent Petroleum to benefit from the collective expertise and experience of its members and the expert guidance they provide in steering the company towards achieving its strategic objectives. Each Board member brings a unique perspective and valuable insights to bear, drawing from their diverse backgrounds and leadership roles in various industries, ranging from oil and gas, management consulting,

and financial services, to logistics, and law. This wealth of knowledge and experience enriches the company's decision-making processes and ensures issues are considered from all dimensions.

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

Board of Directors	2020	2021	2022	2023
Total number of Board members	6	6	6	6
Total number of independent members	NA	NA	NA	NA
Total number of non-independent members	6	6	6	6
Total number of executive members	4	4	4	4
Total number of non-executive members	2	2	2	2
Total board seats occupied by men	5	5	5	5
Total board seats occupied by women	1	1	1	1

Experienced and dedicated Management Committees

Crescent Petroleum is committed to maintaining a strong governance structure and effective leadership to ensure considered decision-making, robust risk management, and progress toward strategic goals. The Executive Committee and Board-level Management Committees play an instrumental role in shaping the company's strategic direction and overseeing key operational areas, supporting the Board in fulfilling its oversight responsibilities and steadily and consistently driving the organisation forward.



Management Committees

Executive Committee

- Oversees policy implementation and provides strategic oversight.
- Develops guidelines for capital management and sets company policy.
- Monitors key sustainability metrics and establishes performance targets.

Human Resources Committee

- Responsible for all employee policies.
- Conducts annual revisions of compensation and benefits policies.
- Regularly updates recruitment and performance evaluation guidelines.
- Reviews localisation and staff diversity.

Business Development Investment Committee

- Oversees business development and explores growth opportunities.
- Monitors investment opportunities and recommends final investment decisions.

Kurdistan Operations Training and Development Committee

- Provides guidance and support for learning and development initiatives in the KRI.
- Regularly assesses the quality and effectiveness of in-house and external training programmes.

Kurdistan Operations Joint Operating Committee

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

Making a positive impact in the communities where we operate

Crescent Petroleum has delivered significant socio-economic impacts for the KRI to date, including:



More than
\$3.2 bn
in infrastructure
investments



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



\$33 bn
in fuel-cost savings
for the KRG



52 m
tCO₂e avoided by
using natural gas to
generate electricity



More than
\$30 billion
contributed to GDP



Corporate Governance Priorities

Anti-Corruption, Bribery, and Business Ethics

Crescent Petroleum upholds the highest standards of integrity and ethical conduct across all operations. Our zero-tolerance policy extends to corruption, bribery, and any breach of our stringent business ethics standards. These principles are outlined in the Crescent Petroleum employee handbook, serving as a guide for employee behaviour.

Employees of Crescent who work on Pearl Petroleum operations must also adhere to comprehensive Anti-Bribery and Corruption (ABC) and Anti-Money Laundering (AML) Compliance Policies. Currently, 70% of employees have formally certified their compliance with the ABC policy, while 75% have certified their compliance with the AML policy.

In 2023, we experienced zero cases of corruption and no legal actions, either pending or completed, regarding anti-competitive behaviour or violations of anti-trust and monopoly legislation.

We also actively seek out partners who share our commitment to anti-corruption, bribery prevention, and ethical conduct, in addition to industry standard employee health and safety standards (see Pillar III). This proactive approach fosters a culture of integrity and ethical business practices throughout our operations.

In addition, the Crescent Petroleum employee handbook outlines a number of key areas related to anti-corruption, bribery, and business ethics that employees are beholden to including:



1

Policing Anti-Bribery and Corruption

We have zero-tolerance for bribery and corruption. We strictly prohibit the misuse of public- or entrusted power for private gain, and police such behaviour actively. We define bribery broadly as the provision or acceptance of an offer, promise, or payment of any sort to related parties as an inducement of any kind, whether given directly or indirectly through third party.

3

Avoiding Conflicts of Interest

Employees must obtain consent from a member of the Executive Committee before undertaking any additional paid or unpaid employment on a full- or part-time basis.

2

Limitations on Gifts, Entertainment, and Hospitality

Gifts, entertainment, and hospitality are limited to reasonable or justifiable amount or value and only if they are offered in good faith. Employees must declare any such offerings to their line managers or to the Human Resources department to ensure adherence with the policy.

4

Anti-Retaliation

Crescent Petroleum maintains a strict anti-retaliation policy, ensuring that individuals who have concerns or complaints about misconduct or wrongdoing can raise them in good faith and with confidence. Crescent Petroleum will protect any employee from any direct or indirect reprisal if they file a complaint. This policy is upheld even if resolved are ultimately deemed unfounded.

Reinforcing compliance

The Pearl Petroleum compliance policy, applicable to all employees who interact with the company, defines clear guidelines on gifts, hospitality, bribery, reporting lines, record-keeping, whistle-blowing, and mandatory annual training. Employees can conveniently access online gift and hospitality records, receive automated reminders for annual training, and obtain digital copies of policies, to ensure transparency, accountability, and adherence to ethical standards throughout the organisation.

1. Protecting our staff

Recognising the importance of protecting whistle-blowers, Crescent Petroleum has implemented third-party hosted platforms, to enable employees to report any breaches of compliance policies anonymously. Our legal team also provides guidance

and receives reports on potential instances of corruption, ensuring a proactive approach to addressing misconduct. We are currently exploring the establishment of a similar whistle-blowing platform specifically for reporting breaches of our ABC and AML policies.

2. Partnering with like-minded businesses

We aim to work with like-minded business and conduct thorough due diligence on all partners to ensure adherence to these standards. To facilitate this, we have engaged the services of Wallbrook, a respected organisation that assists companies in making informed and ethical decisions regarding their operations, partnerships, and acquisitions worldwide. Wallbrook's third-party intelligence services, allow us to conduct Know Your Customer (KYC) checks on all business partners.

Wallbrook begin by performing high-level "red flag" searches on new partners. If they are identified as a Politically Exposed Person (PEP) or pose a high risk, a more extensive investigation begins. Any red-flagged result serves as a further prompt for more detailed investigation depending on the specific circumstances until full confidence in the partner's situation is clear. This rigorous due diligence process enables us to make more informed decisions about our partners and to maintain vibrant, ethical, and trust-based partnerships.



Information Security



24/7



SECURITY VIGILANCE

The bedrock of our digital security strategy is our state-of-the-art Security Operations Centre (SOC), which is manned 24 hours a day, 7 days a week.

Safeguarding our digital assets is paramount to the success and integrity of our operations. To address this critical aspect of our business, we have implemented a comprehensive set of systems and initiatives, all of which are governed by our robust Information Technology Policy and its associated information security policies.

24/7 Vigilance: Our Security Operations Centre

The bedrock of our digital security strategy is our state-of-the-art Security Operations Centre (SOC), which is manned 24 hours a day, 7 days a week. This dedicated facility is bolstered by a cutting-edge Security Orchestration, Automation, and Response (SOAR) platform, which employs predefined triage protocols to prioritise security events identified by our Security Information and Event Management system.

Proactive threat detection and prevention

We take a proactive stance against malware threats by utilising an advanced Endpoint Detection and Response (EDR) solution. This cutting-edge system constantly monitors all connected devices used by our employees, identifying and neutralising any malicious activity before it can infiltrate our network. To further strengthen cyber defences, we deploy a vulnerability management solution to ensure all devices connected to our networks are equipped with the latest security patches, while our corporate mobile devices are fortified with an additional layer of information security defence.

Rigorous review to identify and address vulnerabilities

We regularly review our information security infrastructure to identify and address any potential vulnerabilities. Our team of highly skilled professionals conducts in depth security assessments, including red-team assessments, where authorised personnel rigorously test our systems to uncover any weaknesses. Should any vulnerabilities be discovered, we swiftly develop and implement a comprehensive corrective action plan to remediate the identified issues.

Fostering information security vigilance

Our employees and long-term consultants play a key role in maintaining the security of our digital assets and their interface with our networks can be the weakest link in our security. We use an innovative online platform called KnowBe4 to deliver engaging and informative training to empower them with the awareness and skills and contribute to our cybersecurity measures. We cover a wide range of essential topics, including identifying phishing emails, creating strong passwords, maintaining mobile safety, avoiding password reuse, reporting incidents, and recognising phishing attempts.

By fostering a culture of vigilance and responsibility, we ensure that every member of our organisation is an active participant in our ongoing efforts to protect our digital infrastructure.

Transparent reporting and swift action

We maintain open lines of communication and transparency when it comes to our digital security. All security incidents are promptly reported to our Senior Management and Board via emails sent by our Director of Digital Transformation. In addition, suspicious activity can be reported by any employee in dedicated channels, such as spamcheck@crescent.ae or by creating an incident ticket in our IT support booking system.

Performance in 2023

In 2023, we encountered one data security breach when a user's password token was compromised by a phishing link sent to their personal email account, leading to their account being compromised. We have since implemented remedial measures to prevent similar attacks in future.

We continue to place utmost emphasis on robust information security and the ongoing improvement of all security-related areas. This will include:

- conducting a third-party security assessment in the third quarter of 2024, and
- obtaining third-party certification of our IT policies in 2025.



Our Digital Journey



The complexity of upstream oil and gas, spanning numerous engineering disciplines, requires innovative tools for measuring, managing, and predicting future outcomes. At Crescent Petroleum, we recognise the essential role of technologies such as Artificial Intelligence, cloud computing, and advanced measurement instruments it can play in reducing carbon intensity, enhancing efficiency, and proactively addressing challenges.

Crescent Petroleum embarked on its digital transformation in 2019 by implementing SAP's core modules for support functions and plant maintenance. We went live in January 2020 with minimal customisation and our efforts were recognised with a Gold Award from SAP, underscoring our dedication to excellence in digital integration.



In 2021, we expanded our SAP integration to encompass critical business functions such as Health, Safety, and Environment (HSE). Today, we seamlessly capture all environmental data within SAP, enhancing efficiency and data-driven decision-making across our organisation.

In December 2023, we completed phase 2 of our SAP journey by introducing Hydrocarbon Accounting, which integrates plant operations directly into the SAP ecosystem. We went live in less than 12 months, again with minimal changes to the system. This milestone enabled us to automate processes end-to-end, from well to customer, by ingesting plant data directly into SAP.

SAP laid the foundation of our digital journey, and the result has proven to be heightened operational efficiency and enhanced data visibility throughout our value chain. It enabled optimisation of resource scheduling for maintenance activities and Management of Change, which provides a unified governed process for modifications done to the plant, considering all aspects of engineering and safety.

Cloud Computing: Enhancing Service and Reducing Carbon Footprint

The environmental impact of traditional server farms, particularly their high carbon footprint, is a growing sustainability consideration.

Data centres consume substantial energy for computing and cooling, contributing to greenhouse gas emissions.

To address this, we transitioned our on-premises servers to Azure cloud solutions to boost operational efficiency, performance, and resilience while reducing maintenance requirements and environmental impact.

The migration began with an extensive evaluation of our existing infrastructure to define the scope and requirements. We chose Azure services that matched Crescent Petroleum's operational demands and sustainability objectives, prioritising data security and compliance.

Transitioning to Azure Cloud has significantly reduced our need for physical infrastructure, allowing us to decommission aging resources and redirect employee efforts from server maintenance to application management. The cloud's scalability offers the flexibility to adjust resources without the constraints of physical infrastructure. Notably, Azure's carbon-neutral status since 2012 and its proven energy and carbon emission efficiency make this a model for future initiatives.

Predictive Analytics

We have piloted a programme Machine Learning using to leverage AI to predict equipment failures and solve other operational challenges, leading to improved maintenance practices. For instance, our pilot programme for predicting foaming in the amine system exemplifies this. Foaming impairs acid gas extraction efficiency, leading to increased wear, corrosion, and costs. We employed Adaptive Recurrent Neural Networks to forecast foaming events, where a conceptual model was trained to predict foaming 30 minutes in advance with 68% accuracy, analysing indicators like Amine Contactor Level and Differential Pressure. This predictive capability enables proactive issue resolution, conserving time and resources, and the new technology will be operationalised in 2024.

DELFI: Fostering Cognitive Collaboration in Subsurface Operations

Schlumberger's DELFI platform has transformed our subsurface workflows into a streamlined, collaborative digital environment. Utilising advanced seismic interpretation, data analytics,

machine learning, and collaborative tools, DELFI has accelerated subsurface development, optimised exploration and production, and driven operational efficiency, keeping us at the forefront of technological progress in the energy sector.

Paving a path for the future

As we look to the future, we aim to leverage cutting-edge technology ranging from implementing Microsoft's Co-Pilot to developing AI-driven solutions in order to improve operational procedures and processes. Digital twin technology will allow us to create virtual replicas that deliver deeper insights into our operations and performance. We also aim to integrate the Open Subsurface Data Universe (OSDU) platform to liberate subsurface data from proprietary formats and systems and foster greater collaboration and innovation across the company and with industry partners.

These new technologies will enable new possibilities for data analysis and interpretation, as well as improved efficiency and maintenance, to unlock the hidden value within the organisation and ultimately enhance our competitive edge.

Our Commitment to the Environment

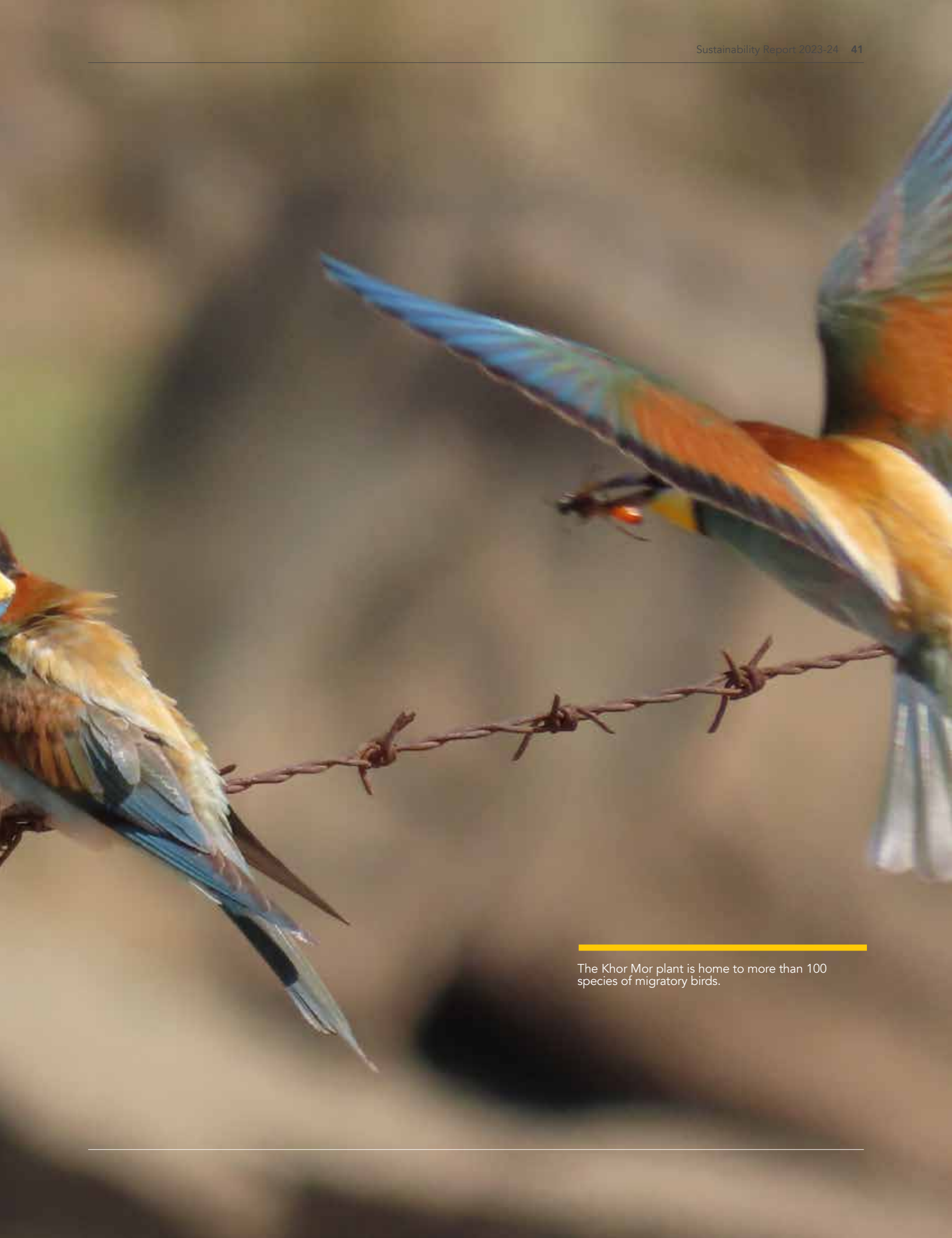
We have long recognised that improving environmental performance is not just good citizenship, but also good business. A cornerstone of our operational strategy is producing clean-burning natural gas more efficiently and with lower emissions, and have embraced the aims of the Paris Climate Accords. We reinforced this in 2023 by aligning our efforts with the objectives outlined in the COP28 UAE Consensus, concluded in December 2023 and committing to a series of initiatives that enhance our sustainability efforts and establish transparent goals and targets.

Material sustainability areas covered

- Transition to a 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

SDGs





The Khor Mor plant is home to more than 100 species of migratory birds.

Our Key Environmental Focus Areas

- **Environmental stewardship** – No harm to the environment, minimise emissions, safeguard biodiversity, and optimise resource use.
- **Energy and water efficiency** – Ensure efficient use of energy and water throughout asset life-cycles.
- **Emissions reduction** – Progressively reduce emissions and carbon intensity by implementing operational improvements, innovative technologies, and best practices to levels below our peers globally and internationally.
- **Water management** – Minimise impact on local water supplies through responsible water management and consumption practices.
- **Waste management** – Prevent pollution, manage waste responsibly, and minimise landfill disposal.
- **Biodiversity protection** – Identify and protect biodiversity.
- **Climate change mitigation** – Leverage opportunities and partnerships to address and mitigate climate-related risks and impacts.



Performance highlights

4.2% drop in carbon intensity to 5.8 kgCO₂e/BoE, 1/3 of the global industry average and 2/3 the regional industry average.

Scope 1 emissions :
248,177 tCO₂e, up

5.0%

Scope 2 emissions: 561 tCO₂e,

down **0.7%**

10% decrease in total direct energy consumption compared to 2022, stemming from a 14% reduction in fuel gas consumption.

Enabled KRI to avoid

52 mtCO₂e
by replacing diesel with gas.

Reinforced our carbon neutrality, since 2021 by completing a series of projects to reduce carbon intensity and offsetting remaining emissions with UN approved carbon credits.

Collected and recycled

3,307 kg
of electronic waste at the Sharjah headquarters.

An Integrated Approach to Environmental Stewardship



Since 2022, energy security has become a central issue as the first truly global energy crisis since the 1970s took hold, causing economic hardship and missed opportunities in the developed and developing worlds.

Governments which had focused heavily on developing renewable energy projects at the expense of oil and gas development in recent years were suddenly compelled to reverse or halt these initiatives to address the crisis. 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 as important as the goal itself, 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 that hinder long-term efforts to reduce global carbon emissions.

In that regard, Crescent Petroleum plays a vital role in delivering reliable gas supply to power plants in the Kurdistan Region of Iraq (KRI), fuelling more than 80% of the region's power generation. The

natural gas we produce not only helps deliver improved electricity services but also reinforces the KRI economy, fostering growth and development. Clean-burning natural gas offers distinct advantages over traditional liquid fuels like diesel and fuel oil, producing nearly half the emissions, being more cost-effective, and resulting in considerably improved maintenance schedules and costs.

GHG Emissions

Although our sustainability journey began in earnest in 2016, sustainability has been a core value since the start of the company in 1971. Throughout this journey, we have implemented best practices, ongoing operational improvements, and invested in innovative technologies to reduce these emissions. To enable us to address climate-related risks and opportunities, we regularly explore such opportunities with suppliers of new technology, assessing each opportunity against current commitments, and making changes where we recognise the benefits.

Our approach to safeguarding the environment is guided by the commitments outlined in our Health, Safety, Security, Environment and Social Performance Policy as well as our long-term business strategy. The policy directs our actions and decisions towards operating more efficiently and reducing our impact where possible. Central to this policy are the following focus areas:

- Pursuing a goal of no harm to people, assets, the environment and communities where we operate.
- Minimising discharges, waste and emissions, safeguarding biodiversity and optimising the use of natural resources.
- Ensuring the efficient use of energy and water throughout our processes and lifecycle of our assets.

The protection of the environment is a core value of the organisation and a business imperative. We are proud to have reached carbon neutrality in 2021 thanks to a series of process improvements and offsetting the remaining emissions with UN-certified carbon credits (see sidebar). In 2023, we reinforced our carbon neutrality by further reducing our total carbon intensity to 5.8 CO₂e/BoE, less than one third the industry average and less than two-thirds the regional average.

In support of these improvements, Crescent Petroleum made a significant investment in 2023 to acquire Enhesa, specialist HSE legislative software platform that will help us better understand and manage compliance with all relevant health, safety and environmental laws and regulations. We received no fines related to non-compliance with environmental laws and regulations in 2023.

In addition to our adherence to environmental regulations, we have implemented a range of practices that contribute further to the broad protection of the environment. These include environmental-related inductions covering key issues like the importance of waste segregation and guidelines for proper waste segregation and disposal, as well as monthly awareness campaigns that help to foster a culture of environmental consciousness throughout our organisation.

We also conduct Environmental and Social Impact Assessments (ESIA), which not only help us identify and protect biodiversity in our assets and communities but also ensure that our operations are conducted in a manner that minimises our environmental footprint. During 2024 we will launch element by element self-assessments under the governance of our HSE&SP Management System Assurance lead.

Leading in the low carbon transition



Reducing Flaring at the Khor Mor Plant

Since 2019 we have implemented a range of initiatives to identify, minimise, and remediate sources of gas flaring at the Khor Mor plant to reduce carbon intensity. These initiatives included:

- **Routine Flaring** – We made improvements to address equipment performance and operational procedures, which resulted in significant reductions in routine flaring volumes.
- **Plant Upset Flaring** – We implemented updated routines to address plant upset conditions such as gas flow fluctuations or interruptions, reducing the causes and taking actions necessary to minimise events requiring flaring.
- **Emergency Flaring** – We implemented new Emergency Shut Down (ESD) systems to improve overall plant performance and reduce the likelihood of emergency events.



Eliminating methane leaks and emissions

Fugitive emissions of methane are a central source of greenhouse gas emissions, accounting for more than 30% of global greenhouse gas emissions primarily because methane's impact on global warming is 28 times greater than that of carbon dioxide. Therefore, reducing methane emissions can have an outsize impact on reducing overall GHG emissions.

In 2023 Crescent Petroleum became a signatory to the "Aiming for Zero Methane Emissions" project of the Oil and Gas Climate Initiative (OGCI), committing to achieving zero methane emissions from our operations by 2030. The initiative seeks to eliminate the oil and gas industry's methane footprint by 2030. Crescent Petroleum joined more than 60 organisations that have committed to the initiative, with the aim of eliminating virtually all methane emissions from the industry.

The pledge reinforced Crescent Petroleum's long-running efforts to cut methane emissions from its operations and reduce overall carbon intensity to be one of the first oil and gas companies to reach carbon neutrality. In 2023 we implemented a comprehensive campaign to achieve this goal, comprising a three-tranche approach, starting with a re-baseline of our facility emissions using state-of-the-art Forward Looking Infrared (FLIR) technology.

Stage 1 ▼

We engaged an independent third-party expert organisation to conduct an initial baseline assessment of our Khor Mor facility using the latest FLIR leak detection technology. This assessment provided us with a detailed understanding of our current emissions landscape and served as the foundation for our fugitive emissions reduction efforts.

Stage 2 ▼

Building upon the findings from Tranche One, we developed a comprehensive Leak Detection and Repair (LDAR) programme. This programme is designed to promptly identify and remediate sources of emissions as soon as they are detected, ensuring a proactive approach to emissions management and Minimising the impact of fugitive emissions on the environment.

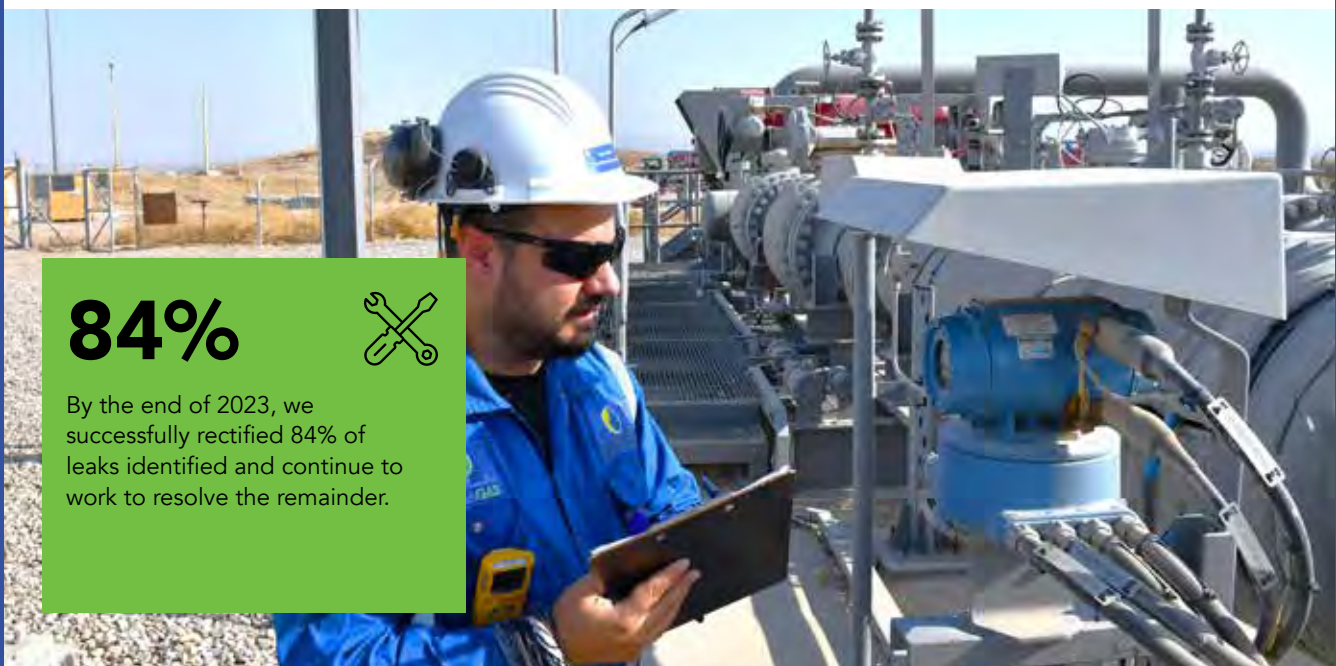
Stage 3 ▼

We implemented a programme of continuous supervision to ensure the ongoing effectiveness of our fugitive emissions campaign. This phase involves our employees who have been trained on the use of FLIR technology equipment to regularly monitor and detect any potential emission sources, ensuring that our facilities remain in compliance with our emissions reduction goals.

84%



By the end of 2023, we successfully rectified 84% of leaks identified and continue to work to resolve the remainder.





By the end of 2023, we successfully rectified 84% of leaks identified and continue to work to resolve the remainder. We have also introduced the use of a portable detector on site, which has further enhanced our ability to identify and quantify previously unknown minor leaks, enabling targeted remediation efforts.

GHG Emissions	Units	2021	2022	2023
Direct GHG emissions (Scope 1)	tons of CO ₂ eq	246,929	236,333	248,274
Indirect GHG emissions (Scope 2)	tons of CO ₂ eq	509	565	561
Total flared hydrocarbons	Tons	13,591	9,403	19,642
Total flared hydrocarbons	MMscf	582	403	842
Methane emissions	Tons	58.0	175.9	292.3
VOC emissions	Tons	24.82	14.40	8.35
Gas flared as percentage of production	per cent	0.31%	0.20%	0.41%
Total GHG emissions	tons of CO ₂ eq	247,438	236,898	248,836
GHG emissions intensity (Scope 1)	KG of CO ₂ eq/ BOE produced	6.30	6.04	5.79
GHG emissions intensity (Scope 1 & 2)	KG of CO ₂ eq/ BOE produced	6.31	6.06	5.81
Methane emissions intensity	KG/ BOE produced	0.00148	0.00450	0.00682
Flared hydrocarbons intensity	KG/ BOE produced	0.35	0.24	0.46

Reducing overall energy consumption

In 2023, our total direct energy consumption decreased by 10% (from 3,358,042 in 2022 to 3,014,878 gigajoules). This was a direct result of a 14% reduction in fuel gas consumption, made possible by the use of early production facility compressors. In addition an update to the calculation of fuel gas consumed by our incinerator was completed.

Compared to 2022, our overall energy consumption intensity decreased by 22% to 0.07 GJ/BOE produced.

Energy consumption	Units	2021	2022	2023
Direct energy consumption				
Petrol consumption from operations and vehicles	L	270,673	488,103	906,761
Diesel consumption from operations and vehicles	L	180,025	4,584,943	7,044,236
Fuel gas	MMscf	2,920	2,897	2,484
Total direct energy consumption	GJ	3,207,225	3,358,042	3,014,878
Indirect energy consumption				
Electricity consumption (office, storage, facilities, etc.)	kWh	1,175,068	1,306,772	1,297,768
Renewable energy consumption (office, storage, facilities, etc.)	kWh	0	0	0
Total indirect energy consumption	GJ	4,230	4,704	4,672
Energy consumption				
Total energy consumption	GJ	3,211,455	3,362,746	3,019,550
Energy consumption intensity (direct energy only)	GJ/ BOE produced	0.08	0.09	0.07
Energy consumption intensity (direct energy only)	kWh/ BOE produced	22.73	23.85	19.55

Our carbon offset strategy

Beginning in 2021 we have complimented our emissions reduction efforts by adopting a carbon offset strategy to enable us to reach carbon neutrality. In 2022 and 2023 we reinforced this strategy even as we continued to reduce our carbon intensity, to maintain our carbon neutrality.

To ensure the effectiveness and integrity of this offset strategy, we led an extensive engagement with traders and consultants to arrive at the most effective combination of UN-certified carbon credits at competitive prices. By investing in these high-quality carbon credits, we

support the development of cleaner electricity supplies while strengthening our commitment to achieving carbon neutrality across our operations.

Achieving carbon neutrality has been a significant milestone exemplifying our commitment and focused efforts over the years. By leveraging the benefits of natural gas and complementing it with our carbon offset strategy, we actively contribute in to the fight against climate change.

We remain dedicated to exploring innovative solutions and implementing best practices that minimise our environmental impact while delivering reliable and efficient energy to the communities we serve.



Optimising Water Management

There are limited sources of surface water in the vicinity of our operations in the KRI. Therefore, operations rely on groundwater regulated by a government issued permit to drill water wells, and occasionally construction operations truck in surface water supplies. Crescent Petroleum has been able to provide help to the local community by drilling water wells for the locals, especially in the areas where water is scarce. We also mandate contractors to reduce their water consumption and related effluent during construction.

Water consumption

Water consumption falls in five categories:

- Bottled drinking water
- Domestic or potable water used to support camp activities.
- Industrial/process water used in day to day operations
- Construction water used during construction
- Drilling water used for drilling activities

Managing wastewater

Domestic wastewater generated from our camps is usually collected in tanks and septic tanks and piped or trucked to sewage treatment plants. Produced and processed water is sent to evaporation ponds, while runoff water is collected through a drainage system and discharged into the environment. Meanwhile drilling fluids are separated from solids and reused for the drilling process.

In 2023, several initiatives for optimising water management enabled us to recycle 10,785 m³ of water and reuse 3,986 m³ for dust suppression. The initiatives included:

1. Constructed a pond to harvest water for irrigation and dust suppression replacing potable water.
2. Employed a de-watering process in our drilling operations to minimise water consumption and recycle the water for drilling use.
3. Actively investigated the treatment and use of produced water for alternative purposes, such as irrigation.
4. Formed a dedicated water management team to improve water practices. (See sidebar).

The team includes

environmentalists, geologists, engineers, operations managers, and hydrologists to develop a comprehensive water strategy aligned with the Sustainable Development Goals (SDGs).

In 2023, the water management team focused on identifying water resources, assessing water demand and consumption, analysing water distribution and supply network, and studying geological formation in the area to project future water needs.

The committee's key objectives include:

1. Reinforce and strengthen integrated water resources planning and management.
2. Ensure access to safe, affordable, and adequate water and sanitation for all employees and the local area.
3. Protect available water resources.
4. Reduce water consumption and reuse water.
5. Treat wastewater prior to discharge to the environment.
6. Monitor water resources and maintain, repair, and update the water supply network.
7. Adopt new technology to monitoring and supply water resources and reduce energy consumption.
8. Conserve water resources and the environment by building a water dam to create a natural pond and support biodiversity.
9. Improve water data collection and reporting.



Despite these efforts to optimise water usage, the increased activity and development activity at the Khor Mor site resulted in a 78% increase in total water consumption compared to 2022. This increase is attributed to several factors, including:

- Increased drilling activities, which required additional water resources to support our operations.
- Continued project expansion of KM250, necessitating a higher demand for water to facilitate construction and commissioning activities.
- Additional cooling water requirements for compressors, some of which were offline during 2022, resulting in a nearly three-fold increase in water.

We anticipate our water usage at Khor Mor to drop below average levels, as we leverage innovative solutions to minimise our water footprint. We will continue to explore new technologies and practices to optimise water usage, reduce waste.

Biodiversity and Conservation

Our commitment to biodiversity is rooted in Crescent Petroleum's HSSE & SP Policy, which aims to minimise the impact of our operations on the environment in and around the areas where we operate. A critical habitat

assessment in 2019 concluded that impacts on all of the critical habitat qualifying species were considered to be insignificant (minor or slight) and no biodiversity offsetting/net gain is required.

The Biodiversity Action Plan (BAP) developed under the KM250 ESIA identifies opportunities for conservation and enhancement of biodiversity. Habitat mapping in the 2019 ESIA identified the majority of habitats within Khor Mor as modified habitats (agro-pastoral land, unsurfaced roads, cleared ground and urban settlements). Natural habitats comprised steppe grassland, an ephemeral stream and a small pond with reed beds.

In 2023 we launched a project to partially dam surface water run-off from the site, to capture additional surface water, upgrade the habitat area and increase biodiversity. The dam, which is to be completed in 2024, enlarged

the pond into a permanent wetland habitat for the region's fauna and flora, particularly migratory birds. It also offers a potential back-up source of water.

Separately, we established an on-site nursery to cultivate trees and shrubs, to be used for local planting and amenity improvement.

We conduct comprehensive assessments to understand and improve current practices. Before starting any project, Crescent Petroleum conducts ESIA studies including assessing available water resources and outlines plans for water conservation and recycling. Crescent Petroleum provides educational programmes on water management and maintain records of water projects for local communities, with annual site visits for monitoring and follow-up. This holistic approach ensures sustainable water use and benefits for local communities.



Water	Units	2021	2022	2023
Total water consumption	m3	121,031	242,062	430,872
Ground water	m3	121,031	242,062	383,768
Surface water	m3	NA	NA	47,104
Produced water	m3	3,056	2,719	3,544
Total water consumed in water-stressed areas	m3	121,031	242,062	430,872
Total freshwater consumed	m3	121,031	242,062	430,872
Water consumption intensity	m3/ BOE produced ('000)	3.09	6.19	10.06
Total amount of water reclaimed	m3	0	0	3,986

Among the proactive steps taken to enhance our wastewater management practices and minimise our environmental impact were:

- Conducting comprehensive assessments to verify wastewater sources and develop a robust sampling and documentation process. This has allowed us to gain a clear understanding of our wastewater streams and establish a systematic approach to monitoring and managing them effectively.
- Launching an education and awareness programme specifically focused on wastewater management. This programme actively engaged our Khor Mor operations and HSE teams in reviewing and developing wastewater processes at KM250. By involving our employees in

the process, we foster a culture of environmental stewardship and ensure that our wastewater management practices are well-understood and consistently implemented across our operations.

- Implementing a system for produced water to be sent to an evaporation pond, preventing direct discharge into the environment. In cases where the volume of produced water exceeds the capacity of the evaporation pond, the excess is diverted to a wastewater treatment plant. This ensures that we responsibly manage our produced water and minimise any potential environmental impact. However, it is important to note that during the rainy season, occasional overflows may occur due to increased water volumes.

We also experienced a 38% increase in total volume of wastewater generated in 2023 compared to 2022. This increase is primarily attributed to the increased manpower needs of the KM250 project, which resulted in a higher volume of wastewater generated.

Crescent Petroleum encourages contractors to adopt similar water conservation measures. Crescent Petroleum collaborates with local governments in support of local villages while ensuring regulatory compliance. Crescent Petroleum prioritises action in water-stressed areas and respects the needs of all water users.

Wastewater	Units	2021	2022	2023
Total volume of wastewater generated	m3	9,094	150,392	218,770
Total volume of wastewater reused or recycled	m3	0	0	10,785
Percentage of wastewater reused or recycled	%	0%	0%	5%
Concentration of hydrocarbons discharged in produced water and process wastewater.	mg/L	-	-	0.62



Waste & Spill Management

We place great emphasis on preventing pollution and managing waste responsibly for better resource utilisation, reduced landfill disposal, and to minimise environmental impacts from waste.

A targeted and integrated approach to effective waste management

In 2022, we set an ambitious target of diverting 80% of our total waste from landfills through recycling and reuse initiatives. Despite facing challenging conditions, such as delays in waste infrastructure installation, insufficient environmental education, and a lack of regional environmental infrastructure, we achieved a commendable 68% waste diversion rate in 2023. This target, established as a key performance indicator (KPI) in 2022, remains unchanged and serves as a baseline for our ongoing efforts.

To ensure the effective implementation and monitoring of our waste management strategies, we have developed a comprehensive Environmental Management Standard and a specific Waste Management Standard during 2023. These standards cover key areas such as mandatory minimum requirements, roles and responsibilities, waste classification, waste minimisation, characteristics of hazardous waste, storage and handling, transportation, duty of care, waste consignment notes, and management technologies and techniques.

The targets were established in collaboration with management and approved by the HSE Director. Performance is closely tracked on a monthly basis and reported to the Company Executive Team via the HSE & SP Performance Dashboard, which is also presented to the Board. Regular audits of waste data, improvements to the reporting system, and frequent meetings to discuss progress and future plans further support our commitment to achieving our waste management goals.

Both hazardous and non-hazardous waste are either sent to approved recycling factories in KRI, converted into energy and/or landfilled, or incinerated. Drill cuttings associated with our drilling activities are contained in lined pits awaiting remediation in accordance with government requirements. We conduct extensive waste segregation on-site with 40 categories of segregated waste, of which 28 categories are recycled or reused. To reduce single-use plastic water bottles, we initiated a programme

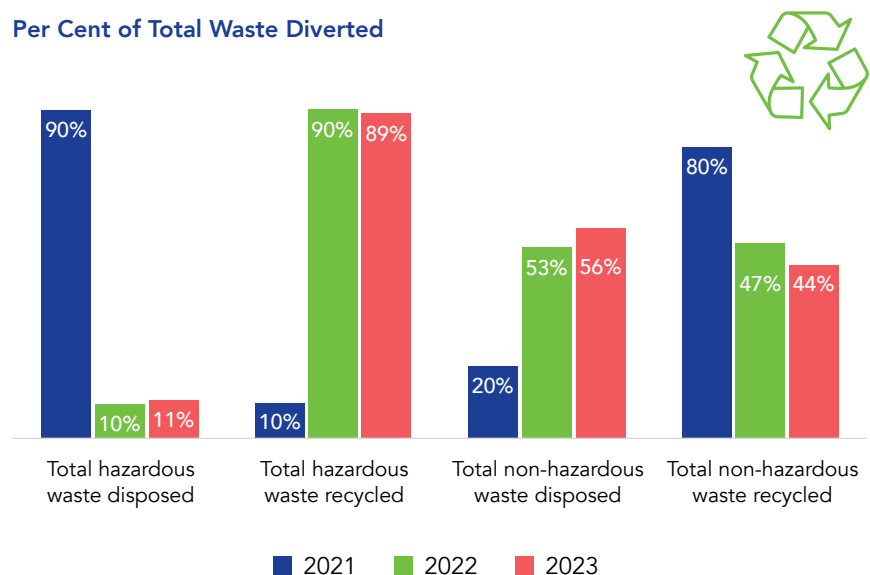
to distribute refillable metal water bottles to employees and install water dispensers at our sites.

Compared to 2022, generation of hazardous and non-hazardous waste increased by 22% and 16%, respectively, due to KM250 project expansion activities and increased operational activities. The relative amounts of hazardous and non-hazardous waste recycled remained similar to last year, reaching 89% and 44%, respectively.

Composition of hazardous & non-hazardous waste recycle and disposed

	Recycled	Disposed
Hazardous waste	<ul style="list-style-type: none"> Contaminated plastic /steel drums Oil filters and waste batteries Used oil from heavy duty vehicles 	<ul style="list-style-type: none"> Contaminated textile (Spill kit)
Non-hazardous waste	<ul style="list-style-type: none"> Scrap wood Demolition and construction waste E-waste Non-ferrous scrap metal Paper, cardboard, and plastic 	<ul style="list-style-type: none"> Residual ashes Demolition and construction waste General waste

Per Cent of Total Waste Diverted



Our recent efforts to enhance waste management practices include strengthening waste management guidance, implementing waste assurance processes to monitor waste volumes, purchasing organic waste composters, and a plastic and cardboard baler. We also introduced a 'Green Team' to manage the increasing waste in our expansion project, prioritising proper handling, storage, and disposal of waste to ensure compliance with regulations and minimise environmental risks.

In 2023, we introduced food waste composting, reused concrete slabs and wood, and recycled cans, metals, plastics, glass, paper, cardboards, and used oils. We also conducted a waste awareness campaign across 13 separate training sessions.

The training covered the following:

- An in-depth description of waste management practices on-site
- Introduction to waste hierarchy principles
- The importance of waste segregation
- Strategies for waste reduction through reuse and recycling
- Description of waste streams on-site
- Employee responsibilities for waste management and segregation
- Location of all segregation points on-site

At our headquarters in Sharjah, we successfully collected and recycled

3,307 kilograms of electronic waste in collaboration with a reputable third-party recycler, contributing to the responsible management of electronic waste.



Case Study

Cutting waste to landfill with better data and more effective waste separation

Reducing our waste and boosting recycling across all our operations makes for good citizenship and responsible business practice. We aim to increase transparency in our waste handling, reduce the risk of hazardous materials ending up in landfills, and improve waste segregation to increase the amount of waste we recycle.

To achieve these aims, we implemented a comprehensive waste management system that includes maintaining more detailed records of waste and recyclable materials shipped from our premises, thereby providing greater transparency on waste handling by authorised waste disposal contractors. By enabling the effective separation of hazardous and non-hazardous waste for treatment and disposal, the initiative aims to prevent hazardous materials from reaching landfills and mitigating the impact of waste generated by the KM250 project on local landfill sites.

Enhanced control measures allow for the capture of accurate data on various waste streams and disposal techniques. Community and local recycling facilities directly benefit from the segregated waste, including plastic, cardboard, aluminium, and metal scrap. The operation and management of these initiatives are entrusted to a team comprising local national staff, promoting community involvement and a sense of ownership.

We have also extended this waste management initiative to contractors on their sites. As construction activities and the number of workers at the KM250 project have increased, so has the amount of waste generated. To maintain control over waste management procedures, contractors on-site are required to create "Green Teams" capable of dealing with the waste they produce and communicating transparently with the HSE department.

The implementation of this waste management system has resulted in a significant reduction in waste and an even larger reduction in materials disposed of in landfills, but also fostered a sense of responsibility for responsible waste management among our employees and contractors.

Spill Prevention

Detailed spill prevention and management plans are in place at all operations, with dedicated teams prepared to promptly respond to any spill incidents. We actively record all spill events and use this information to enhance our spill prevention measures, aiming to prevent future releases.

When liquid spills occur, they are cleaned using spill kit absorbents which are transferred to the on-site waste management area for incineration or off-site treatment by a specialised contractor. We actively investigate the causes of spills, identify and confirm sources of contamination, and implement mitigation measures to prevent further environmental impacts.

In 2023, we recorded a total of 22 hydrocarbon spills at our operations, with the largest spill amounting to approximately 975 litres. The main cause of these spills is equipment failure and damage, in addition to human error, and defective infrastructure.

In response to these incidents, we have introduced the following measures to enhance spill mitigation practices:

- 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.
- Conducting reviews of on-site

bunding to ensure effective containment measures.

- Implementing a weeps and seeps programme to identify, measure, and rectify issues.
- Ongoing monitoring and regular inspections and audits.
- Sharing incident lessons learned and providing training and awareness.
- Conducting leadership tours.



Waste	Units	2021	2022	2023
Total hazardous waste generated	tons	370	95	115
Total hazardous waste disposed	tons	334	9	13
Total hazardous waste recycled	tons	36	86	102
Total non-hazardous waste generated	tons	546	3,027	3,525
Total non-hazardous waste disposed	tons	109	1,592	1,984
Total non-hazardous waste recycled	tons	437	1,435	1,541
Total drilling waste (muds and cuttings) disposed (treated)	m3	-	1,820	NA
Total drilling waste recycled (drilling wastewater treated)	BBL	-	4,445	NA
Hydrocarbon spills	#	8	8	22
<1 barrel	#	6	5	19
1 - 10 barrels	#	2	3	2
10 - 100 barrels	#	0	0	1
>100 barrels	#	0	0	0

Case Study

Enhancing hazardous substance management

Managing hazardous materials requires significant care and awareness of special handling requirements. Crescent Petroleum and its partners recognised the need to improve the safety and handling of chemicals, ranging from common substances like WD40 to hazardous materials such as Di-Ethanol Amine (DEA) and hydrochloric acid.

To address this challenge, we implemented the SYPOL Control of Substances Hazardous to Health (COSHH) management system software platform. This system assesses the risks and controls needed for specific tasks involving hazardous substances or conditions. SYPOL COSHH simplifies the typically lengthy Safety Data Sheets (SDS) and presents relevant hazards and controls for each material when in use.

The SYPOL assessment combines data from the SDS with information about how and where the task will be performed. It then generates a concise summary outlining the required protective equipment, recommended safe task duration, and any additional safety recommendations.

The initial SYPOL rollout has been completed, and the system is now live. It produces substance information sheets that are included in permit packs and incorporated into Task Risk Assessments. The implementation of the SYPOL COSHH system has led to improved handling of hazardous materials and a reduction in injuries associated with handling such substances. This enhanced management system ensures that Crescent Petroleum and its partners prioritise safety and adhere to best practices when dealing with hazardous materials.







Since 1971, Crescent Petroleum has been committed to building social sustainability and making a positive impact in the communities in which we operate.



Delivering on Our Promise to the Community

Since our start in 1971, Crescent Petroleum has been committed to building social sustainability and making a positive impact in the communities in which we operate. We do so by partnering with local organisations and supporting them with resources and expertise. Together with our community partners, we strive to address key local needs and challenges.

Material sustainability areas covered

- Engagement with local communities, social performance initiatives
- Localisation and job creation
- Procurement practices
- Land and resource rights

SDGs





Our notable community contributions include the provision of reliable and free electrical power, school transportation to villages, sponsored community workers and teachers, and repairs to community equipment and water infrastructure.

Our Key Community Focus Areas

- **Local employment** – Providing direct employment opportunities for local residents.
- **Training and development** – Offering comprehensive training programmes for local employees' growth.
- **Local talent acquisition** – Actively seeking out local talent through partnerships and targeted job postings.
- **Social investment and uplift** – Delivering social investment projects to support local communities.
- **Community support** – Providing employment opportunities and contributing to local communities
- **Responsible procurement** – Ensuring suppliers comply with guidelines on labour, anti-corruption, and anti-money laundering.



Performance highlights

Increased local nationals in the full-time workforce by

2%
compared to 2022.

84%
local employees in the KRI.

8%
local employees in the UAE.

Total procurement spend in 2023 of

\$227 million

Spent

\$93 million
with local suppliers in 2023.

Contracted nearly

30
Community Centred Contractors (3Cs).

Total social contributions to local communities in 2023 of

\$1.7 million

Making a Positive Impact in the Community



We directly impact the communities in which we operate by providing direct employment opportunities and comprehensive training programmes for local residents.

In 2023, we witnessed a notable 2% increase in the number of local nationals within our full-time workforce compared to the previous year. Within the KRI we maintained a high percentage of local employees (84%), while in the United Arab Emirates (UAE) we saw an increase in local representation, reaching 8% of our workforce. We have set a target of achieving 10% local employment in the UAE by the end of 2026, aligning with the country's labour regulations. In our new projects in Federal Iraq, we aspire to reaching up to 90% local employment in time, as well.

We also work to encourage personal and professional growth of our local employees by offering a wide range of training and development initiatives (See Pillar IV). These programmes include personalized coaching sessions, hands-on training, workshops, e-learning courses, professional certification programmes, external training opportunities, leadership development, and tailored

programmes designed for high-potential local talent. We have also enlisted experienced expatriate technical trainers to act as expert training facilitators, leveraging their specialised knowledge to enhance the skills of our local workforce.

In addition to our training initiatives, we actively seek out local talent through strategic partnerships with universities and targeted job postings within the communities we serve. We organise scientific trips that provide university students the opportunity to visit the Khor Mor plant, to expose them to real-world practical scenarios and experience the application of theoretical concepts.

During the recruitment process, we give preference to local candidates, when possible. By prioritising local hiring and investing in comprehensive training and development programmes, we aim to cultivate a skilled and capable workforce that contributes to the economic growth and sustainable development of the regions in which we operate. These efforts not only benefit the local communities, but also strengthen our ability to navigate the challenges and opportunities in each unique operating

environment.

Supporting Women Entrepreneurs

In 2021, Crescent Petroleum 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 mainline valve stations. KESK, which means green in the Kurdish language, leverages novel solar solutions to enable green design and construction in the region.

Crescent Petroleum enlisted KESK to complete solar upgrades at some of the remote motorised mainline valve stations to ensure greater reliability and more sustainable operations. In 2024, KESK proposed and was awarded an upgraded solar power solution to improve power requirements for data reporting power service at these locations. KESK will provide end-to-end design to delivery, estimated to help avoid approximately 100 tons of CO₂ per year. The company has since been awarded other projects for solar power at remote sites, allowing us to eschew diesel generators in favour of clean solar power.



2023 KRI Social Performance Investments

Total Investments

\$1,696,000

Education

\$365,000



Energy

\$872,000



Healthcare

\$51,000



Water Projects

\$308,000



Community Support (Misc)

\$100,000







Case Study

Ensuring clean water access in Qadir Karam

The town of Qadir Karam, home to 250 families, relies on water pumped from wells 13 kilometres away into two elevated storage tanks. Years of neglect and government budget shortfalls led to the tanks requiring major renovation due to leaks, sediment build-up, pipe corrosion, rust, mechanical damage, and exposure to the elements.

Crescent Petroleum undertook to renovate the water storage tanks to ensure that the families in Qadir Karam have access to a clean, reliable water supply. The improvements to the tanks' structural integrity and water quality have reduced the need for frequent maintenance and extended the tanks' operating life, providing a sustainable solution for the community's water needs.



Responsible Procurement

In 2023, our total procurement spend amounted to USD 227 million, on par with the previous financial year. The majority of the spend was in support of KM250 drilling operations and facility expansion projects underway.

In 2023, several high-value engineering services contracts were awarded to overseas suppliers as part of the ongoing KM250 expansion programme, requiring significant skills and expertise often not found locally. As a result in 2023, we spent a reduced USD 93 million with local suppliers, amounting to 27% less than in 2022. The number of local suppliers serving our operations decreased 16% over the same period.

We place a strong emphasis on responsible procurement and supply chain management, adhering to our procurement policies that ensure suppliers and contractors comply with strict guidelines and codes related to the prevention of child labour, forced or compulsory labour, as well as anti-corruption and anti-money laundering requirements. Our Supplier Code of Conduct is an integral part of our procurement policy and is also included in the standard Terms and Conditions along with orders and contracts issued to suppliers.

The Kurdistan Regional Government's Ministry of Natural Resources also has specific requirements for the procurement of goods and services from Community Centred Contractors

(3Cs), which are defined as companies in proximity to the asset that are eligible to receive business valued at a maximum of US\$ 250,000 per year. By the end of 2023, we had contracted nearly 30 of these 3Cs and our estimated local annual spend for the coming years is US\$3 to US\$4 million annually. This compares favourable with the average local spend of US\$2 to \$2.6 million per year in previous years.

For high-value contracts, we prepare contract (tendering) strategies with management approvals, based on project requirements. Our policies and processes include evaluation criteria that promote local contractors.

Responsible Procurement	Units	2020	2021	2022	2023
Total number of local suppliers engaged	#	364	409	576	486
Procurement spending on local suppliers	US\$ millions	16.7	67.7	127.0	93.0
Percentage of procurement spending on local suppliers	%	14%	78%	64%	41%
Total procurement spending	US\$ millions	121.0	87.1	197.6	227.0

Key areas addressed by Crescent Petroleum's procurement policy:



Compliance with local and international laws



QHSSE Policy & Social Performance Standards



Sustainability



Delegation of authority



Code of Ethics and Code of Conduct



Protection of confidential information



Continuous improvement



Procurement and contracting strategies



Supplier Code of Conduct



Khor Mor Gas Processing Plant.



Ensuring Our Teams' Health and Safety

The well-being of our employees, contractors, and partners is the most important priority for Crescent Petroleum. We believe that caring for our employees and contractors is fundamental to running a sound business for the long term.

Material sustainability areas covered

- 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

SDGs





In 2023, we implemented a range of initiatives to further enhance our health and safety performance. These included the development of 2nd Generation strategic two-year improvement plans for Management Systems, Personal Safety, Occupational Health, and Industrial Hygiene.



Our Key Areas of Focus for Employee Wellbeing

- **Safe work environment** – Maintain a safe and secure working environment guided by our HSSE & SP Policy.
- **Continuous health & safety improvement** – Ongoing improvement of health and safety practices using an industry-standard maturity model.
- **Hazard awareness** – Ensure workforce knowledge of hazards, risks, and operational controls through training, procedures, and awareness programmes.
- **Worker empowerment** – Empower workers to prioritise their safety by encouraging them to remove themselves from potentially harmful situations.
- **Health promotion** – Address workforce health issues and promote healthier lifestyles through various initiatives and programmes.
- **Contractor training** – Provide health and safety training tailored to the needs of contractors to ensure a competent workforce.
- **Expand OH&S** – Maintain and expand the scope of the OH&S Management System to cover employees and workers under Crescent Petroleum's control.



Performance highlights

83%

rise in manhours (11 million in 2023 versus 6 million in 2022) due to ongoing KM250 projects but notably reduced injury frequency and LTI.

100%

close-out of safety observation actions.

Expanded OH&S MS coverage to

79%

of employees and workers, up from 67%.

Achieved

zero

major road accidents, despite a 264% increase in total kilometres driven.

Developed two-year improvement plans for key health, safety, environment.

Adopted IOGP Process Safety Fundamentals and established new Risk Management and Incident Reporting Standards.

Actively participated in IOGP forums, committees and task forces for knowledge-sharing.

Health & Safety

The well-being and security of our employees, our contractors and the communities where we operate is our number one priority. Our commitment to maintaining a safe and secure environment is firmly embedded in our comprehensive Health, Security, Safety, Environment and Social Performance (HSSE & SP) Policy, which serves as a guiding framework for all our actions.

We are dedicated to the continuous improvement of our health and safety practices, utilising an industry-standard maturity model that outlines

detailed action plans. Through mandatory instructions, training, procedures, awareness programmes, and HSE meetings, we ensure that our workforce has a thorough knowledge and understanding of hazards, risks, and operational controls.

In 2023, we witnessed an increase in recordable injuries on our KM250 construction site, but witnessed comparatively low lost time injuries and no fatalities. We implemented a range of initiatives to further enhance our health and safety performance. These included the development of

2nd Generation strategic two-year improvement plans.

Our membership of the International Association of Oil & Gas Producers (IOGP), which we joined in 2022, allows us to benchmark our performance against industry data. Our active participation in IOGP forums, committees and task forces has further strengthened our commitment to excellence in health and safety. The chart below offers a comparison of our 2023 performance against the 2023 IOGP Health and Safety benchmarks.

Metric	CP (2023)	IOGP Global (2023)	IOGP Regional (2023)
Fatality Accident Rate	0	0.82	0.4
Total Recordable Injury Rate	2.1	0.75	0.4
Lost Time Injury Rate	0.09	0.19	0.10

To promote healthier lifestyles and address workforce health issues we implemented the following:

Implemented Sygol COSHH assessment software at Khor Mor to improve handling of hazardous substances

Appointed Radiation Protection Supervisors to better manage radiation-related issues

Conduct pre-employment medical exams and ongoing re-evaluations to OEUK standards

Extended the annual RigRun fitness campaign



The RigRun: Promoting health and wellbeing through friendly competition

Crescent Petroleum repeated RigRun, an annual fitness programme designed for remote and offshore site workers, bringing together participants from across the world in the energy sector through online competition.

RigRun connects crews from all over the industry to engage in friendly competition with their industry peers. It comprises a 6-week RigRun International Cup Challenge, a 4-week Qualifiers Event, and the RigRun Recovery Zone, a 3-month timetable of interactive webinars catering specifically to the remote work site community. The programme has been designed to maintain and improve physical, mental and social health of on-site team through gamification.

The competition accepts individuals of all ages, fitness levels, and interests, to foster friendly rivalry as contestants accumulate points no matter where they are located through a special app and algorithm. Teams of all sizes compete on a level playing field, gaining social recognition among their peers and generating international recognition for the teams.

The top achievers progress to the finals, vying for both team and individual awards. RigRun now forms an integral part of our mental health management initiative, supporting the wellbeing of our employees and contractors.

Additional IOGP Benchmarking Metrics

IOGP's Life Saving Rules (LSR) and Process Safety Fundamentals (PSF) will be made available for analysis in our HSE Dashboards in the near future.

We also adopted IOGP Process Safety Fundamentals during 2023 and established a Risk Management Standard and an Incident Reporting and Investigation Standard. To reinforce our incident investigation capabilities, we conducted comprehensive Incident Investigation and Root Cause Analysis training in early 2023.

The incident reporting process is structured to ensure prompt notification and thorough investigation of incidents. The process begins with an initial incident notification sent through the SAP HSE module, which includes an analysis of the actual and potential severity of the incident. The hierarchical flow of the incident notification depends on the severity levels. For incidents with an Actual Severity <2 and Potential Severity <3, the HSE Leader reviews and approves the notification in SAP, which then sends emails to the agreed distribution list. For incidents with an Actual Severity >2 and/or Potential Severity >4, the HSE Leader prepares the notification and sends it to the Line Manager, HSSE Director, and Head of HSSE for approval before SAP distributes it to the agreed distribution list which includes the EXCOM.

The investigation procedure also varies based on the Actual and Potential Severity of the incident. Incidents with an Actual Severity <2 and Potential Severity <3 are owned and monitored at the Superintendent level. Those with an Actual Severity that equals > 2 and Potential Severity of > 4 are owned and monitored by the Plant Manager, Construction Manager, or E&P Manager.

After the investigation process is complete and root causes identified, a one-page Lessons Learned report is prepared and shared with the Pearl Petroleum Board, ensuring that key lessons are shared across the organisation.

We require all employees to put safety first by encouraging them to remove themselves from work situations that they believe could cause physical or health injury. This is achieved through risk assessments and Toolbox Talks for all work activities, as well as a 'Stop Work' policy that supports anyone's right to halt an activity if they perceive an inadequately controlled risk. In our E&P activities we provide 'Stop Cards' for all crew members to complete, which are reviewed daily by rig management.

In 2023, there were a number of instances in which Stop Work cards were used due to identification of unsafe acts and conditions. The main

reasons for stopping work included: not wearing proper Personal Protective Equipment (PPE) while performing activities such as: grinding without a face shield; working at height with a harness in poor condition; working without Respiratory Protective Equipment (RPE); and not following PPE rules. Other issues included violations of Life Saving Rules related to driving, such as speeding, using mobile phones while driving, and not wearing seatbelts. Additionally, work was stopped due to materials not being properly secured during transport, operating heavy vehicles without a banksman/flagman, passing underneath suspended loads, working at height without fall protection in place, forklift drivers with limited experience, and working in confined spaces without a standby person. To address these unsafe acts and conditions, immediate actions were taken, including conducting Tool Box Talks (TBT) to raise safety awareness, and providing appropriate PPE to the workers involved.





Early works at Khashim Ahmer-Injana in federal Iraq.





To accurately monitor and track our HSE progress, we employ Key Performance Indicators (KPIs) that offer valuable insights into our overall performance. These KPIs, along with lessons learned, are shared monthly with senior management through a dedicated HSE performance dashboard. Details of these KPIs are as follows:

1. Total Recordable Injury Rate

(TRIR) - A target of <2.2 was set for 2023, and we were able to maintain performance below the target rate, achieving 2.08 in December (12-month rolling).

2. Investigation and Lessons Learned-

A target rate was set requiring at least four investigations and lessons learned to be completed for incidents that occurred in every month of the year. The aim of this KPI is to understand the underlying causes and identify control measures to prevent recurrence.

3. Overdue Incident Actions - A target rate of <20% was set on a monthly basis to identify and address all incidents within the organisation and ensure necessary actions are taken.

4. Process Safety Fundamental

Training - A target rate of >90% was set on a monthly basis, with IOGP's Process Safety Fundamental material completed across the year for Operations, Maintenance, HSE, and Engineering personnel. The aim is to increase awareness and ensure knowledge and understanding of process safety.

5. Process Safety Event Rate (PSER)

- A target rate of <1.4 was set for the year, accounting for Tier 1 and Tier 2 incidents. We were able to maintain performance within the target level throughout the year.

6. Emergency Response Exercises

- A target of at least 5 exercises per month was established in 2023, comparing the number of emergency exercises planned versus completed.

7. HSE Training - A target rate of >80% was set on a monthly basis, requiring at least 80% of the planned contractor workforce to be trained on HSE-related topics, such as Permit to Work, Confined Space Entry, and Life Saving Rules.

In 2023, we recorded a total of 11,081,303 manhours, representing an 83% increase compared to the previous year. This significant increase is largely attributed to ongoing KM250 drilling operations and facility expansion projects. Contractors accounted for approximately 79% of the total manhours, while full-time employees made up the remaining 21%.

Recognising the crucial role that contractors play in supporting our operations and strategic objectives, we provide them with the necessary equipment, specialised services, and overall labour support. To ensure a highly competent contractor workforce, we offer specific health and safety training tailored to their needs.

We have provided non-occupational medical services on-site in Kurdistan through a clinic manned by trained medics, enabling prompt and easily accessible medical assistance whenever required. In the event of an emergency, our medivac system also allows for the swift transfer of individuals to local and international hospitals, ensuring rapid response and necessary care.



Safety	2020	2021	2022	2023
Total employee manhours	1,112,256	1,741,752	1,998,963	2,371,547
Total contractor manhours	598,176	2,584,982	4,058,267	8,709,756
Total manhours (millions)	1,710,432	4,326,734	6,057,231	11,081,303
Employee fatalities	0	0	0	0
Contractor fatalities	0	0	0	0
Employee recordable injuries	0	0	3	0
Contractor recordable injuries*	0	5	11	23
Total recordable injuries	0	5	14	23
Total recordable injury rate	0.00	1.16	2.31	2.08
Employee lost-time injuries	0	0	0	0
Contractor lost-time injuries	0	1	3	1
Total lost-time injuries	0	1	3	1
Lost-time injury frequency (LTIF)	0.00	0.23	0.50	0.09
High Potential Incidents (HPIOs)	2	3	5	12
Number of Safety Observations	1,448	4,262	24,206	26,696
Observations Actions Close-Out	100%	100%	100%	100%
Total hours of HSE training provided**	1,501	3,065	8,560	5,316

Notes:

*The KM250 Project and commissioning activities resulted in our contractor workforce more than doubling in 2023. Managing the inexperienced contractor workforce presented challenges contributed to an increase in recordable injuries this year. However, despite these difficulties, the Total Recordable Injury Rate (TRIR) in 2023 was 10% lower compared to the previous year, demonstrating our commitment to improving safety performance even in the face of significant workforce growth and the on-boarding of new, less experienced contractors.

**Compared to 2022, fewer contractors were mobilised for the KM250 project in 2023. This meant that less contractor training was required.



Case Study

Implementing an IOMS for enhanced efficiency and safety

Crescent Petroleum recognised the need for a systematic approach to achieving best practices and support continuous improvement in its operations. To achieve this, we set out to establish an Integrated Operations Management System (IOMS) to enhance efficiency, safety, and environmental friendliness. IOMS is a structured, practical management framework, consistent with Good International Industry Practice (GIIP), and supported by effective business processes and competent personnel. It is designed to ensure current and future operations are maintained in a safe, efficient and environmentally-conscious manner throughout the lifecycle of our assets. We initiated the IOMS development process by assessing the equivalent management systems of peer companies and reviewing the prerequisites and benefits of an IOMS. The implementation was executed in four stages:

- ▼ **Stage 1** - The corporate HSSE department reviewed management systems from 13 oil and gas peer companies, comparing elements composition.
- ▼ **Stage 2** - 9 peer management systems were selected for detailed reviews, after which this was further narrowed down to three for a deep dive, focusing on best industry practices.
- ▼ **Stage 3** - The elements, aims, and expectations were shared with a wider group within the company encompassing all 3 business streams, followed by multidisciplinary workshops to discuss and finalise the structure and content of the elements, aims, expectations, and structure of the CP IOMS.
- ▼ **Stage 4** - The final CP IOMS was established with 15 key elements, each led by senior subject matter experts as owners. The IOMS was then published and distributed to all applicable employees and stakeholders.

The implementation of the IOMS has provided our organisation with a systematic approach to achieve best practices and support continuous improvement in its operations. Already, the IOMS has enhanced efficiency, safety, and environmental friendliness, ensuring that the company operates at the highest standards while Minimising risks and environmental impact.



HSE Observations & Contractor Management Systems

Crescent Petroleum maintains a health, safety, and environmental observation card system through which employees and contractors are able to report potential incidents or suggest interventions or improvements. Despite a 10% year-on-year increase in safety observations in 2023, all of these were recorded, mitigated and closed in a timely manner, demonstrating our commitment to swift action and continuous improvement.

Our contractor management processes ensure thorough pre-qualification, selection, monitoring, and performance reviews, with additional requirements and processes in place for contractors engaged in high-risk activities. Key elements of these processes include:



evaluating HSE systems and programmes to ensure they meet our stringent standards



analysing historical HSE performance to identify any trends or areas for improvement



verifying compliance with all relevant regulations to maintain safe operations



collaborating with senior management to communicate our expectations clearly and address any performance issues promptly

Occupational Health & Safety

Since 2021, we have expanded the scope of our Occupational Health and Safety Management System (OH&S MS) to cover employees and workers whose work and/or workplace is controlled by Crescent Petroleum. This systems-based approach seeks to integrate occupational health and safety management into overall business processes, effectively managing and continually eliminating hazards and Minimising risks.



OH&S management systems	2021	2022	2023
Total manhours of all employees, and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by the organisation's OH&S management system (OH&S MS)	2,584,982	4,058,267	8,709,756
Percentage of all employees, and workers who are not employees but whose work and/or workplace follows the organisation's OH&S MS	60%	67%	79%

We facilitate worker participation and consultation in the development, implementation, and evaluation of the HSSE & SP MS in various ways:

- In 2023, Senior Management and Department Heads were actively involved during the review and development of our IOMS. As we progress to the next phase of IOMS delivery, we will increase workforce involvement to ensure a collaborative approach.
- Regular communication of HSSE information occurs monthly in departmental HSE meetings that are prepared by the HSSE team and conducted jointly with the Heads of Department. These informal meetings allow for open discussion, questions and facilitate a two-way flow of information, often leading to valuable workforce suggestions for improvement.
- Before each shift, all contractors and available sub-contractors attend a pre-tour meeting where the Rig Manager and Toolpusher discuss the shift's activities, and the Contractor HSE and Crescent HSE teams address HSE topics, life-saving rules (LSRs), the daily plan, and observations from the previous day. All personnel have the right to contribute to the meeting with questions or concerns, fostering a culture of open communication and transparency.
- To promote safety leadership among junior personnel, a safety champion is assigned daily to report their findings at the end of the shift, encouraging a proactive approach to identifying and addressing potential hazards.
- New personnel undergo a comprehensive induction facilitated by the Contractor HSE, Rig Medic, Crescent HSE (LSR's), Security Site Manager, and H2S Supervisor before entering the work location, ensuring they are well informed and prepared to work safely.
- One of our contractors has implemented a "Green Hat" programme for new roustabouts, who are mentored, guided, trained, and primarily observe operations during their first rotation, with restricted access to drilling areas and tasks involving risk. This ensures a gradual and safe introduction to the work environment.
- Conducting detailed land transportation risk assessments for the routes used to transfer personnel between the Khor Mor field and offices in Sulaymaniyah and Erbil. Assessments are regularly reviewed and update to account for any emerging security and safety risks, ensuring that our measures remain robust and responsive to changing circumstances.
- Mandating contractors adopt a similar approach to route risk assessment and maintaining Vehicle Request Forms (VRF) and associated management systems. This system guarantees that the route, carrier, driver, and/or load has been thoroughly vetted and approved prior to its journey, and that all relevant local parties are kept informed of the movement.
- Implementing a strict ban on vehicle journeys in darkness, while avoiding routes through smaller villages and townships whenever possible. These measures aim to minimise potential risks of incidents in local communities and ensure the safety of personnel.

Promoting Safer Driving

Vehicle safety remains a top priority across all Crescent Petroleum operations. In 2023, despite a substantial 264% increase in the total number of kilometers driven due to the increased construction activities, we successfully maintained our exemplary record with no serious road accidents. This achievement is a testament to our efforts to reinforce highest standards of transportation safety through with the following measures:

Vehicle Safety	2020	2021	2022	2023
Serious road accidents	0	0	0	0
Kilometres driven (million)	1,691,512	1,611,601	3,921,781	14,267,075
Vehicle incident frequency	0	0	0	0

Asset Integrity



We operate to the most stringent standards for the prevention of serious injuries and events with widespread environmental impact or property damage. This commitment to industry best practices was significantly reinforced in 2022 as we became a full member of the International Association of Oil and Gas Producers (IOGP). Since then, our membership allowed us to benchmark our performance against our peers and to engage in knowledge-sharing and industry-shaping initiatives and events to continuously raise our performance. Our early engagements with IOGP have included the following:

- Actively participating in forums, committees and task forces, in which we contribute our expertise and insights to drive industry improvements and shape the future direction of the oil and gas sector.

- Submitting comprehensive annual performance data, with specific focus on environmental and safety metrics. This data-driven approach helps identify areas for improvement and ensures that we remain at the forefront of industry standards.

Process safety events

In 2023, we recorded a total of 35 process safety events, with Tier 3 events accounting for 91% of that number. The observed increase in reported events is mainly attributable to our proactive efforts to heighten awareness and encourage comprehensive reporting, coupled with the strategic deployment of advanced technologies such as a portable FLIR camera which has enabled us to identify minor leaks that may have otherwise gone unnoticed, underscoring our commitment to early detection and prevention.

Asset Integrity

Our ability to maintain safe and reliable operations is underpinned by our focus on continuous improvements in practices and our adherence to the HSSE & SP Policy, which keeps asset integrity as a core element. We align our practices with industry standards established by the American Petroleum Institute (API) and IOGP, ensuring that we consistently operate at the highest levels of safety and efficiency.

Our Asset Integrity Management systems are seamlessly integrated into our operating and maintenance systems and procedures. These management systems form the foundation of our company operations and are subject to regular review and audit to ensure ongoing compliance with international standards and industry best practices.

Asset Integrity KPIs

To measure our progress and drive continuous improvement, we have established a set of asset integrity related KPIs and targets that are reviewed annually. These metrics cover the following critical areas (amongst others):

- Monitoring and addressing overdue safety critical maintenance tasks to ensure that our assets remain in optimal condition and pose no risk to personnel or the environment.
- Proactively managing safety system overrides to maintain the integrity and effectiveness of our safety mechanisms, preventing potential incidents or accidents.
- Ensuring the timely resolution of asset integrity inspection action items, demonstrating our commitment to promptly addressing any identified issues or concerns.

In the event of a process safety event, we implement standing protocols for a thorough investigation and analysis to determine the root cause. Once we identify and address the underlying factors contributing to the event, we look to avoid recurrence, strengthening our overall safety performance. We also maintain comprehensive Incident Management Plans (IMP), dedicated Incident Management Teams (IMT), and scenario-based local action plans to ensure a swift and effective response to any incidents.

To better manage strategic oversight and coordination of incidents, we established in 2023 a multidisciplinary Corporate Crisis Management Team (CMT). This team is tasked with providing high-level input and guidance in the event of a critical emergency situation with the potential to impact our operations, ensuring that we are well-prepared to navigate even the most challenging circumstances.

To further bolster our emergency preparedness, we have implemented a series of measures, including:

- Detailed Local Action Plans that outline specific procedures and protocols for foreseeable emergency scenarios, including response to hydrocarbon releases. These plans are regularly reviewed and updated to ensure their relevance and effectiveness.
- Defining clear KPIs for testing and exercising emergency response capabilities, to assess our readiness and identify areas for improvement.
- Establishing a comprehensive three-tier Incident Command System (Multi-level Crisis Plan) that enables us to effectively manage site/activity related emergency scenarios, ensuring a coordinated and efficient response. A total of three exercises were completed during 2023.

Level 1

Incident Management Team (IMT):

- Defines emergency response for Khor Mor assets and supports other local activities.
- Tested monthly, with a total of 13 exercises in 2023.

Level 2

Incident Support Team (IST):

- Provides support to the IMTs.
- Manages the interface with all regional stakeholders and response agencies.

Level 3

Crisis Management Team (CMT):

- Ensures strategic integrated business-level response to crises, Minimising impact.
- Manages the interface between the parties and the media.

Process Safety Events	2020	2021	2022	2023
Tier 1	2	1	0	2
Tier 2	6	3	3	1
Tier 3	29	11	7	32

Security: deterrence and rapid response

Crescent Petroleum's security practices focus on deterrence and rapid response to any potential threats, ensuring that we maintain a safe and secure working environment. We employ a comprehensive range of security measures, including the following:

- Enhanced access control and mustering procedures at the Khor Mor operations, ensuring that only authorised personnel are granted entry and that we can quickly account for everyone in the event of an emergency.
- Collaboration with government authorities to ensure government-level security at the Khor Mor plant, which is classified as a critical national security facility.

Our security plans are centred around layered and risk-based approaches, providing multi-level protection

tailored to the unique challenges and requirements of each operating environment. Our security model comprises three distinct layers that integrate the efforts of government security forces with our own internal security professionals to result in a robust and comprehensive framework.

To maintain the highest levels of vigilance and preparedness, we conduct regular threat and vulnerability assessments. These are led by experienced security industry professionals and are continuously updated based on observed security threats and insights gleaned from security and political intelligence reports provided by trusted third-party security consultants. In addition, our dedicated Asset Protection department conducts ongoing assessments and risk analysis, supported by expert consultants, to proactively identify potential

vulnerabilities and develop targeted mitigation strategies.

Our senior-level Emerging Risk Group (ERG), facilitated by the Asset Protection Manager, comprises members at levels of director and above who either have a role in security or are responsible for managing a workforce located in an area deemed to be potentially at risk. The ERG's purpose is to discuss the latest security intelligence and ensure that appropriate actions are being taken to manage developing threats effectively. The group's discussions are informed by security intelligence reports, which serve as the primary input for their meetings.

Our security assessment methodology is grounded in an approach that considers the intent and capability of potential actors, as well as the attractiveness of our assets as potential





targets. This methodology enables us to accurately determine the threat level on a five-point scale and to implement appropriate response measures commensurate with the assessed risk. Recognising the dynamic nature of the security landscape, we have also built flexibility into security plans, to allow us to swiftly escalate or de-escalate security measures in response to emerging security changes.

Fostering a culture of vigilance and security awareness is a key priority. To this end, we integrate critical security information into site-specific instructions, ensuring that all personnel are well-informed about potential threats and equipped with the necessary knowledge and precautions to maintain a safe working environment. We also provide senior-level awareness sessions and overviews to our leadership team, promoting a comprehensive understanding of security considerations across all levels of the organisation.

To further enhance our preparedness and response capabilities, we regularly conduct rigorous tests of threat-specific emergency response scenarios at site level. These allow us to assess the effectiveness of our protocols and procedures, identify areas for improvement, and ensure that our teams are prepared to handle a wide range of security incidents.

Security incidents at the Khor Mor facility

In 2023 and more recently in 2024, we experienced a series of rocket and drone attacks on the Khor Mor site that required significantly heightened security and safety measures. In August 2023, a projectile landed within the Khor Mor Block in the Kurdistan Region of Iraq with no injuries to people or damage to facilities. Production operations at the Khor Mor plant and KM250 construction work continued as normal without interruption. Subsequently in January 2024, an unused storage tank at the Khor Mor facility was struck by a suspected drone resulting in no injuries to personnel but production was temporarily suspended to extinguish a small fire which was extinguished, and operations resumed shortly after.

Then in April 2024, a condensate storage tank at Khor Mor was struck by a drone, tragically resulting in the death of four subcontractor employees working to repair the tank as well as minor injuries to eight subcontractors who were nearby. We express our deepest condolences to the families and colleagues of all concerned and have taken active measures to help and support those impacted. Although there was very minor damage to the facilities, for the safety of all our staff and the facilities, production operations were suspended for a period of four days.

The tragic incident resulted in considerable engagement with the Kurdistan Regional Government and the Federal Government of Iraq at the highest levels who made public commitments to bring perpetrators to justice. The attack has drawn strong regional and international condemnation and has generated support for immediate action. Based upon concrete actions which have been taken by the Federal Government of Iraq and the Kurdistan Regional Government to significantly strengthen defences at the Khor Mor site, as well as firm commitments from the highest levels of those authorities, Crescent Petroleum and Dana Gas, as joint operators, took steps to recommence production from the Khor Mor field and operations returned to normal production within days.

While organisations can never fully prepare for incidents of this type, the incidents resulted in a number of new measures to further enhance security as well as lessons learned in operations to minimise the risks of any major impact.



KM250 expansion under construction.





Pillar 4 Empowering our Teams

We are committed to investing in our people at every level. We seek to enable them to reach their full potential and collectively strive towards our company's long-term objectives. We value the diversity of our workforce and actively encourage their contributions. Through various initiatives, we empower our employees to grow as leaders within the organisation, fostering a strong and resilient company culture.

Material sustainability areas covered

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

SDGs





We welcomed 99 new full-time employees at the Khor Mor plant in 2023, nearly two-thirds of them based in the KRI.

Our Key Employee Empowerment Areas:

- **Inclusive work environment** – Foster an environment where every employee feels valued, respected, and empowered to reach their full potential.
- **Diversity and inclusion** – Increase the number of nationalities represented among employees and set ambitious nationalisation targets.
- **Gender equality** – Grow female representation on workforce and support female employees.
- **Ethical supply chain** – Require suppliers to adhere to the supplier code of conduct, which mandates compliance with human rights principles and promotes responsible practices.
- **Open communication** – Maintain an "open-door" policy that encourages transparent and constructive communication.
- **Zero tolerance for discrimination** – Enforce a zero-tolerance policy towards discrimination, abuse, or harassment of any kind, and actively encourage employees to report such incidents.
- **Employee welfare** – Identify employee well-being improvement opportunities and monitor on-site working conditions.
- **Professional development** – Prioritise the professional growth and development of employees.



Performance highlights

Increased full-time employees by

4% due to ongoing expansion projects in the KRI.

Filled skilled positions by

82% compared to 2022 - only seven positions vacant.

Increased number of nationalities represented by 4%, reaching

47 nationalities.

Achieved

30% female representation in the UAE workforce, surpassing the 25% target.

Implemented a comprehensive localisation strategy in the KRI.

Established an on-site Employee Relations position.

Reduced employee grievances by

17% compared to 2022, with no incidents of discrimination, harassment, or human rights violations reported.

Provided

30,067 hours of employee training through the Learning & Development Training Centre.

Workforce

Our success is driven by the combined talents, dedication, tireless efforts, and successes of our employees. Our ultimate goal is to foster a culture of constant improvement, innovation, and cooperation, while enhancing efficiency, safety and long-term value for all our stakeholders. We therefore work actively to empower employees to collaborate, learn continuously, and tackle leadership roles that will allow them to grow and flourish.

A majority of our full-time employees (approximately 75%) are based in the KRI. As a result of ongoing expansion projects in the Kurdistan Region of Iraq (KRI), we saw a 4% increase in full-time employees in 2023. Simultaneously, the number of contractors also rose by 6%, amounting to approximately 10% of our total workforce, comparable to the level in 2022.

Engaging contractors enables us to address immediate or anticipated skill requirements and employee shortages and secure specialised expertise for specific roles when required. By the end of 2023, we had successfully filled the number of skilled positions by 82% compared to the previous year, with only seven positions vacant, making the total number of employees 968 and the total of contractors and/or consultants 102.

Workforce	2020	2021	2022	2023
Workforce population				
Total number of employees				
• Full-time employees	654	756	930	968
• Part-time employees	0	0	0	0
Workforce by employment level				
Full-time employees in senior management				
• Female	2	2	2	2
• Male	33	40	45	45
Full-time employees in middle management				
• Female	6	6	9	8
• Male	61	85	119	120
Full-time employee staff (other levels)				
• Female	51	59	81	97
• Male	501	564	674	696
Workforce by gender profile (full-time)				
• Female	59	67	93	107
• Male	595	689	837	861
Workforce by age (full-time)				
• Under 30 years old	80	125	157	143
• 30 to 50 years old	466	507	629	659
• Over 50 years old	108	124	144	166
Workforce by location (full-time)				
• UAE	179	204	230	247
• KRI	470	548	696	717
• Other	5	4	4	4
Nationalities				
Number of nationalities represented in the workforce	37	39	45	47
Total number of contractors and/or consultants	9	31	96	102

Finding talented employees and retaining them

We dynamically optimise our workforce to align with our evolving business needs. Our company's growth is reflected in the expansion of our team, primarily driven by our ongoing projects in the Kurdistan Region of Iraq (KRI) and in late 2023, Federal Iraq.

In 2023, we welcomed 107 new full-time employees to our organisation, representing a 52% reduction in new hires compared to the previous year. The majority of these new team members, some 69% of the total new hires in 2023, were based in the KRI.

During the year our overall attrition rate rose from 4.3% in 2022 to 9.1%. This rise was largely attributable to the expected conclusion of a major

project and includes terminations, redundancies, retirements, and voluntary resignations.

Our Human Resources and recruiting team is always actively focused on attracting, developing, and retaining a diverse and skilled workforce that can adapt to the fast-changing needs of our industry and can contribute to our long-term success.

Workforce	2020	2021	2022	2023
New employee hires by gender	29	136	225	107
• Female	2	15	28	24
• Male	27	121	197	83
New employee hires by age group	29	136	225	107
• Under 30 years old	6	45	86	35
• 30 to 50 years old	16	71	129	63
• Over 50 years old	7	20	10	9
New hire rate				
• Female	7%	11%	12%	22%
• Male	93%	89%	88%	78%
New hire by location				
• UAE	15	38	43	31
• KRI	14	98	182	74
• Other	0	0	0	2
Total number of full-time employees who left the company	125	40	44	88
• Full time	125	40	40	88
• Part time	0	0	0	0
Total number of full-time employees who left the company by gender profile				
• Female	11	8	3	15
• Male	114	32	37	73
Contractor turnover				
Total number of contractors/ consultants who left the company	29	5	18	24
Attrition rate	19.1	5.3	4.3	9.1

Employee Benefits

We are dedicated to creating a supportive and rewarding work environment that enables our employees to thrive both personally and professionally. To this end, we provide comprehensive benefits packages that exceed the requirements defined in the KRI and UAE Labour Laws, to support employee well-being and work-life balance.

We also understand the importance of family, which is why we offer maternity and compassionate leave that exceeds requirements. Regular community events such as Breast Cancer Awareness and International Women's Day encourage awareness of health and well being issues among our employees and reinforce a culture of caring for each other.

Our Enhanced End of Service Benefits (EOSB) programme also provides employees with financial security upon completion of their tenure with us, exceeding minimum legal requirements.



At the end of 2024, 30% of our UAE employees were women, exceeding our target of 25% female representation.



Embracing diversity



24%



We made strides in promoting gender equality, with women accounting for 24% of our new hires across locales in 2023.

Our success and resilience is underpinned by the diversity of our workforce, who can bring new ideas and viewpoints to solve problems and tackle issues. We aim to create an inclusive environment where every employee feels valued, respected, and empowered to reach their full potential. That aim extends to our culture of diversity and equity which is deeply ingrained in our DNA and clearly defined in our employee handbook.

In 2023, the number of nationalities represented among our employees grew to a total of 47 ranging from Asia to South America. Yet we also remain committed to boosting nationalisation, with ambitious targets for employment of nationals both in the UAE and the KRI.

By the end of 2026, we aim to have 10% of our UAE workforce comprised of Emirati nationals and are well on track to achieving this goal with 8% Emirati representation by the end of 2023. In the KRI, we have implemented a comprehensive localisation strategy

that includes a development plan and career and succession planning. This approach has yielded positive results, with several expatriate positions now filled by local nationals, such as Electrical Supervisor and Senior Electrical Technician.

Gender equity

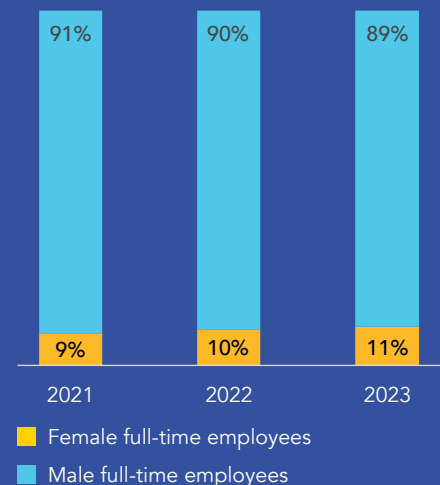
We also made great strides in promoting gender equality, with women accounting for 24% of our new hires across locales in 2023. At the end of 2024, 30% of our UAE employees were women, well exceeding our target of 25% female representation.

In the KRI we witnessed a significant increase in female representation among employees at the Khor Mor plant.

We are committed to supporting our female employees in every way possible. We offer flexible work arrangements to help them balance their personal and professional lives, and we provide enhanced maternity benefits that go above and beyond

the UAE labour law requirements. We also celebrate International Women's Day annually with an off-site workshop featuring inspiring female speakers, and we conduct wellness programmes such as Breast Cancer Awareness Day to promote the health and well-being of our female employees. We also encourage our female employees to take on leadership roles by providing them with opportunities to attend leadership forums and visit our plant in the KRI.

Full-time Employee Gender Composition



Equitable employment policies

We base all recruitment, selection, development, and advancement decisions solely on merit, ensuring that every employee has an equal opportunity to succeed regardless of their race, colour, religion, sex, age, national origin, or disability.

We have a zero-tolerance policy towards child labour and strictly adhere to international labour standards. We only hire individuals who meet the minimum working age requirement and conduct background checks to verify their age and eligibility to work.

Our commitment to ethical business practices also extends beyond our own operations. We require all our suppliers to adhere to our supplier code of conduct, which mandates compliance with human rights principles and promotes responsible practices throughout our supply chain.

Looking ahead

We provide comprehensive human rights training to our social performance teams, security personnel, and all employees to ensure that our commitment to human rights is deeply ingrained in our company culture. In addition, we intend to conduct regular human rights risk assessments across our operations to identify and mitigate potential risks.

Employee Engagement

Actively engaging with our employees is crucial to fostering a positive and productive work environment. We strive to understand our employees' needs better by maintaining an "open-door" policy, which encourages transparent and constructive communication. This allows employees to freely express their concerns, questions, complaints, thoughts, suggestions, and opinions without fear of retribution.

To enhance employee engagement, we have implemented the following initiatives:

- Established the formal position of Employee Relations on-site to support day-to-day employee engagement. Staff meetings are arranged, and various events are conducted as part of our employee engagement efforts.
- A new recreational centre has been opened on-site to promote staff wellbeing and morale.
- We celebrate our employees' diverse cultural and religious backgrounds by marking and celebrating their respective festivals and observing major religious events throughout the year. We celebrate Eid, Diwali, Christmas, and Ramadan Iftars.
- We recognise and appreciate our employees' personal milestones, such

as birthdays, long service awards, weddings and the birth of their children. We also organise events for International Women's Day and Breast Cancer Awareness.

Robust discrimination and harassment policies

We have zero-tolerance towards any and all forms of discrimination, abuse, or harassment of any kind. Our employee handbook clearly defines that any employee who raises a concern or complaint about misconduct or wrongdoing in good faith will not face any negative consequences, even if the concern proves to be unfounded. We recognise that any negative change in treatment can be perceived as informal retaliation and actively encourage employees to report such incidents in line with our open-door policy.



Celebrating the progress of women on Women's Day

Crescent Petroleum is proud to enable and empower women employees as they progress through their careers with the company. The annual International Women's Day Celebration, marked in March 2023, served as a high profile moment to highlight the successes of our women employees and to also listen to their recommendations and considerations for thriving in the oil and gas industry. The event featured a workshop on personal and professional self-improvement and a team-building exercise.



Breast Cancer Awareness

Crescent Group's Breast Cancer Awareness Day, held in October 2023 in cooperation with the UAE's Friends of Cancer Patients, aimed to promote screening and prevention of the disease among our women employees during October. In addition to an awareness session aimed at identifying signs and symptoms of breast cancer, employees were able to have clinical examinations led by the Pink Caravan breast cancer awareness campaign in a mobile clinic brought to the site of the event.

Key Performance Indicator (KPI)	2022	2023
Total number of grievances	18	15
Total number of grievances outstanding	0	0
Total number of incidents of discrimination and harassment	0	0
Total number of incidents of human rights violations	0	0

We have a strict anti-harassment, bullying, and discrimination policy, as well as a complaint redress system in place. All employees, including contract workers, are encouraged to report any incidents they experience or witness. The Employee Engagement team within the Human Resources department is responsible for facilitating the grievance process and receiving reports of any violations. Employees can interact face-to-face with the Employee Engagement team, ensuring that their concerns are heard and addressed. Such cases are brought to the attention of senior management, which ensures that the issues are always resolved.

To further support our employees, we have local employee engagement officers on-site in Khor Mor who serve as a single point of contact to


address employee issues and concerns. These officers work closely with the Human Resources department to inform company policy and strategy in employee relations, drawing on their knowledge of the local workforce. They also help implement policies and procedures for the full employment cycle.

In 2022, we established an employee welfare committee at our Khor Mor operations to improve communications, identify employee well-being improvement opportunities and monitor on-site working conditions. The committee, comprising employees from all departments, meets every month. In 2023, the committee identified several improvement opportunities, many of which were actioned and completed during the year under review.

Employees can also report their concerns, questions, complaints, thoughts, suggestions and opinions to the Human Resources department via email. If an employee's issue remains unresolved, they are encouraged to escalate the matter by speaking to their line manager, the Employee Engagement division of the Human Resources department, or the Director of Human Resources, in that order.

During 2023, a total of 15 grievances were submitted, representing a 17% reduction compared to 2022. These grievances pertained to personal matters, the natural death of an employee, and performance management issues. Notably, none of the grievances concerned incidents of discrimination, harassment, or human rights violations.

By fostering an environment of open communication and non-retribution, we are creating a workplace where employees feel supported and valued. Our commitment to employee well-being and the promotion of open dialogue contributes to a positive and inclusive work culture throughout our organisation.

17% ↓ 

During 2023, a total of 15 grievances were submitted, representing a 17% reduction compared to 2022.



Professional growth and development



We place great emphasis on the professional growth and development of our employees, investing in their progress as they are our most valuable asset. We are 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. Our goal is to enhance job performance and unlock the full potential of our employees in their current or future roles.

All training activities align with our Competency Assurance Programme (CAP), which encompasses assessments of essential knowledge, awareness, and skills. The CAP is carefully designed to match the operational and

maintenance requirements of Crescent Petroleum, ensuring that our employees receive training that is directly relevant to their roles and responsibilities.

In 2023, our employees completed a total of 30,067 training hours, demonstrating our commitment to creating opportunities for them to invest in their ongoing development and growth.

Key Performance Indicator (KPI)	Units	2020	2021	2022	2023
Average training per employee					
Total employee training hours	Hours	11,130	14,274	45,989	30,067
Average days of training that the organisation's employees have undertaken during reporting period	#	2	2	6	2
Health and safety	Hours	1,473	3,065	8,560	3,580
Percentage of employees that received a regular performance review	#	100%	100%	100%	100%

To monitor and evaluate training progress, we employ a company-wide training monitoring system that collects training data and facilitates ongoing monitoring of employees' progress in meeting their identified training requirements. By tracking training activities, we can ensure that our employees are receiving the necessary support and resources to excel in their roles and advance their careers within the organisation.

We also conduct regular performance reviews of all employees to provide valuable insights and feedback to identify specific training needs and inform individual career development plans. Performance reviews also play a significant role in our succession planning initiatives, ensuring leadership continuity within the organisation. By aligning training and development efforts with performance evaluations and succession planning, we are able to create targeted and effective programmes that support our employees' growth and the company's long-term success.

Our dedication to employee training and development underscores our commitment to fostering a skilled and capable workforce, enabling individuals to thrive and contribute to our long-term success.

Looking forward, to continue enhancing the impact of our investments into the training and development of our employees, we aim to:

- Expand our training needs assessments alongside our performance management processes, ensuring that we identify and address skills gaps effectively.
- Establish a process for managing contractor health, safety, and environmental competencies, extending our commitment to training and development beyond our direct employees.

- Conduct studies on the effectiveness of the training and development activities we administer, such as measuring productivity gains, to continually improve and optimise our programmes.

By implementing these initiatives and continuously refining our approach to employee training and development, we support a highly skilled, engaged, and motivated workforce that drives innovation, excellence, and success across all aspects of our operations.





Our dedication to employee training and development underscores our commitment to fostering a skilled and capable workforce, enabling individuals to thrive and contribute to our long-term success.









Appendix - A





2023 Contributions to the UN SDGs





SDG	Highlights of Crescent Petroleum's Contribution
SDG 1: No Poverty 	<ul style="list-style-type: none"> • Crescent Petroleum's energy infrastructure investments continue to create significant local employment opportunities. During 2023, two 20-year contracts were signed for the Khashim Ahmer-Injana and Gilabat-Qumar fields in Diyala Governorate, as well as a 20-year contract for the Khider Al-Mai block in Basra Governorate. These agreements will support the creation of thousands of jobs and continue to support the economic and social development of Iraq. • 20,000 temporary construction jobs and over 2,000 permanent jobs have been created in the KRI.
SDG 2: Zero Hunger 	<ul style="list-style-type: none"> • Provided financial support to build five livestock dunking tanks within five locations in the villages of Qadir Karam.
SDG 3: Good Health and Well-Being 	<ul style="list-style-type: none"> • Zero major road accidents over the past four years. • Vehicle incident frequency of zero over the past four years. • Implemented the SYPOL COSHH management system software platform, which assesses the risks and controls needed for specific tasks involving hazardous substances or conditions. • Recycled 89% of hazardous waste generated during 2023. • Maintained detailed spill prevention and management plans across all operations.
SDG 4: Quality Education 	<ul style="list-style-type: none"> • Multiple projects have been supported to advance the quality of education provided in Iraq, including: <ul style="list-style-type: none"> - Renovating primary and high schools. - Providing school kits to students. - Providing financial support for a range of activities, including covering the salaries of teachers and school drivers, purchasing materials for training courses, sponsoring a summer training course, and purchasing scientific materials. <p>Please refer to Social Performance Initiatives found under "Delivering on Our Promise to the Community" for more details.</p> <ul style="list-style-type: none"> • All employees undergo regular performance reviews, helping to ensure all employees receive the training they need to perform their roles and responsibilities successfully. • Scientific trips arranged for university students.

SDG	Highlights of Crescent Petroleum's Contribution	
SDG 5: Gender Equality		<ul style="list-style-type: none"> • Crescent Petroleum enforces a zero-tolerance policy towards discrimination, abuse, or harassment of any kind. • Zero incidents of discrimination or harassment since 2022. • Women accounted for 24% of new hires. • 30% of our UAE employees were women, exceeding the target of 25% we had established. • Celebrated International Women's Day.
SDG 6: Clean Water and Sanitation		<ul style="list-style-type: none"> • Multiple projects have been supported to establish or restore a water supply in Iraq, including: <ul style="list-style-type: none"> - Establishing independent water sources. - Facilitating the construction of a water tank and its related infrastructure. - Providing financial support for a range of activities, including the establishment of potable water supplies, restoring water supplies damaged from heavy rainfall, connecting new water wells, and repairing broken water pipelines. <p>Please refer to Social Performance Initiatives found under "Delivering on Our Promise to the Community" for more details.</p> <ul style="list-style-type: none"> • Conducted comprehensive assessments to verify wastewater sources and developed a robust sampling and documentation process. • Launched an education and awareness campaign on wastewater management.
SDG 7: Affordable and Clean Energy		<ul style="list-style-type: none"> • Crescent Petroleum's natural gas production supplies cleaner and more affordable electricity to over 80% of the KRI's power demands. Compared to other types of fossil fuel power sources, natural gas produces notably lower greenhouse gas emissions. Specifically, the KRI has avoided over 52 million tons of CO2 emissions over the past 15 years since the Kurdistan Gas Project began operations.
SDG 8: Decent Work and Economic Growth		<ul style="list-style-type: none"> • 84% of employees in KRI-based operations are local nationals. • Over \$30 billion contributed towards the KRI's GDP. • \$93 million spent on local suppliers.

Appendix - A

2023 Contributions to the UN SDGs continued

SDG	Highlights of Crescent Petroleum's Contribution
SDG 9: Industry, Innovation, and Infrastructure	 <ul style="list-style-type: none"> • Energy infrastructure investments exceeded \$3.2 billion in the KRI.
SDG 10: Reduced Inequalities	 <ul style="list-style-type: none"> • All recruitment and career development activities, including candidate selection and employee development, are solely based on merit, ensuring equal opportunities for all employees regardless of their race, colour, religion, sex, age, national origin, or disability. • We celebrate our employees' diverse cultural and religious backgrounds by marking and celebrating their respective festivals and observing major religious events throughout the year.
SDG 11: Sustainable Cities and Communities	 <ul style="list-style-type: none"> • Crescent Petroleum provides financial and technical support for several key areas in the KRI, including education, energy, healthcare, water projects, and other activities. Please refer to Social Performance Initiatives found under "Delivering on Our Promise to the Community" for a comprehensive list of the financial and technical support provided. • Reduced VOC emissions by 42% compared to 2022.
SDG 12: Responsible Consumption and Production	 <ul style="list-style-type: none"> • Both hazardous and non-hazardous waste is either sent to approved recycling factories or converted into energy. • The amounts of hazardous and non-hazardous waste recycled were 89% and 48%, respectively. • 3,307 kilograms of electronic waste recycled. • Implemented several water management initiatives, including constructing a natural pond for water harvesting, employing de-watering processes, investigating alternative uses of produced water, and forming a dedicated water management committee.

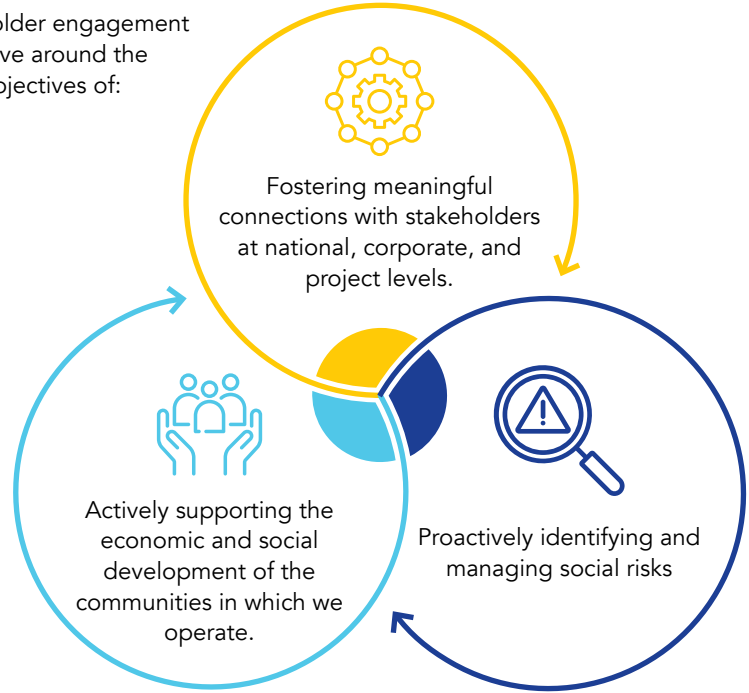
SDG	Highlights of Crescent Petroleum's Contribution
<p>SDG 13:</p> <p>Climate Action</p> 	<ul style="list-style-type: none"> • Successfully rectified 84% of identified methane leaks by mid-2024. • Reduced Scope 1 and Scope 2 GHG emissions intensity by 2.8% to 5.89 KG of CO₂eq per BOE produced. • Committed to the COP28 Oil & Gas Decarbonisation Charter, which calls for the industry to commit to net zero by 2050, to eliminate methane emissions by 2030, and to eliminate routine flaring by 2030. • Became a signatory to the "Aiming for Zero Methane Emissions" project of the Oil and Gas Climate Initiative (OGCI). • Committed to WEF Stakeholder Capitalism Metrics
<p>SDG 15:</p> <p>Life on Land</p> 	<ul style="list-style-type: none"> • Conduct Environmental and Social Impact Assessments (ESIA)s to identify and manage impacts, if any, towards biodiversity assets.
<p>SDG 16:</p> <p>Peace, Justice and Strong Institutions</p> 	<ul style="list-style-type: none"> • Zero cases of corruption. • Maintain a zero-tolerance policy towards corruption, bribery, and any breach of established business ethics standards. • Partnered with Navex, a third-party hosted platform, to enable employees to report any breaches of compliance policies anonymously. • Through Wallbrook's third-party intelligence services, Crescent Petroleum conducts Know Your Customer (KYC) checks on all business partners.
<p>SDG 17:</p> <p>Partnerships for the Goals</p> 	<ul style="list-style-type: none"> • Crescent Petroleum is committed to measuring stakeholder capitalism through the World Economic Forum's Stakeholder Capitalism Metrics.

Appendix - B

How we engage our stakeholders



Our stakeholder engagement efforts revolve around the three key objectives of:



Communities and NGOs



Modes of Engagement

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

Main Areas of Interest

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

Industry partners



Modes of Engagement

- Industry partner meetings
- Presentations
- Industry forums

Main Areas of Interest

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

Government



Modes of Engagement

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

Main Areas of Interest

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

We recognise that our stakeholders are diverse, ranging from the local communities we serve to our dedicated employees, as well as government and regulatory agencies, thought leaders, academics, and non-governmental organisations (NGOs). We firmly believe that obtaining stakeholder feedback is essential to understanding their needs, determining their priorities, building strong relationships, and identifying opportunities for collaboration that enable positive sustainable outcomes.

The valuable insights gained from our stakeholder engagement initiatives have allowed us to refine our approach and expand the scope of our sustainability maturity assessment. By carefully analysing

the feedback received, we have been able to pinpoint additional aspects that need to be incorporated into our assessment framework, ensuring a more comprehensive evaluation of our sustainability performance.

This process has also helped us identify gaps in our measurement practices, enabling us to develop targeted strategies to address these areas and enhance the accuracy and effectiveness of our sustainability metrics. Ultimately, the findings from our stakeholder engagement efforts have been instrumental in defining a clear roadmap for our sustainability journey, guiding us towards a more sustainable future while creating shared value for all our stakeholders.

Employees



Modes of Engagement

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

Main Areas of Interest

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

Suppliers and contractors



Modes of Engagement

- Contract agreements
- Direct interactions
- Supplier feedback survey

Main Areas of Interest

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



Valuable insights gained from our stakeholder engagement initiatives have allowed us to refine our approach and expand the scope of our sustainability maturity assessment.



Appendix - C

Acronyms and Glossary

API	American Petroleum Institute
3Cs	Community Centred Contractors
BOE	Barrels of Oil Equivalent
BTEX	Benzene, toluene, ethylbenzene and xylenes
CEO	Chief Executive Officer
CMT	Crisis Management Team
CO₂	Carbon Dioxide
CO₂eq	Carbon Dioxide equivalent
COVID-19	Coronavirus disease
CSR	Corporate social responsibility
EDR	Endpoint Detection and Response
EPF	Early production facility
ESG	Environment, Social and Governance
ExCom	Executive Committee
EY	Ernst & Young
GHG	Greenhouse gas
GJ	Gigajoules
GRI	Global Reporting Initiative
HPIO	High Potential Incidents
HSE	Health, Safety, and Environmental
HSSE	Health, Safety, Security, and Environment
IBC	International Business Council
IDP	Internally displaced people
IHSM	HIS Markit
IMP	Incident Management Plans
IMT	Incident Management Team
IOGP	International Oil and Gas Producers Association
ISAE	International Standard on Assurance Engagements

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

Appendix - D

GRI Content Index

Statement of use	Crescent Petroleum has reported the information cited in this GRI content index for the period between 1 January, 2023 and 31 December, 2023 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 Organisational details	8,10,12
	2-2 Entities included in the organisation's sustainability reporting	4
	2-3 Reporting period, frequency and contact point	4
	2-4 Restatements of information	NA
	2-5 External assurance	102-103
	2-6 Activities, value chain and other business relationships	8-13
	2-7 Employees	75
	2-8 Workers who are not employees	75
	2-9 Governance structure and composition	25-26
	2-10 Nomination and selection of the highest governance body	Confidential
	2-11 Chair of the highest governance body	https://www.crescentpetroleum.com/management/
	2-12 Role of the highest governance body in overseeing the management of impacts	25
	2-13 Delegation of responsibility for managing impacts	25-26
	2-14 Role of the highest governance body in sustainability reporting	Executive Committee
	2-15 Conflicts of interest	28
	2-16 Communication of critical concerns	79-80
	2-17 Collective knowledge of the highest governance body	25
	2-18 Evaluation of the performance of the highest governance body	25-26
	2-19 Remuneration policies	26
	2-20 Process to determine remuneration	26
	2-21 Annual total compensation ratio	Confidential
	2-22 Statement on sustainable development strategy	2-3
	2-23 Policy commitments	24-28-74-79
	2-24 Embedding policy commitments	28-29-79
	2-25 Processes to remediate negative impacts	36-43-45-47-79-80
	2-26 Mechanisms for seeking advice and raising concerns	29
	2-27 Compliance with laws and regulations	28-29
	2-28 Membership associations	59
	2-29 Approach to stakeholder engagement	88-89
	2-30 Collective bargaining agreements	

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 3: Material Topics 2021	3-1 Process to determine material topics	16
	3-2 List of material topics	17
	3-3 Management of material topics	22-24, 34-36, 50-52, 56-58, 72-74
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	-
	201-2 Financial implications and other risks and opportunities due to climate change	-
	201-3 Defined benefit plan obligations and other retirement plans	-
	201-4 Financial assistance received from government	-
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	-
	202-2 Proportion of senior management hired from the local community	-
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	2-3
	203-2 Significant indirect economic impacts	27
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	55
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	28
	205-2 Communication and training about anti-corruption policies and procedures	28
	205-3 Confirmed incidents of corruption and actions taken	28
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	28
GRI 301: Materials 2016	301-1 Materials used by weight or volume	-
	301-2 Recycled input materials used	42, 44-45
	301-3 Reclaimed products and their packaging materials	-
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	41
	302-2 Energy consumption outside of the organisation	41
	302-3 Energy intensity	41
	302-4 Reduction of energy consumption	41
	302-5 Reductions in energy requirements of products and services	-
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	42-43
	303-2 Management of water discharge-related impacts	42-44
	303-3 Water withdrawal	43
	303-4 Water discharge	43-44
	303-5 Water consumption	43

Appendix - C

GRI Content Index continued

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-
	304-2 Significant impacts of activities, products and services on biodiversity	43
	304-3 Habitats protected or restored	43
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	40
	305-2 Energy indirect (Scope 2) GHG emissions	40
	305-3 Other indirect (Scope 3) GHG emissions	-
	305-4 GHG emissions intensity	40
	305-5 Reduction of GHG emissions	38-40
	305-6 Emissions of ozone-depleting substances (ODS)	-
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	-
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	45-47
	306-2 Management of significant waste-related impacts	45-47
	306-3 Waste generated	45
	306-4 Waste diverted from disposal	45
	306-5 Waste directed to disposal	45
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	76
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	77
	401-3 Parental leave	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	64-65
	403-2 Hazard identification, risk assessment, and incident investigation	58-59, 60, 62, 66, 68
	403-3 Occupational health services	60, 65-66, 68-70
	403-4 Worker participation, consultation, and communication on occupational health and safety	66
	403-5 Worker training on occupational health and safety	59, 62-63, 81
	403-6 Promotion of worker health	62
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	65
	403-8 Workers covered by an occupational health and safety management system	65
	403-9 Work-related injuries	63
	403-10 Work-related ill health	-

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	81
	404-2 Programmes for upgrading employee skills and transition assistance programmes	81-82
	404-3 Percentage of employees receiving regular performance and career development reviews	81
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	81-82
	405-2 Ratio of basic salary and remuneration of women to men	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	81
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	-
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	26,75
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	53-54
	413-2 Operations with significant actual and potential negative impacts on local communities	-
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	=
	414-2 Negative social impacts in the supply chain and actions taken	=

Appendix - E

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 how a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders. 	2-3, 8-9, 12-13
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. <p>Remuneration:</p> <ol style="list-style-type: none"> How performance criteria in the remuneration policies relate to the highest governance bodies and senior executives' objectives for economic, environmental and social topics, as connected to the company's stated purpose, strategy and long-term value. Remuneration policies for the highest governance body and senior executives for the following types of remuneration: <ul style="list-style-type: none"> Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses and deferred or vested shares Sign-on bonuses or recruitment incentive payments Termination payments Clawbacks Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives and all other employees 	22-26
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. 	16-17, 88-89

Principles of Governance		
Theme	Metrics & Disclosure	Reference
Ethical behaviour	<p>Anti-corruption:</p> <p>1. Total percentage of governance body members, employees and business partners who have received training on the organisation's anti-corruption policies and procedures, broken down by region.</p> <p>a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and</p> <p>b) Total number and nature of incidents of corruption confirmed during the current year, related to this year.</p> <p>2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, to combat corruption.</p>	28-29
	<p>Monetary losses from unethical behaviour:</p> <ul style="list-style-type: none"> Total amount of monetary losses due to legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or violations of other related industry laws or regulations. 	28
Risk and opportunity oversight	<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. 	24-26, 60

Appendix - E

World Economic Forum's Stakeholder Capitalism Index continued

Planet		
Theme	Metrics & Disclosure	Reference
Climate Change	Greenhouse gas (GHG) emissions: <ul style="list-style-type: none"> For all relevant greenhouse gases (e.g., carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO₂e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate. 	40
	Impact of GHG emissions: <ul style="list-style-type: none"> Report wherever material along the value chain (GHG Protocol Scope 1, 2 & 3) the valued impact of greenhouse gas emissions. Disclose the estimate of the societal cost of carbon used and the source or basis for this estimate. 	38-41
Freshwater availability	Water consumption and withdrawal in water-stressed areas: <ul style="list-style-type: none"> Report for operations where material: mega-litres of water withdrawn, mega-litres 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. 	43
Air pollution	Air pollution: <ul style="list-style-type: none"> Report wherever material along the value chain: nitrogen oxides (NO_x), sulphur oxides (SO_x), particulate matter and other significant air emissions. Wherever possible estimate the proportion of specified emissions that occur in or adjacent to urban/densely populated areas. 	40
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. 	45-46

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). 	77
	Pay equality (%): <ul style="list-style-type: none"> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas. 	-
	Pay gap (%, #): <ol style="list-style-type: none"> Mean pay gap of basic salary and remuneration of full-time relevant employees based on gender (women to men) and indicators of diversity (e.g., BAME to non-BAME) at a company level or by significant location of operation. Ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country. 	-
	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: <ul style="list-style-type: none"> a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk. 	74,80
Health and well-being	Health and safety (%): <ol style="list-style-type: none"> The number and rate of fatalities because 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 organisation facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers. 	60-63
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 (%). 	75

Appendix - E

World Economic Forum's Stakeholder Capitalism Index continued

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. 	76
	Infrastructure investments and services supported: <p>Qualitative disclosure to describe the below components:</p> <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. 	2-3, 27, 54
	Significant indirect economic impacts: <ol style="list-style-type: none"> Examples of significant identified indirect economic impacts of the organisation, 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). 	27



Appendix - F

Assurance Statement



**Ernst & Young Middle East
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PL No. 108937

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 2023 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 2023 and ended 31 December 2023.

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



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 2023 Sustainability Report
- 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 2023 is not prepared, in all material respects, in accordance with the applicable criteria.

A handwritten signature in blue ink is located below the conclusion text. The signature appears to be 'Ernst & Young' written in a cursive style.

10 September 2024

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