



شركة نفط الهلال
Crescent Petroleum

ENERGIZING GROWTH

SUSTAINABILITY
REPORT 2015



"At Crescent Petroleum, we are proud of having entered frontiers in pursuit of opportunities that "energizes growth" for future generations. Through numerous initiatives, we have played a significant role in fostering the economic, social and environmental health of the regions in which we operate and thereby give back to the communities we serve."

Pioneering sustainable

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initiatives



CEO's Message

Since our foundation in 1971, Crescent Petroleum has grown from a small, Sharjah-based firm to a regional leader with a global reputation for operational excellence.



We are known for our agile and forward-thinking approach to opportunities and challenges within the energy industry, and for our ethical and professional code of conduct.

We are deeply committed to operating in a manner that honours our employees, environment, and local communities from which we draw our strength. In this first Sustainability Report, it is our pleasure to share with you some of the ways in which Crescent Petroleum strives to make good on that commitment, investing in our people, our region, and our future.

This report is a record of our performance on key sustainability indicators and a blueprint for responsible growth. It is also a reminder of the challenges that remain, including the current economic slowdown and the drop in the oil prices. In addition, the demand for jobs for young people, requires a new era of public-private partnership to support the over US$100 billion investment in infrastructure and maintenance required in the MENA region annually.

By combining our own actions with external advocacy on public policy and fostering social entrepreneurship with and among our partners, we believe that we can drive fundamental and positive change to the regions and communities in which we operate.

Our key priorities for the coming years include:

- **Advocating in favor of strategic investments in the MENA region's infrastructure.**
  We will continue to pioneer innovative gas projects and helping to develop the region's gas potential to reduce reliance on the more expensive and dirty fuels that power our industries and homes. We remain dedicated promoters of subsidy reforms that would reduce waste and pollution and free up investment capital for where it is most needed.



- **Investing in growth and shared prosperity.**
  We value our people, our local communities, and the national economies and interests of the countries in which we operate. We, along with our affiliates, are particularly proud of our work in Sharjah, Kurdistan Region of Iraq and Egypt, where we have had a significant impact on the wider economic and energy landscape, as well as the social fabric of the local community.
- **Empowering youth through education and employment.**
  We will continue to partner with educational institutions, non-profit organisations, and other private sector entities to help empower the region's youth, ensuring that they have the skills that this region needs now and in the years to come.
- **Supporting the achievements of the United Nations' Sustainable Development Goals.**
  Throughout our sustainability initiative we aim to be aligned with the 2030 Agenda for Sustainable Development. The 2030 Agenda comprises several Sustainable Development Goals (SDGs), which aim to promote peaceful and inclusive societies, create better jobs and tackle the environmental challenges of our time —particularly climate change. Our effort to reduce unemployment, enhance access to education and energy by driving transition to energy efficient gas projects reflect our commitment to the global sustainable agenda.

Looking ahead, we will continue to involve our stakeholders in everything that we do to help us to support growth that is safer and more sustainable for everyone. We will also continue to look closely at what it means to be a sustainable company and to report on our sustainability performance regularly.

Majid Jafar
Chief Executive Officer

Crescent Petroleum

Today

Crescent Petroleum is the oldest and largest private upstream oil and gas company in the Middle East.

Average Total Gross Production

c.82,000

boepd

US$**1.27**bn

Total Investments since 2007(in UAE and Kurdistan Region of Iraq)

Total Reserves and Resources:

P-50 Total Risked in-place Resources

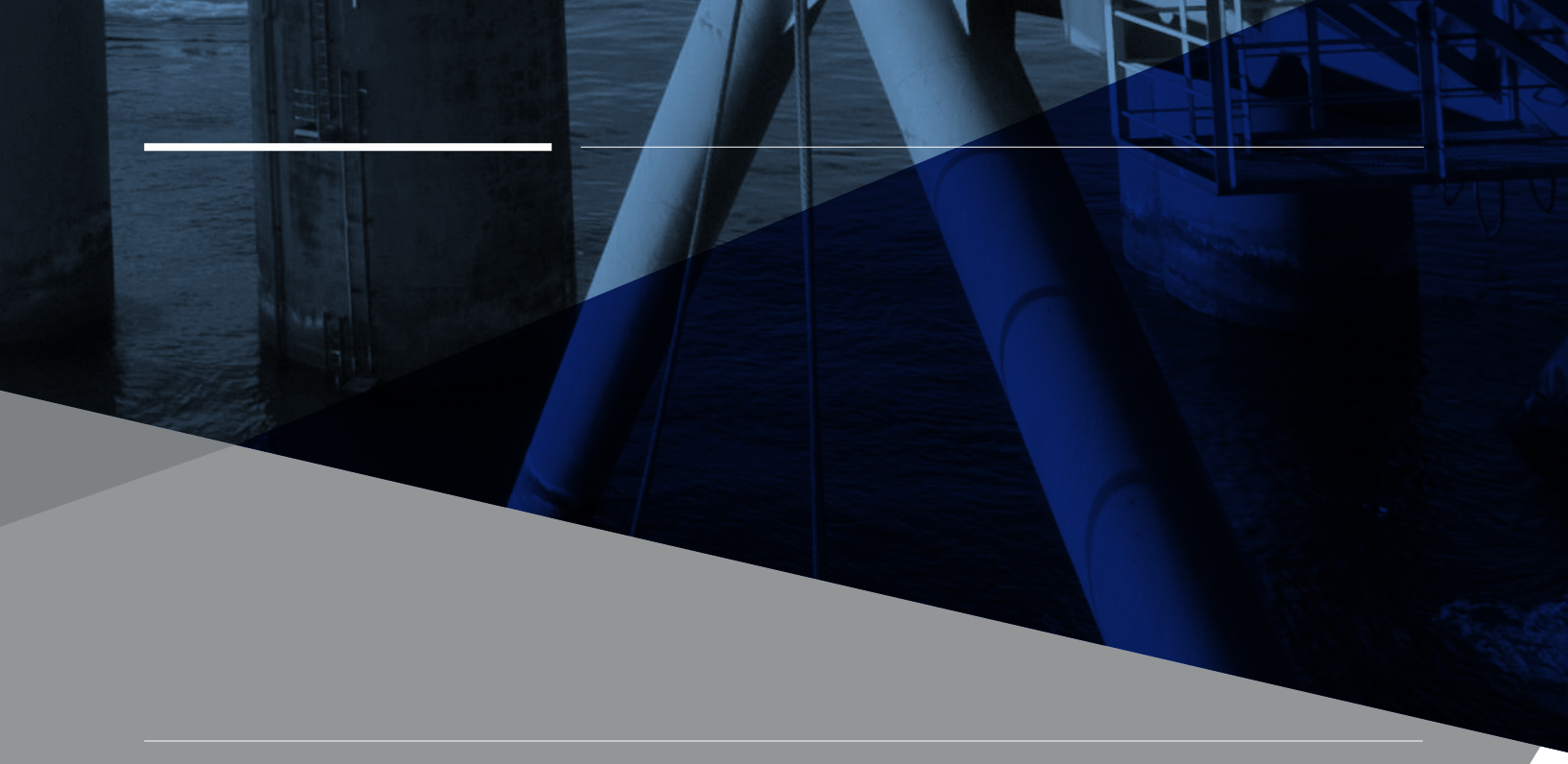
75 Tcf and 7.32bn

barrels of oil

Proven Plus Probable (2P) Reserves

15.1 Tcf and 310mn

barrels of condensate



Crescent Petroleum is part of the Crescent Group with Crescent Enterprises as the other subsidiary which operates across a diverse range of sustainable businesses in the fields of ports and logistics, power and engineering, business aviation, healthcare, private equity and business incubation.

627

Employees

Current E&P Operations

- **Khormor**
  Kurdistan Region of Iraq (KRI)
- **Chemchemal**
  Kurdistan Region of Iraq (KRI)
- **Sir Abu Nu'ayr**
  United Arab Emirates
- **Sharjah Onshore**
  United Arab Emirates

Our Governance Framework

Crescent Group Board of Directors

Crescent Petroleum is a subsidiary of the Crescent Group and is therefore governed by the Group Board of Directors. The Board is primarily responsible for setting the overall strategy for both Crescent Petroleum and Crescent Enterprises, and for the general management and oversight of strategic, financial and operational risks.



HAMID JAFAR
Group Chairman



MAJID JAFAR
Vice Chairman



BADR JAFAR
Managing Director



RAZAN JAFAR
Director



NEERAJ AGRAWAL
Director



RAVI KUMAR
Director



Crescent Petroleum Executive Committee (ExCom)

The Board has set up an Executive Committee to oversee the implementation of policies at Crescent Petroleum. The ExCom is responsible for strategic oversight, decision-making, reviewing the strategic plan and mission, developing guidelines for the management of capital, and setting company policy.

MAJID JAFAR
CEO

BADR JAFAR
President

RAZAN JAFAR
Director

NEERAJ AGRAWAL
CFO

ABDULLA AL QADI
Executive Director,
Exploration & Production

RAVI KUMAR
Executive Director, Coorporate Affairs & Business Services

MOHAMMAD MAKKAWI
Executive Director, Projects

DRAZEN PETKOVICH
General Counsel &
Executive Director, Legal

THOMAS WATTS
Executive Director, Projects

Our governance structure is built on our solid foundation of ethical business practices, sound governance and professionalism.



Ravi Kumar
Executive Director,
Corporate Affairs &
Business Services

"Ultimately, a company's ability to succeed and grow depends just as much on ethical business practices and sound governance as it does on operational excellence, visionary strategies, and financial prudence."

Our strong governance structure monitors adherence to these values in tandem with its oversight of each project's commercial, technological, regulatory, environmental, and political risks. Never forgetting how much can be learned through collaboration, we continuously share good corporate governance practices with companies across the region.

Setting the standard

The Crescent Petroleum way of doing business involves adamantly adhering to local, national, and international laws, and always showing integrity and honesty in all our dealings. We do not tolerate and will not engage in corruption in any form, be it bribery, forgery, facilitation, or grease payments and kickbacks.

Professional & fair conduct

Our standards and practices are detailed in the Crescent Petroleum Professional Standards and Conduct handbook. This framework shapes positive relationships between our people and our stakeholders. It ensures that we operate ethically in an honest and fair manner with our customers, suppliers, and other third parties.

The handbook contains clear policies to guide Crescent Petroleum and its partners as we put these standards into practice. It requires due diligence on any third parties before they are engaged to work with us and outlines the rules for disciplinary action to address misconduct and noncompliance by employees and external stakeholders alike.

An open door approach

We understand that timely and frank communication without fear of reprisal is a prerequisite for a positive and productive workplace. We have an open door policy and encourage an environment where employees, business associates, and partners willingly collaborate, share ideas, and raise concerns.

Sustainability governance

Currently, Crescent Petroleum does not have a formal sustainability governance structure. Initiatives are directly coordinated by our senior management and encouraged throughout our subsidiaries.

As we progress, we are developing a more sophisticated sustainability management approach, through a structured governance system that includes representatives of our subsidiaries and joint ventures.

Sharing best practices

Crescent Petroleum is a proud member of The Pearl Initiative (www.pearlinitiative.org), a non-profit institution founded by our President, Badr Jafar. Developed in cooperation with the United Nations Office for Partnerships, The Pearl Initiative is a growing, regionally-focused network of business leaders committed to driving joint action, exhibiting positive leadership, and sharing knowledge and experience. Together with the initiative's other members, we strive to implement improved standards of corporate governance, anti-corruption, codes of conduct, and integrity and reporting throughout the Middle East.

The Cresent Petroleum Excom has further constituted committees for different functions with specific responsibilities. Membership of such committees is decided by the Excom on a periodic basis.

The Business Development Investment Committee (BDIC)

The BDIC provides oversight on Crescent Petroleum's business development function by offering recommendations on specific investment opportunities. It stress - tests opportunities and decides whether to drop them or prepare for a Final Investment Decision (FID).

Abdulla Al Qadi
Executive Director, E&P

Neeraj Agrawal
CFO

Ravi Kumar
Executive Director, Corp Affairs and Business Services

Andrew Roberts
Senior Counsel, Legal

Human Resources Review (HRR) Committee

The Human Resources Review (HRR) Committee considers employee-related policy matters for Crescent Petroleum, our subsidiaries and joint venture operations. The Committee oversees compensation and benefits policies and reviews guidelines for recruitment and performance evaluation.

Majid Jafar
CEO

Ravi Kumar
Executive Director, Corp Affairs and Business Services

Rene Hansen
Director, Human Resources



Drazen Petkovich
General Counsel & Executive Director, Legal

"For a business to receive a license to operate from Government, it requires that the right governance systems and processes are in place and operated effectively."

Powering Economies

By developing and engaging local talent and advocating tirelessly for responsible policies, we accelerate economic growth and bring wide benefits to the communities we serve.



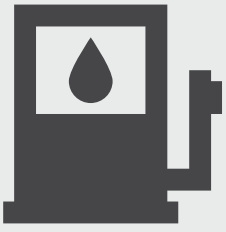
Neeraj Agrawal
CFO

"Crescent Petroleum's impact in the Kurdistan Region of Iraq with an investment of over $1.2bn is a testament to our successful engagement within the region and the lasting, positive change we brought to the KRI economy."

QUANTIFYING OUR ECONOMIC IMPACT

An international study commissioned[2] by Crescent Petroleum in 2014 quantified some of the downstream and direct benefits that the Crescent Petroleum and Dana Gas project brought to the KRI.

Dana Gas is a joint operator with Crescent Petroleum on the Kurdistan Gas project in the Kurdistan region of Iraq.



Our work in the KRI is responsible for some

1,625mw

of additional power capacity. This translates to an implied downstream impact in the range of

US$6.2-15bn

on the region's Gross Domestic Product (GDP). This represents a midpoint assessment of the range of benefits that were quantified for 'plentiful electricity supply' and 'reliable electricity supply'

The Kurdistan Regional Government (KRG) also saves an estimated

US$3.4bn

annually (based on 2014 figures) as a result of the gas-for- diesel substitution implemented by Crescent Petroleum and Dana Gas. That figure translates to approximately

US$15.9bn

in savings to the Kurdistan Regional Government between 2008 and the end of 2014

Unlocking potential

Crescent Petroleum's ambition is to unlock the energy and human potential of the communities where we operate in ways that are economically, socially, and environmentally responsible.

Our operations generate millions of dollars in revenue through taxes and royalties that can support national economies and contribute to local development. Wherever possible, we purchase goods and services from local suppliers and provide support to develop local businesses and skills. By generating revenue, investing in communities' long-term needs, and increasing access to affordable energy, we power and empower the economies in which we operate.

On a more macro level, Crescent Petroleum has been a tireless advocate of responsible public policy measures. We have consistently championed public-private partnership as a means to solve the infrastructure challenges of the MENA region and to address the problem of youth unemployment.

Crescent Petroleum's commitment to training our workforce and developing local talent is another critical contribution to regional capacity-building and the fight against unemployment.



The future of clean energy: Gas Cities

Gas Cities was set up as a joint venture between Crescent Petroleum and Dana Gas in 2008 as part of our commitment to making our energy future more sustainable.

The concept involves the clustering of energy-intensive industries, which in turn delivers significant efficiency gains by allowing for the sharing of utilities and infrastructure, all powered with clean natural gas. This reduces the energy costs and negative environmental impact of the industries involved, while improving their overall competitiveness.

Lighting the way

The Kurdistan Region of Iraq (KRI) is an economy undergoing a period of economic and political transition. Until 2007–08, the demand for energy in the region far outstripped supply, leading to constant outages and blackouts. Businesses were forced to rely on expensive diesel generators, and the economy as a whole suffered from intermittent power availability. Since then, Crescent Petroleum and its affiliates have invested heavily in extracting the natural gas needed to fuel two vital power plants. In doing so, we have provided energy security to the KRI and helped to spur economic development by reducing energy costs for companies.

As a result of Kurdistan Gas project, residents of the KRI enjoyed an average of 22 hours of power every day — a nearly uninterrupted supply — compared with about 8 hours a day in 2006.[2] In addition, local infrastructure and industries have been able to develop significantly, heralding widespread social and economic gains.

The switch to natural gas had the added benefit of decreasing pollution and carbon emissions in the region.

2-This information is extracted from Crescent Petroleum's Socio Economic Benefit report. For further information please refer to http://www.kurdistangasproject.com/pdf/Socio_Economic_Benefits_Full_Report_English.pdf

Local sourcing, local impact

As one of the largest private investments in Iraq's energy sector, the Crescent Petroleum and Dana Gas project has directly fed the local economy by creating employment and business opportunities for contractors.

Crescent Petroleum prefers to engage local citizens wherever possible, paying salaries in line with international practices.

This practice benefits everyone: local employees gain new skills through our employee training programmes, while we gain by reducing our reliance on expensive expatriate labour.

Even after the completion of the construction phase, our project has continued to create long-term job opportunities for local nationals.

What does our project mean for residents of the KRI?

A virtually uninterrupted and reliable power supply has brought the following benefits for residents of the KRI:

Education

Children are able to study after sunset

Health

Hospitals have improved access to high-end medical equipment

Schools

Schools are able to provide ICT (Information Communication Technology) aided learning programmes

Agriculture

Agriculture can rely on increased access to irrigation systems

Retail and Hospitality

Retail and hospitality outlets have been able to remain open and trade for longer hours every day



A major part of our procurement spending, valued at approximately

$4.9mn

went to locally based suppliers in KRI.

As of 2015,

81%

of our staff in the KRI were local nationals.

Our goal is to see this number grow.

Developing local talent

As governments and the private sector work hand in hand to tackle unemployment, Crescent Petroleum is also working to build the professional capacity of local talent in the region, beginning with our own employees.

At all of our operations, our objective is to build greater technical competency amongst our local workforce. Our view is that this will have a positive impact both on our operations and on the economies in which we operate.

Our training and development programmes are tailored to meet local site needs and to ensure that the local talent become well-rounded professionals and leaders, capable of taking ownership of their careers beyond the life of the project and their time with Crescent Petroleum.

Training programmes cover a wide range of topics including safety, security, leadership, interpersonal skills, team-building, technical training, English language education, and individual coaching and mentoring.

Teaching English language to local nationals in our employment is a particular area of focus for us. In 2015, around 120 of our local national employees participated in English language lessons.

Alongside this, we have established a leadership development programme for a number of our high potential candidates to help them reach their potential as leaders.



A path towards leadership: the Astera programme

Astera (Kurdish for 'star') is a multifaceted leadership development platform, developed in 2013 to identify and take high-potential local nationals through a range of professional and personal development activities.

The programme includes a number of modules, including English language training, annual succession planning review and performance assessments, career development planning, and an eight-month, team-based, real- life business project supported by coaching and mentoring. The programme engaged with over 52 employees in 2015 (over 40 employees each year) and has been presented at the World Economic Forum.



Abdulla Al Qadi
Executive Director, E&P

"We are very much people-focused and consider employees as our assets. We invest a lot of effort in training and developing our local national employees wherever we operate."





Our vision for a stable Arab world: The Arab Stabilisation Plan

Our CEO Majid Jafar is the driving force behind the Arab Stabilisation Plan (ASP), the MENA region's first Arab-led, private-sector initiative for creating jobs through critical private or public-private infrastructure investments.

Tackling the problem of youth unemployment head on, the programme looks for opportunities to stimulate economic growth in underdeveloped countries, force through fast-tracked infrastructure investments that generate the highest percentage of jobs. Promotion of the plan among key regional stakeholders and more detailed development of the plan are underway. For more details, please visit **http://www.arabplan.org/**.

"The recent fall in the oil price is a warning that the region cannot be over-reliant on energy resources for GDP growth. We must create long-term, sustainable growth. Employing our youth is the key to unlocking our true natural resource. We cannot achieve political stability without economic stability."

A leading voice in the industry and beyond

Crescent Petroleum demonstrates leadership by proactively engaging with the energy industry and policymakers across the MENA region on critical regional, social and economic challenges.

We are a well-known advocate of public-private cooperation as a solution to low infrastructure investment and high unemployment in the region. We have also consistently called for subsidy reforms that would reduce pollution levels while freeing up hundreds of billions of dollars for productive investment, leading to more jobs, increased standards of living, and stronger economic competitiveness for our region.

Crescent Petroleum is a strong advocate of natural gas as an abundant, inexpensive, and clean fuel of the future. We champion environmental stewardship and good governance through our participation in numerous regional and international forums, including the World Economic Forum (WEF) and the Arab Forum for Environment and Development (AFED).





Key Facts

$510mn

had been spent locally in the KRI as of December 2015 since inception of the project

18%

of the local nationals working in oil and gas companies in KRI are employed by us in 2014

4mn

Iraqi nationals benefit from uninterrupted power supply generated with support of our operations in KRI[3]

Youth, our greatest natural resource

Unemployment is a major challenge for the Middle East. The region has the highest rate of youth unemployment in the world at 27.2 per cent according to the World Economic Forum (WEF). This presents a serious problem for a region where more than half the 369 million inhabitants are under the age of 25[4].

Crescent Petroleum believes that tackling youth unemployment is critical to unlocking the potential of the Middle East. The employment opportunities we create empower Middle Eastern youth to plan for their futures, contributing to the economic and political stability of the region.

Crescent Petroleum supports numerous youth-oriented initiatives at local universities and international organisations. We are also proud of our involvement in the Arab Stabilisation Plan, a pioneering policy response to the job crisis in the Arab world.

Job creation

Approximately

40,000

construction job-years of employment have been created in the KRI, as of 2015, due to direct, indirect and induced impacts

3-This information is extracted from Crescent Petroleum's Socio Economic Benefit report. For further information please refer to http://www.kurdistangasproject.com/pdf/Socio_Economic_Benefits_Full_Report_English.pdf

4 http://gulfnews.com/business/economy/

Individual lives matter: we want every person in the communities around our operations to benefit from our presence.



Mohammad Makkawi
Executive Director, Projects

"What I think about the most when considering or implementing a project, and indeed what excites me the most about my work, is imagining the positive impact that we can have on the lives of the millions of people who will benefit from the reliable energy supplies that we will deliver."

Social Infrastructure
(free electricity)

Annually, we supply free electricity of around **5,840** MW to surrounding communities in KRI (valued around **US$1m** per annum)

KRI – Community Initiatives

We spent over

US$**900,000**

on community initiative projects between 2013 to 2015

School Transport

Partnering with local schools in KRI, we provide transport to over 160 students at a cost of approximately

US$**100,000** every year

Healthcare

Our investments in improved healthcare access served

50,000

people in KRI since 2008

KRI – Clean Water

Since 2008, we have supported more than **450** homes with supply of potable water through pipes and tanker trucks

UAE – Community Initiatives

We spent over

US$**600,000**

in community initiatives across Sharjah and the UAE in 2014 & 2015

Our local legacy

A commitment to creating positive and long-lasting change in the regions and communities we serve underlies every one of Crescent Petroleum's ventures.

We have a dedicated team operating a portfolio of social initiatives connected with our operations in the countries in which we operate.

Crescent Petroleum works closely with local communities to improve access to energy, water, healthcare and education. We also support a range of charities, including humanitarian causes and organisations supporting culture and the arts.

We never lose sight of the human and environmental element in every project we undertake. We want our presence to bring sustainable benefits to them that last far longer than our project does.

Enhancing human development in the Kurdistan Region of Iraq (KRI)

The recent regional turmoil has directly affected communities surrounding the Khor Mor and Chemchemal fields.

Since the inception of our gas project in the KRI, we have actively engaged with locals to understand their needs and empower them through targeted development programs.

In 2015, we invested approximately US$1.81 million in community development projects in the UAE and KRI.[5]

Our Community Action Programme has helped tens of thousands of people in villages, schools, and businesses in the KRI to improve their well-being.

Our social interventions in the KRI cover the following broad thematic areas:



Shakhawan Kamal
Head of Human Resources & Administration, Kurdistan

"We have invested heavily in improving, developing and supporting our local communities as part of our Community Action Programme."

5-Crescent Petroleum conducted an impact assessment report in 2014 for further information please refer to http://www.kurdistangasproject.com/



Hoshang Mohammed Ismail
Community Development Manager, Kurdistan

"Our CSR initiatives in the KRI cover five basic needs for the local community: water, education, healthcare, social infrastructure (in the form of electricity), and youth employability."

We are currently training and developing 171 nationals out of 393 who hold senior, managerial, functional, or experienced roles within our operations.

Improving access to energy

In addition to developing the KRI's energy infrastructure, Crescent Petroleum continues to extend power supply to the villages neighbouring our liquefied petroleum gas (LPG) plant at no cost.



Finding tomorrow's leaders: the Mosaic International Leadership Programme

Founded by His Royal Highness the Prince of Wales, the Mosaic International Leadership Programme (ILP) creates opportunities for underprivileged communities by helping young people to develop leadership skills; inspiring them to think about global issues; and equipping them to launch social initiatives that address locally relevant issues. As one of the ILP's key partners in Iraq, Crescent Petroleum plays an active role in selecting the programme's Iraqi delegates, provides support during their training, maintains contact with them, and monitors the progress and impact they make in their local communities.

For more information, please visit **http://www.mosaicnetwork.co.uk/**

Improving access to healthcare

Crescent Petroleum launched mobile health clinics in 2008 to increase the availability of healthcare facilities in the most remote territories of the KRI. Mobile clinics provide medicine, basic healthcare treatments, and diagnostic services. We have contributed to the construction of an X-ray facility for a hospital that lacked this technology and financially supported the construction of the Par Hospital, Chemchemal Maternity Hospital, and Girdasoor Health Centre.

Improving access to social infrastructure

Throughout Crescent Petroleum's tenure in the KRI, we have funded and delivered a range of social infrastructure projects.

Our ongoing investment in providing access to clean drinking water includes drilling water wells; transporting clean drinking water to communities; connecting water sources to villages by pipelines; and refurbishing water tanks and systems.



Contributing to the UAE's thriving society

We have proudly supported sustainable development of the UAE through several initiatives which will support the UAE Vision 2021 and in particular the UAE's ambition to be the happiest of all nations

Our key contributions include:

Launching the Centre for Economic Growth
In 2014, Majid Jafar, CEO of Crescent Petroleum, launched the Centre for Economic Growth, an Abu Dhabi–based collaboration between one of the world's top-ranked business schools (INSEAD), and various private sector enterprises in the Middle East.

The Centre is a unique platform for private-public sector dialogue with regional thought leadership on youth unemployment, emplolable skills and driving economic growth with timely, independent data and economic research on the region. The center has launched two new reports in 2015: the MENA Talent Competiveness Index and the role of Technology in Driving Transformation in the Labor Market.

Enhancing education for Arab nationals
As part of our commitment towards enhancing the education of Arab nationals, Crescent Petroleum, in partnership with the British Council and Edraak, the first nonprofit "Massive Open Online Course" (MOOC) platform, has launched a free online English course for Arabs nationals. The course has managed to attract over 130,000 people and 8,558 learners have completed the course and earned a certificate. This is still a significant number considering that this was the highest number of certificate earners in Edraak's history. In addition to its successful online impact which reached Egypt (highest participation rate), Palestine, Iraq and others, the Norwegian Refugee Council (NRC) in Jordan has administered the course at the Zaatari refugee camp, which has been housing thousands of Syrian refugees. A total of 40 learners have completed the course at the camp.

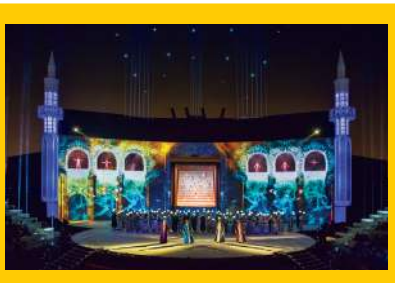
Strengthening communities and supporting social causes
Crescent Petroleum has supported a host of UAE-based community initiatives and causes, either through our own contributions or by partnering with other organisations to deliver high-impact projects:

- We have supported charities through generous donations, including the Rashid Pediatric Centre and the Emirates Association for the Blind.
- We were one of the main sponsors of Sharjah City for Humanitarian Services (SCHS), which has provided education, care, training, and rehabilitation to over 2,000 children and adults with special needs.

Promoting cultural diversity and preserving heritage
Crescent Petroleum takes particular interest in supporting local and global art projects. We have partnered with the Sharjah Biennial and the Venice Biennial, among others.

We have supported the promotion of Iraqi art and culture by reprinting the 1971 publication Art in Iraq Today, and by funding the National Youth Orchestra of Iraq's first-ever performances in Edinburgh, Glasgow, and London. We have also provided support to the Iraqi Cultural Club in the UAE as it promotes Iraqi musicians, poets, and artists.





A 'Cluster of Light' in the 'Arab Capital of Culture'

The Emirate of Sharjah was named the 'Arab Capital of Culture' by UNESCO in 1998, and has received the title of 'Islamic Culture Capital'. We are a major supporter of Sharjah's investment in regional art and culture. We were a strategic partner in the launch of 'Clusters of Light', an elaborate theatrical retelling of the greatest historical and mythical tales of Islam.

Building Our Family

We treat all our employees as part of the Crescent Petroleum family and provide them with opportunities to develop and prosper.



Rene Hansen
Director HR

"If there were just two things that defined us, one would be the ambition to make our ideas come to life, and the other would be the family values on which our company is founded."

EMPLOYEES

Number of employees in 2015:

627

NEW EMPLOYEES

New employees recruited in 2015 in Crescent Petroleum Sharjah and the KRI

33

FEMALE WORKFORCE

Women constitute approximately

23%

of our workforce in Sharjah

Investing in our future

Crescent Petroleum recruits highly motivated individuals who share our vision and our commitment to ethical business practices.

Our employees are our greatest resource and we treat them like family, taking every opportunity to invest in their personal and professional development.

The diversity of our employees' skills, backgrounds, and experiences enables us to tackle everyday challenges innovatively. We have implemented robust policies to ensure that our support for diversity and responsibility to the health and happiness of our employees is upheld across all of Crescent's operations.

We invite young engineers to pursue internships with us in many different areas of our operation.



Challenging young minds: Design Day at Duhok University

To increase our outreach with local nationals, we have developed a unique partnership with Duhok University, an engineering college in the KRI. In May 2014, two of our local employees facilitated a special 'Design Day' challenge to test and inspire students. We presented a real engineering problem and asked them to propose and present solutions. The entry judged most innovative and implementable was picked as the winner. The exercise strengthened our relationship with the university, a supplier of potential talent for our Khor Mor plant, and introduced Crescent Petroleum to many new graduates.

Becoming part of the Crescent Petroleum family

Recruiting entry-and-junior- level employees who can be trained to deliver the outstanding professionalism and innovative thinking for which Crescent Petroleum is known is one of our most important ongoing tasks. We grow our family by participating in career fairs and engaging with students at leading universities around the globe to increase awareness of who we are and the opportunities we can provide.

All of Crescent Petroleum's new recruits undergo an orientation to familiarise themselves with our policies, our processes, and, most importantly, our values. In 2014, we released our first employee handbook for new team members. The handbook sets out our principles, policies, and code of conduct, and provides guidance on how they can be incorporated into practice. Our human resources administrative services are now fully automated and available through our online portal, providing easy access to employees and accountability on our processes.



Samar Ghanayem
HR Specialist, Organisational Development

"Performance management, training and career development are all essential components of our engagement with employees."

Employee benefits at Crescent Petroleum

In addition to compensation, all employees receive:

Insurance
Insurance benefits (medical insurance, personal accident insurance and life insurance)

Relocation
Relocation allowance (if applicable)

Leave
Leave (annual leave, sick leave, maternity and paternity leave, compassionate leave, and haj leave)

Awards
Spot awards for exemplary contribution

Allowance
Annual 'fly back home' allowance

Education
Child-education benefits covering the cost of schooling across all levels

Loans
Interest-free loans to cover housing advances

Service
Long-service award schemes for long-term staff

Training and developing our employees

Crescent Petroleum follows a '70- 20-10' approach to training and developing our staff—we envisage 70 per cent on-the-job training, 20 per cent self-study, and 10 per cent classroom-based development. This approach ensures year-round professional development and provides our employees with a diverse learning experience.

Our training programmes revolve around our core competency behaviours, leadership, technical and supervisory development, goals management, and programme management. Employees are also encouraged to access external training sessions and attend conferences to supplement the company's internal training courses.

Career development guidance for our employees is another key area of focus. We have a mentoring programme to enhance our employees' professional and personal growth as Crescent family members.

Our training programmes are driven by local requirements and are often customised to meet the specific development needs of our staff. For instance, our local employees in the KRI benefit from additional tailored training and development programmes to identify and support future leaders from amongst our local talent pool. The local workforce population in our KRI operations has increased by 127 per cent since 2010, underscoring the success of these initiatives.



Training Hours

13,089

hours of training were delivered to our employees across the KRI and the UAE in 2015

English Language Training

6,000hrs

of English language training in 2014 and 2015 to KRI nationals with

110 people benefitting from the training

Leadership

52

high-potential local KRI nationals trained to become leaders as part of Crescent's leadership development programme ('Astera') in 2015



Fostering an engaged workforce

Employees who feel motivated and psychologically committed to their jobs are more likely to make positive contributions to their organisations. At Crescent Petroleum, we believe that an engaged workforce is the key to meeting and exceeding our business objectives. In addition to activities aimed at developing our workforce, we engage in ongoing team-building activities to foster a trusting and collaborative working environment. The aim of our engagement programme is to maintain communication among all levels of staff and keep employees informed about our organisation's progress.

Valuing our employees

We value the contributions of all our employees and acknowledge that the success of our business is directly linked to their efforts and performance. All Crescent Petroleum employees are entitled to benefits in line with our human resource policy.

As an expression of our gratitude towards our loyal and long-serving employees, we have instituted a special long-service award scheme. For employees who have been with us for 20 years, Crescent Petroleum sponsors five years of college education for up to two of their children. On completion of 25 years of service, employees receive a custom-made gift and a substantial cash award. Three decades of service entitles an employee to a three-month paid sabbatical as well as a substantial cash award.



Seamless onboarding and competency education in context: Ya Hala and the Workplace Film Festival

To create a seamless transition for new recruits across all departments, we have introduced a special onboarding awareness workshop called 'Ya Hala' ('welcome' in Arabic). Administered twice a year, Ya Hala allows employees to deepen their understanding of company policies and procedures while gaining insight into their colleagues' roles. In this way, the workshop provides invaluable training and establishes potential synergies across different business units.

Another innovation in our staff training has been the Workplace Film Festival. By screening short films that showcase desired behavioural competency, Crescent Petroleum helps employees learn how core behaviours can improve their roles and relationships within the organisation.



Razan El Badaoui
Manager, Employee Relations

"Our Crescent Family is the link to the past, and our bridge to the future"



AJYAL CYCLE

Ended the 2015 Ajyal cycle with a

92%
completion rate in KRI

65%
completion rate in Sharjah

OUR WORKFORCE

Our total workforce represents individuals from

36
countries

ATTRITION

Global attrition rate for 2015

6.1%

Managing performance

Effective performance management plays an essential role in developing our people and recognising their hard work. To evaluate the performance of our employees, Crescent Petroleum uses a performance-management tool called 'Ajyal' (Arabic for 'generations')—a framework that links individual development goals and targets.

We supplement our use of Ajyal with feedback from frequent formal and informal discussions with each employee. These conversations focus on setting objectives, identifying required competencies, and conducting annual appraisals. To ensure mutual understanding and ensure that objectives are defined properly for each function, we engage our staff in informational workshops throughout the year.

Upholding human rights

Crescent strongly supports the human rights of all its employees and stakeholders. We are committed to providing a safe and a congenial work environment that promotes open and free exchange of ideas, uninhibited by fear, harassment, or discrimination. Our policies protect all employees from acts of discrimination and everyone is required to abide by these policies.

We encourage our employees to speak openly regarding any issue that infringes on their human rights. We do not employ any child labour in any of our operations and our standards ensure that we comply with the requirements set out by all applicable labour regulations. We expect our suppliers and contractors to fully abide by these standards.

Embracing diversity

The diversity of our workforce adds to its strength. As an employer, we provide equal employment opportunities for all staff, regardless of race, religion, sex, age, national origin, or disability. Employees from around the world have created a vibrant culture in our company, and provided us with a diverse talent pool whose innovation and creativity fuels our growth.

Women represent slightly more than one-fifth of the workforce in our head office in Sharjah and 5 per cent of our overall staff, including field operations. These numbers reflect the nature of the sector in which we operate and are comparable to those of our industry peers.



Amira Al Alami
Process Engineer,
Projects Department

"I feel empowered through the support I've received over the years. As a woman working in a male-dominated industry, this support makes me contribute positively to our growth."

The health, safety, and security of our people, assets, and operations are of paramount importance and we strive to maintain the highest standards and continually improve our performance.



David Werner
General Manager, Operations, KRI

"Operational excellence and engendering responsible behavior from our employees is a key area of focus. We impose on ourselves necessary standards to our work activities to create continually improving outcomes."

Health & safety performance in the KRI (2015)

Hours worked

Man-hours worked:

1,494,204

First-aid cases: **26**

Near misses: **95**

Kilometers driven

2.07mn

Security incidents

0

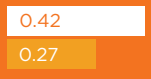
Total recordable Injury Frequency Rate (TRIF)



Total Lost Time Injury Frequency Rate (LTI)



Total Medical Treatment Cases (MTC)



Employees
Total workforce (incl contractors)

0 Fatalities across all our operations during 2015

Putting safety first

Given the challenging and volatile environments in which we operate and the nature of our operations, we take the health, safety, and security of our people extremely seriously.

Our commitment to protecting our workers and communities, preserving the environment, and maintaining the integrity of our assets is set out in our Health, Safety and Environment (HSE) policy and backed up by our HSE management system and Emergency Response Plans (ERP).

We adhere strictly to industry best practices and strive to create a strong safety culture across all our operations.

The highest standards of risk management and insurance

Accurate assessment of risks within our operating environment is critical to the viability of our business. We continuously monitor and adapt to changing political, economic, law enforcement, military, and social situations, maintaining open relations with local communities and government officials wherever possible.

Our insurance team carefully assesses the risk exposure for each project, considers all relevant aspects, and recommends appropriate insurance coverage. They advise on all factors that affect our stakeholders and the communities surrounding our facilities.

Across our operations, we have defined procedures for performing risk and threat assessments, allocating enough time to conduct these processes thoroughly. All Crescent Petroleum security personnel become fully conversant with the risk environment prior to any operation.

As a result of initiatives undertaken to provide safer working conditions for employees and contractors at our KRI operations, our Total Recordable Injuries Frequency Rate improved to 0.67 in 2015 compared to 1.04 in 2013, well below the industry average of 1.4 (2014).

Safeguarding our people and stakeholders

We have built a strong collective culture of safety and precaution in which everyone is responsible for their own safety as well as that of the people around them.

Crescent Petroleum prioritises safety in employee training. Our Safety Training Matrix programme matches required safety training to each personnel position, ensuring that every employee has knowledge specific to preventing injuries in their role.

Safety training workshops are extended to contractors to help reduce the number of health and safety incidents in our supply chain. In 2015, 1,044 individual HSE training sessions were delivered at our operations in the Kurdistan Region of Iraq (KRI).

We maintain an incident register to record all health and safety cases. This register is reviewed when we develop new preventive measures to improve our approach to HSE across Crescent Petroleum operations.

A 24-hour medical assistance team specialised in emergency response is available in case there is an incident of excessive exposure. The ERP framework is followed to facilitate a quick and immediate response appropriate to the nature of the emergency.

Of course, we go far beyond dealing with emergencies. Keeping in mind the importance of our employees' health and well-being, we provide regular health check- ups, counselling, and treatment to employees, workers, and their families.





Ensuring a secure working environment

The rising unrest in Iraq over the past year has threatened economic, social, and political stability in the region. We have taken every precaution to protect the 500+ employees who work onsite in the KRI against threats that could adversely affect them or our operations.

Crescent Petroleum has prioritised the safety of its workers and their families, taking all necessary safety and security measures and establishing a plan of action should the situation deteriorate.

In 2014, we rolled out a full-fledged campaign to strengthen safety and security protocols at our joint operations in the KRI. Throughout 2015, the revised security matrix was constantly assessed and adjusted to counter the perceived threat at that time. A large number of mock evacuation exercise/drills were carried out to confirm their robustness and adjustments were made where necessary. In addition to these exercises, extra OPF and Peshmerga forces were deployed to man and protect the perimeter of the LPG Site.

Our Travel Team have taken extended measures to plan for the easy evacuation of our employees should the situation call for it. We believe that it is important to consistently revisit and review our safety strategies. This is necessary, not just as a precaution, but also to ensure that the methods we have developed remain relevant and appropriate for the constantly evolving security situation in the region. The ability to conduct stable operations relies on maintaining the health, safety, and security of our workforce; therefore, we will continue to focus on further enhancements in these areas.



Russel Oldfield
Khor Mor HSE Manager

"Rehearsed evacuation drills and consistent updates on warnings and safety procedures not only provided everyone with confidence in an uncertain situation, but also allowed everyone to stay focused"



Our Environmental Footprint

We are committed to operating in an environmentally responsible manner, minimising our environmental footprint and implementing green initiatives that benefit the local communities we serve.



Thomas Watts
Executive Director,
Projects

"We never lose sight of the human and environmental element in every project we undertake. We want our presence to bring sustainable benefits that lasts far longer than our project does."



THE AVOIDED SOCIAL COST OF CARBON OF THE KRI PROJECT IS ESTIMATED TO BE

inception to date

US$1.43bn

Average annual savings of

US$300mn

Avoided CO_2 emissions is equal to carbon absorbed by

470mn

tree seedlings grown for 10 years

Staying ahead of the curve

Crescent Petroleum has an exceptional track-record of environmentally responsible project planning and execution. We apply the same level of engagement and transparency to environmental challenges as to management and business decisions, and our goal is to leave a lasting legacy of environmental care in the communities where we operate. Since 2008, Crescent Petroleum's Health, Safety, and Environmental (HSE) policy has ensured that we follow a systematic approach to environmental management, waste minimisation, and pollution prevention and control. Our Environmental Aspects Procedure (EAP), first implemented in 2010, complements HSE guidelines.

All Crescent Petroleum facilities maintain a proactive approach to pollution control and safety that allows us to avoid environmental incidents. Our HSE team assesses each new or ongoing project under a broad set of criteria, including regulatory compliance; climate change; impact on air, land, and water; and the needs of local communities. We continue to work on formalising our operations and reporting systems.

The culture of frank and direct communication within our organisation encourages timely discussion of potential risks, enabling us to preempt or address environmental fallout. As in all other areas, we believe in exchanging best practices with our partners and industry peers and continually improving our approach to environmental stewardship.

Natural gas, the transition fuel

Just as coal fuelled the 19th century and oil the 20th, Crescent Petroleum believes that natural gas as a fuel will play a major role in the 21st century. With the impending threat of climate change, escalating greenhouse gas emissions, and the need to provide a growing population with access to cleaner energy, natural gas is increasingly seen as a sustainable alternative to other fossil fuels. It emits approximately half the carbon per unit of electricity produced compared with coal, and can be considered as a transition fuel to help shift energy production away from more carbon intensive alternatives.

The exploration for natural gas has only received attention relatively recently in the Middle East, which holds about 40 per cent of the world's proven reserves. Crescent Petroleum intends to continue playing a leading role in the growth of natural gas as a primary energy source for this region, and beyond.

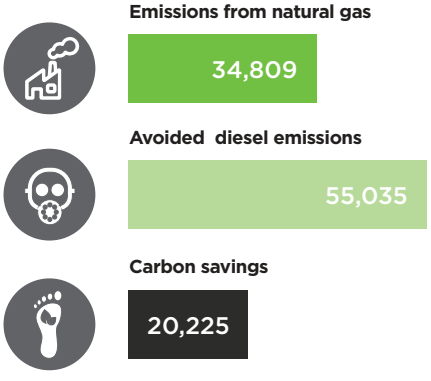
In partnership with our associate Dana Gas, we have developed sustainable natural gas projects in the KRI, Egypt, and the UAE. This involves developing industrial cities to run more efficiently on gas, rather than heavy fuel oil, bringing major environmental and efficiency gains.

Replacing diesel with gas: a lasting impact on the KRI's environment

In addition to substantial economic benefits, there are significant environmental benefits from Crescent's development of natural gas reserves in the KRI.

The project enabled the completion of new gas-fired electricity production at the Erbil and Chemchemal power stations, displacing older diesel powered plants. Due to its higher thermal efficiency, gas is a lower-carbon energy source. It also results in lower emissions of SOx and NOx, than typical diesel-fired generation. By replacing diesel fuel with natural gas in the KRI, from 2008 to 2015 Crescent Petroleum avoided emitting an estimated 20.25 million tonnes of CO_2 equivalent, the amount of carbon absorbed by 470 million tree seedlings over a period of 10 years.

GREENHOUSE GAS EMISSIONS AVOIDED BY CHANGING FUELS, IN TONNES OF CO_2 EQUIVALENT UNTIL 2015



http://www.epa.gov/cleanenergy/energy-resources/calculator.html



Working together for the environment: the Arab Forum on Environment and Development

Since 2008, Crescent Petroleum has been a strategic member of the Arab Forum for Environment and Development (AFED), a regional NGO that promotes the sustainable development of societies and businesses alike. AFED brings together experts from civil society, the business community, and the media to identify and promote prudent environmental policies and programmes across the Arab region.

Crescent Petroleum, along with partners Petrofac and the American University of Sharjah hosted the annual AFED Conference and Exhibition for the very first time in the United Arab Emirates (UAE) in October 2013 and continues to support the organisation.

We are committed towards minimising waste by :

Waste identification

Establishing a framework to identify, manage and minimise hazardous and non-hazardous wastes

Disposal of waste

Defining criteria for the safe handling and disposal of waste

Secure storage

Ensuring secure storage of hazardous waste within defined containment dikes

Purchase process

Encouraging non- hazardous and less toxic materials during the inventory/ purchase process

Equipment

Sourcing equipment to produce zero waste or minimal hazardous waste

Longer life

Using longer life chemical products

Safe handling

Training employees in safe handling, labelling and storage of hazardous products

Recycling

Promoting recycling

At the group level partnered with Shred-It to launch a waste paper collection and recycling drive at our head-office in Sharjah. This initiative has saved

171

trees from potential destruction in 2015



45%
reduction in Scope 1 emissions during the period 2013 - 2015

0
hydrocarbon spills to the environment during 2015

Managing resources and waste

Waste management practices are implemented across our operations, divisions, and supply chain, based on the 3R principle: reduce, reuse, and recycle. Crescent Petroleum continually seeks opportunities to minimise waste and conserve resources. Monthly reports track and categorise waste generated, which is reviewed by the HSE supervisor. All the waste generated during production operations is handled, stored, disposed, and recycled in compliance with applicable environmental laws and regulations.

Crescent Petroleum's environmental officers track consumption levels of our plant operations across the KRI and ensure that all materials are managed and disposed of responsibly.

Our facility at Khor Mor has an onsite landfill and a sewerage treatment plant that removes contaminants from waste streams using physical, chemical, and biological processes to ensure that it can be suitably discharged or reused.

Hazardous waste

We closely monitor any hazardous waste generated at our facilities and proactively seek opportunities to eliminate or reduce it.

In 2015, the total volume of hazardous waste generated at Khor Mor was approximately 34.01 cubic meters, including waste oil, depleted batteries, medical waste, and fluorescent light tubes. All hazardous waste is stored onsite in appropriate containers, after which it is collected by a local waste-handling vendor for reuse or recycling.

Non-hazardous waste

Crescent Petroleum seeks to dispose of all waste appropriately. To this end, we categorise all waste by type and engage with available vendors to recycle materials such as waste paper and scrap metal.

In 2015, our operations at Khor Mor generated a total volume of about 2,025 cubic metres of Non-hazardous waste of which 1,498 cubic meters of waste was sent to our onsite landfill for safe disposal. The remaining waste, which included wood, metal, glass, cardboard, and electrical goods, was temporarily stored onsite and are then collected by a local waste vendor for reuse or recycling. Non-hazardous waste items that could not be reused or recycled were sent to local municipalities.

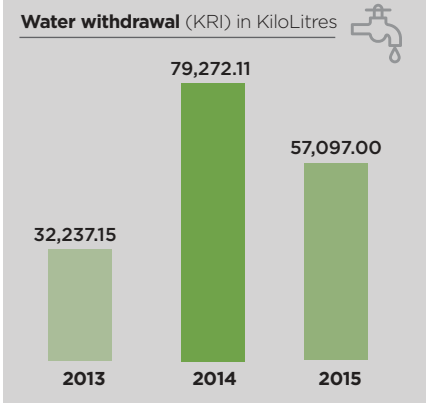
Managing our water impact

Effective water management is critical to the overall sustainability of our operations. We operate primarily in the Middle East, where water is a precious resource, often in limited supply; this underpins our responsibility to utilise and conserve water throughout our operations.

Source water withdrawal

Monitoring systems implemented across our operations track water consumption. In 2015, a total of 57,097 kilolitres of water were extracted to support our operations. We use water to cool compressors at our operation in the KRI, some of which evaporates into the air. The residual water is then treated in a septic tank to eliminate impurities, after which passes through a reed bed to further remove pollutants and is finally discharged into a pond. Local cattle benefit from this pond as a clean source of water.

We ensure that the withdrawal of water at all of our operations does not have a significant impact on any sensitive water bodies that may support neighbouring communities or the surrounding ecosystem.



Produced water

Water generated as a by-product of our natural gas plants amounted to 2,221 KiloLitres in 2015, which represents 4 per cent of our total water use. In accordance with our water management procedures, it was suitably treated to reduce oil content and other contaminants before being injected back into wells, or sold as a by-product to local infrastructure companies that reuse the water while constructing roads.

Wastewater treatment and discharge

Our sites are equipped with wastewater and sewage treatment facilities. All waste streams are effectively treated to ensure that the quality of water discharged is safely within permissible limits.

Reducing emissions by promoting sustainable practices

We promote energy efficiency initiatives focusing on improving our employees' energy awareness and optimising processes at our facilities. In 2015, the total energy consumption across our operations in the UAE and the KRI was 102.30 terajoules. We continue to monitor our energy consumption and to look for opportunities to reduce emissions through operational efficiencies.

Transport emissions

Some of the key measures implemented to reduce our transport emissions include:

-Implementing a regular bus service to reduce fuel consumption by smaller passenger vehicles travelling within the site boundaries

-Optimising the amount of vehicles travelling to and from the cities by scheduling all movements on a daily basis

-Carrying out regular servicing and maintenance of vehicles to enhance engine performance and efficiency

-Using video conferencing facilities to minimise travel for meetings

We are currently in the process of implementing measures to collect more detailed data on our energy consumption and greenhouse gas emissions, to facilitate effective carbon management, and to improve reporting on transport fuel use.



Bernard de Wolff
Director, Projects

"We take environmental compliance seriously – whether in following relevant governmental laws and regulations or adopting a "best practice" approach across the organisation."

Flaring

To manage and minimise flaring emissions in our operations, we regularly conduct combustion analysis on heaters and tune engines to yield optimal performance.

We are currently in the process of implementing measures to collect more detailed data on our energy consumption and greenhouse gas emissions, to facilitate effective carbon management, and to improve reporting on transport fuel use.



Rakesh Edavalath
Director – Supply Chain & Contracts

"Thanks to the efficient management of our procurement process, we reduced the total number of shipments to Khor Mor from 176 in 2013 to 105 in 2014, representing a 40 per cent decrease in the total number of air and sea shipments."

Green procurement practices

Our supply chain teams have recently developed a strategy to consolidate shipments and reduce the number of deliveries to our facilities. By focusing on optimising our procurement processes, we have markedly decreased shipment numbers, lowering costs and reducing transport emissions.

Another innovative practice implemented by the supply chain team involves engaging with chemical manufactures to assess the quality of expired chemicals, many of which remain usable when properly stored. Samples are drawn from existing stock of chemicals and sent to the manufacturers' laboratories for further testing to verify their usability. This initiative has eliminated the need to discard chemicals, reducing waste and saved an estimated US$35k since inception.



About This Report

We recognise the need for an integrated approach to measuring and managing our environmental, social, and economic impact, and communicating it to our stakeholders.



Saji Chacko
Director – Accounting & Reporting

"The materiality assessment exercise breakout sessions helped us to look at sustainability issues from the perspective of our different stakeholders and enabled us to prioritise and group them appropriately."

This report represents Crescent Petroleum's first formal communication on its sustainability performance. For over 45 years, we are proud to say that we have always operated in a safe and responsible manner. We have also consistently demonstrated our commitment to sustainable development though our focus on inclusive socioeconomic growth, environmental stewardship, and effective two-way stakeholder engagement.

This report has been prepared in accordance with the Global Reporting Initiative (GRI G4) framework's 'Core Option'. It has been developed with a commitment to disclosing our sustainability performance transparently.

Our first report covers Crescent Petroleum's operations in the Kurdistan Region of Iraq and in Sharjah, UAE. The reporting period is over the calendar year 2015. The information represented in the report is sourced from our various reporting systems.

Wherever possible, we have provided comparative data from 2013 and 2014 and case studies to further illustrate our company's approach to sustainability.

The data presented here will serve as a baseline with which we will measure future progress. We are currently establishing systems to capture a wider set of metrics and strengthen our measurement systems on certain indicators.



The table below provides a list of our key stakeholder group and key concerns, needs and expectations they may have, along with our mode of engagement with such stakeholder group

Stakeholder Group	Mode of Engagement and Activities	Key Concerns
Industry partners	Industry partner meetings, Presentations, Industry forums	Economic worth of the company, Sustainable wealth creation, Risk management, Compliance
Government	Structured meetings with Ministries, Structured engagements through audits, Participation in forums	Energy security and policy, Climate change, Compliance, Socio-economic impacts, Green growth
Employees	Employee surveys, Team-building workshops, Capacity-building and training, Grievance redressal mechanisms, Employee newsletters	Professional growth, Health and safety, Employee welfare
Suppliers and contractors	Contract agreements, Direct interactions	Economic growth, Business ethics, Transparency, Compliance Training
Communities and NGOs	Direct engagement at facility, Dedicated CSR team, CSR initiatives and projects, Visits and camps	Infrastructure development, Environmental protection, Employment opportunities, Human rights

Engaging our stakeholders

Stakeholder engagement is an important part of our sustainability journey. We do this across our business through different functions and operations, as described in this report.

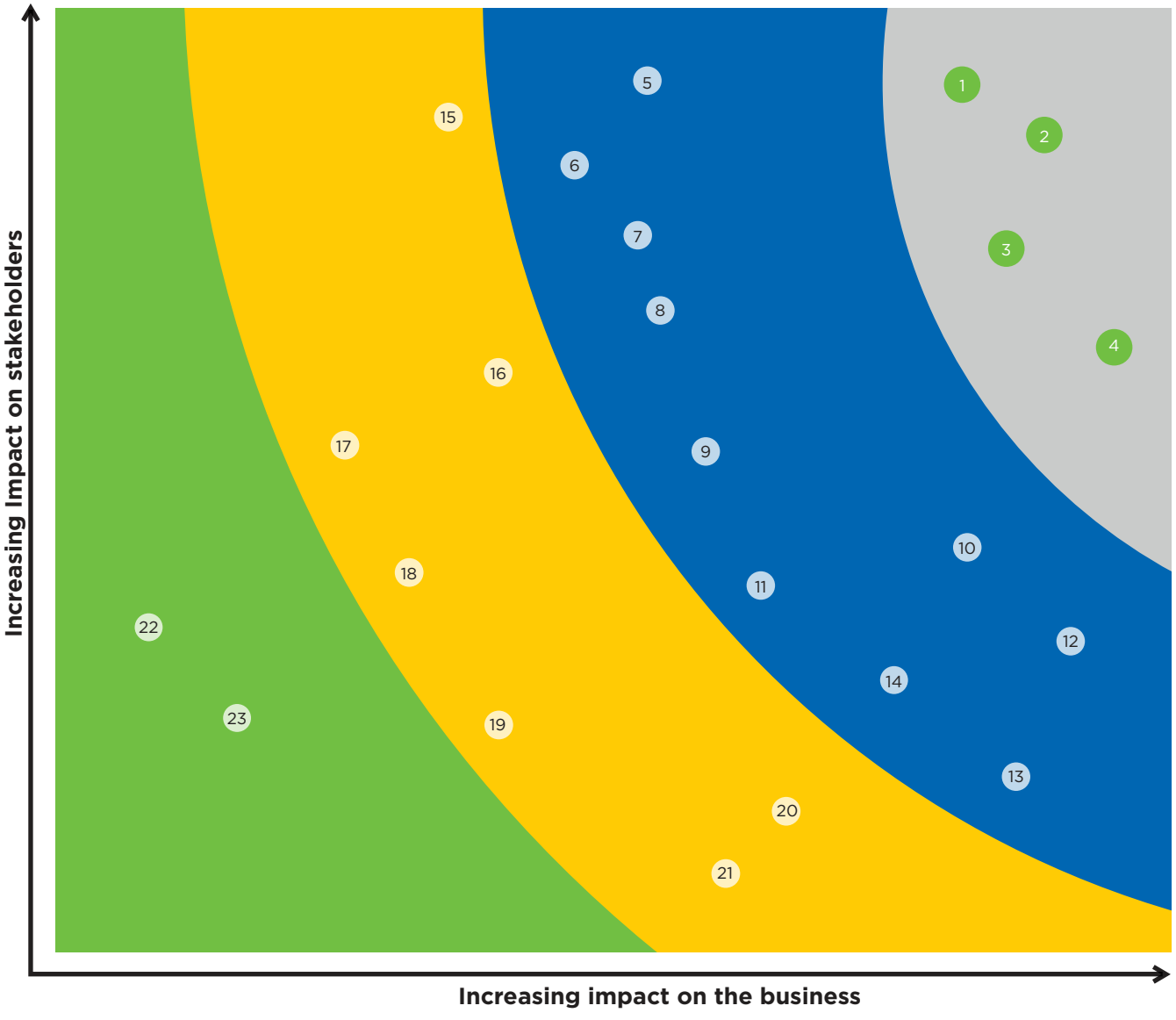
Our key stakeholder groups include our industry partners, governments, employees, suppliers, and local communities. Engaging with these groups on a regular basis helps us to establish and maintain inclusive relationships with them. Stakeholders' input allows us to better understand their needs and expectations, and addressing their concerns helps us to establish lasting relationships based on trust.

Identifying material sustainability issues

Based on GRI G4 guidelines, we have adopted an approach to sustainability management that focuses on the 'materiality' of economic, social, and environmental, and governance issues to our business and our stakeholders. In order to identify material sustainability issues for Crescent Petroleum and to support the development of this report, a materiality workshop was conducted at our head office in Sharjah. Participants included senior management, heads of businesses, and key employees from project sites. The workshop included presentations and in- depth discussions to identify and prioritise our sustainability issues and consider their potential impact on Crescent Petroleum's business and stakeholders.Separately, senior business leaders across Crescent Petroleum held detailed discussions on the sustainability dimensions of their specific business functions.

All of these inputs were consolidated and reviewed by management to arrive at Crescent Petroleum's materiality matrix—a tool that will help us to better focus our sustainability disclosure around material topics and strengthen our monitoring and reporting practices.

Going forward, our intention is to expand our materiality assessment process to include a broader sample of both internal and external stakeholders, and to revisit other issues that may have a significant impact on our business.



LAYER 1	
1	Process Safety & Asset Security
2	Occupational Health & Safety
3	Emergency Response & Crisis Management
4	Labour Management

LAYER 2	
5	Climate change
6	Bribery & Corruption
7	Community Engagement
8	Corporate Governance & Transparency
9	Risk Management
10	Innovation
11	Waste Management
12	Economic Performance
13	Employee Training & development
14	Information Security

LAYER 3	
15	Local content
16	Compliance
17	Biodiversity
18	Human Rights
19	Supply Chain Assessment
20	Water Consumption
21	Geopolitical Conflicts

LAYER 4	
22	Energy Efficiency
23	Diversity

GRI Content Index

The table below provides a mapping of Crescent Petroleum (CP) sustainability issues identified in the report with GRI G4 Materiality Aspects and the boundary of respective material aspects. The boundary of the material aspects is restricted to CP's region of operations and CP's stakeholders.

Material Aspect	GRI Aspect	Aspect Boundary (internal and external)
Process Safety and Asset Security	Emergency Preparedness, Occupational Health and Safety	CP's joint operations in Kurdistan Region of Iraq and Drilling Operations in Sharjah, UAE
Occupational Health and Safety	Occupational Health and Safety	CP employees
Emergency Response and Crisis Management	Emergency Preparedness, Waste and Effluents	CP and its communities
Labour Management	Employment, Labour Management/ Relations, Labour Practices Grievance Mechanism, Equal Remuneration for Women and Men	CP employees and its suppliers and contractors
Climate Change	Energy, Emissions, Waste and Effluents	CP and its communities
Bribery and corruption	Anticorruption, Responses to Anticompetitive Behaviour	CP and its suppliers and contractors
Community Engagement	Local Content, Local Communities	CP and their communities
Corporate Governance and Transparency	Compliance, Governance, Ethics and Integrity	CP
Risk Management	Compliance, Emergency Preparedness, Employment, Security Practices, Occupational Health and Safety, Local Communities	CP
Innovation	NA	CP
Waste Management	Waste and Effluents, Water	CP and its communities
Economic Performance	Economic Performance, Indirect Economic Impacts	CP and its suppliers, contractors and
Employee Training and Development	Employment, Training and Education, Diversity and Equal Opportunity, Equal Remuneration for Women and Men	
Information Security	Customer Privacy	CP
Local Content	Local Content, Local Communities	CP and its communities
Compliance	Compliance	CP and governments
Biodiversity	Biodiversity, Local Communities	CP's communities
Human Rights	Non-discrimination, Forced and Compulsory Labour, Child Labour, Occupational Health and Safety	CP and its employees, suppliers and contractors
Supply chain assesment	Supplier Assessment for Environment, Labour Practices, Impacts on Society	CP suppliers and contractors
CP Water Consumption	Water, Waste and Effluents	CP and its communities
Geopolitical Conflicts	Emergency Preparedness	CP and its industry partners, suppliers and contractors
Energy Efficiency	Energy, Emissions	CP
Diversity	Diversity and Equal Opportunity	CP and its employees

General Standard Disclosures	Definition	Page Reference/ Direct Response	Reference to CP's sustainability issues	External Assurance
General Standard Disclosures				
Strategy and Analysis				
G4-1	Statement from the Chairman / CEO	2	N/A	No
Organisational Profile				
G4–3	Organisation's name	Crescent Petroleum	N/A	No
G4– 4	Primary brands, products and services	4-5	N/A	No
G4–5	Location of organisation's headquarters	2	N/A	No
G4–6	Countries of major operation	5	N/A	No
G4–7	Nature of ownership and legal form	Privately owned	N/A	No
G4–8	Markets served	5	N/A	No
G4–9	Scale of the organisation	4-5	N/A	No
G4–10	Total number of employees	5, 21	N/A	No
G4–11	Percentage of total employees covered by collective bargaining agreements	N/A	N/A	No
G4–12	Organisation's supply chain	12, 35	N/A	No
G4–13	Significant changes during the reporting period	N/A – This is our first standalone report	N/A	No
G4–14	Implementation of the precautionary approach	29	Risk Management	No
G4–15	Endorsement of external economic, environmental and social charters and initiatives	3	N/A	No
G4–16	Memberships in national/international assosiations	9, 18-19, 21	N/A	No
Identified Material Aspects and Boundaries				
G4–17	Entities included in the organisation's consolidated financial statements	Crescent Petroleum is a private oil and gas company and a wholly owned subsidiary of Crescent Group.	N/A	No
G4–18	Process for defining the report content and aspect boundaries	38-39	N/A	No
G4–19	Material aspects identified in the process for defining report content	38-39	N/A	No
G4–20	Aspect boundary within the organisation	39	N/A	No
G4–21	Aspect boundary outside the organisation	39, 40	N/A	No
G4–22	Effect and reasons of any restatements of information provided in previous reports	N/A	N/A	No
G4–23	Significant changes from previous reporting periods in the scope and aspect boundaries	N/A	N/A	No

GRI Content Index
continued

General Standard Disclosures	Definition	Page Reference/ Direct Response	Reference to CP's sustainability issues	External Assurance
General Standard Disclosures				
Stakeholder Engagement				
G4-24	Organisation's stakeholder groups	38	N/A	No
G4- 25	Identification and selection of stakeholders	38	N/A	No
G4-26	Approach to stakeholder engagement, including frequency	38	N/A	No
G4-27	Key topics/concerns raised through stakeholder engagement, and organisational response	38	N/A	No
Report Profile				
G4-28	Reporting period	37	N/A	No
G4-29	Date of most recent previous report	This is our first report	N/A	No
G4-30	Reporting cycle	37	N/A	No
G4-31	Contact point for questions regarding the report	50	N/A	No
G4-32	Chosen 'in accordance' option, including reference to the GRI Content Index and the External Assurance Report	37	Risk Management	No
G4-33	Organisation's policy and practice with regard to seeking external assurance	We have not sought external assurance for this report	N/A	No
Governance				
G4-34	Organisation's governance structure	6-9	Corporate No Governance and Transparency	No
Ethics and Integrity				
G4-56	Organisation's codes of conduct and codes of ethics	21		
Category: Economic				
Material Aspect: Economic Performance				
G4-DMA	Generic disclosures on management approach	N/A	Economic Per formance	No
G4-EC1	Direct economic value generated	4, 11, 17	Economic and distributed Per formance	No
Material Aspect: Market Presence				
G4-DMA	Generic disclosures on management approach	10-15	Local Content	No
G4-EC6	Proportion of senior management hired from the local community	partially reported on pages 12, 15	Local Content	No

General Standard Disclosures	Definition	Page Reference/ Direct Response	Reference to CP's sustainability issues	External Assurance
Category: Economic				
Material Aspect: Indirect Economic Impacts				
G4-DMA	Generic disclosures on management approach	10-15	Community Engagement	No
G4-EC8	Significant indirect economic impacts, including the extent of impacts	10-15	Community Engagement, Local Content	No
G4-EC9	Proportion of spending on local suppliers	12	Local Content	No
Category: Environmental				
Material Aspect: Energy				
G4-DMA	Generic disclosures on management approach	31	Climate Change, Energy Efficiency	No
G4-EN3	Energy consumption within the organisation	partially reported on page 31	Climate Change	No
G4-EN4	Energy consumption outside of the organisation	partially reported on page 31	Climate Change	No
Material Aspect: Water				
G4-DMA	Generic disclosures on management approach	33-34	Water Consumption	No
G4-EN8	Total water withdrawal by source	33	Water Consumption	No
G4-EN9	Water sources significantly affected by withdrawal of water	Organisation is compliant with water consumption norms as specified by applicable local regulations	Water Consumption	No
Category: Environmental				
Material Aspect: Biodiversity				
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protec ted areas	None	Biodiversity	No
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	None	Biodiversity	No
G4-EN13	Habitats protected or restored	None	Biodiversity	No
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of ex tinc tion risk	None	Biodiversity	No

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General Standard Disclosures	Definition	Page Reference/ Direct Response	Reference to CP's sustainability issues	External Assurance
Specific Standard Disclosures				
Material Aspect: Emissions				
G4-DMA	Generic disclosures on management approach	31	Climate Change, Energy Efficiency	No
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	31 , 34-35	Climate Change	No
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	31, 34-35	Climate Change	No
Material Aspect: Effluents and Waste				
G4-DMA	Generic disclosures on management approach	33	Waste Management	No
G4-EN23	Total weight of waste by type and disposal method	33	Waste Management	No
G4-EN25	Weight of transported, imported, exported, or treated hazardous waste	33	Waste Management	No
G4-EN26	Water bodies and related habitats significantly affected by the organisation's water discharge	33	Waste Management	No
Material Aspect: Transport				
G4-DMA	Disclosures on management approach	34	Climate Change	No
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce	34	Climate Change	No
Material Aspect: Supplier Environmental Assessment				
G4-DMA	Disclosures on management approach	35	Supply Chain Assessment	No
Category: Social **Subcategory: Labor Practices and Decent Work**				
Material Aspect: Employment				
G4-DMA	Disclosures on management approach	21-25	Labour Management	No
G4-LA1	Total number and rates of new employee hires and employee turnover	partially reported on page ,21 25	Labour Management	No
G4-LA2	Benefits provided to full-time employees that are not provided to temporary employees	partially reported on page 22	Labour Management	No
Material Aspect: Occupational Health and Safety				
G4-DMA	Disclosures on management approach	27-29	Occupational, Health and Safety, Emergency Response and Crisis	No
G4-LA6	Injuries, occupational diseases, lost days, absenteeism, and work-related fatalities	27	Occupational, Health and Safety	No

General Standard Disclosures	Definition	Page Reference/ Direct Response	Reference to CP's sustainability issues	External Assurance
Subcategory: Labor Practices and Decent Work				
Material Aspect: Training and Education				
G4-DMA	Disclosures on management approach	22-25	Employee Training & Development	No
G4-LA9	Average hours of training per year per employee by gender, and by employee category	partially reported on page 23	Employee Training & Development	No
G4-LA10	Skills management and lifelong learning programmes to suppor t employees	23	Employee Training & Development	No
G4-LA11	Percentage of employees receiving regular performance and career development reviews	25	Employee Training & Development	No
Material Aspect: Diversity and Equal Opportunities				
G4-DMA	Disclosures on management approach	25	Diversity	No
G4-LA12	Composition of governance bodies and breakdown of employees per category	partially reported on page 9, 25	Diversity	No
Material Aspect: Equal Remuneration for Women and Men				
G4-LA13	Ratio of basic salary and remuneration for women to that of men by employee category, by significant locations of operation	1:1 for all employee categories	Diversity	No
Subcategory: Human Rights				
Material Aspect: Nondiscrimination				
G4-DMA	Disclosures on management approach	25		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	There were no reported incidents of discrimination of any nature during the reporting period.	Human Rights	No
Material Aspect: Freedom of Association and Collective Bargaining				
G4-DMA	Disclosures on management approach	N/A	Human Rights	No
G4-HR4	Operations and suppliers identified inwhich the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	N/A	Human Rights	No
Material Aspect: Child Labor				
G4-DMA	Disclosures on management approach	25	Human Rights	No
G4-HR5	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour	None	Human Rights	No
Material Aspect: Forced or Compulsory Labor				
G4-DMA	Disclosures on management approach	25	Human Rights	No
G4-HR6	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	None	Human Rights	No

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General Standard Disclosures	Definition	Page Reference/ Direct Response	Reference to CP's sustainability issues	External Assurance
Subcategory: Human Rights				
Material Aspect: Security Practices				
G4-DMA	Disclosures on management approach	25	Process Safety and Asset Security, Geopolitical Risks, Emergency Response and Crisis Preparedness	No
G4-HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	All security personnel receive relevant training	Human Rights	No
Material Aspect: Local Communities				
G4-DMA	Disclosures on management approach	17-19	Community Engagement	No
G4-SO1	Operations with local community engagement, impact assessments, and development programmes	17-19	Community Engagement	No
G4-SO2	Operations with significant negative impacts on local communities	17-19	Community Engagement	No
Material Aspect: Emergency Preparedness				
G4-DMA	Report on mechanisms used to involve local communities in the development of emergency plans for existing and new operations including risk communication, preparation, rehearsal, regular review and modification, arrangements for the management of crises	27-28	Emergency Response & Crisis Management	No
Subcategory: Local Communities				
Material Aspect: Anticorruption				
G4-DMA	Disclosures on management approach	7-9		
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks	9	Bribery & Corruption	No

General Standard Disclosures	Definition	Page Reference/ Direct Response	Reference to CP's sustainability issues	External Assurance
Subcategory: Local Communities				
Material Aspect: Anticorruption				
G4-SO4	Communication and training on anticorruption policies and procedures	100% of CP's employees have been trained on anticorruption policies and practices. CP's policies and code of conduct has also been communicated to all active suppliers.		No
G4-SO5	Confirmed incidents of corruption and actions taken	There were no incidents of corruption.		No
Material Aspect: Anticompetitive Behavior				
G4-DMA	Disclosures on management approach	6-9	Corporate Governance and Transparency	No
G4-SO7	Total number of legal actions for anticompetitive behaviour, anti trust, and monopoly practices and theiroutcomes	There were no incidents of legal actions in respect of anticompetitive behaviour against the company in the reporting period.		No
Material Aspect: Compliance				
G4-DMA	Disclosures on management approach	9	Compliance	No
G4-SO8	Monetary value of significant fines and total number of nonmonetary sanctions for noncompliance with laws and regulations	None	Compliance	No



The 17 Sustainable Development Goals are part of the 2030 Agenda for Sustainable Development, which aims to eliminate extreme poverty, fight inequality, reduce unemployment and tackle climate change over the next 15 years. At Crescent Petroleum, we are committed towards maximizing our contribution towards the achievement of these Goals

We welcome your feedback on our sustainability commitments and progress.
Please direct your feedback to **cpsustainability@crescent.ae**



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