

OQEP

2024

MOVING  
FORWARD  
TOGETHER

Sustainability Report  
2024

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# Welcome

We are pleased to present the inaugural sustainability report for OQ Exploration and Production (referred to as 'OQEP' or 'We'). This report provides a detailed overview of our Environmental, Social, and Governance (ESG) performance, initiatives and accomplishments throughout 2024, along with our future goals, commitments, and strategies for embedding sustainability across our operations. It aims to provide our stakeholders with a transparent view of our commitment to sustainability.

## Reporting Period

This report covers our ESG performance and activities from 1st January 2024 to 31st December 2024.

## Reporting Guidelines

This report has been developed with reference to international and national standards, goals and priorities, including the Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals (UN SDGs), Oman Vision 2040, and Muscat Stock Exchange (MSX) ESG Guidelines.

## Report Scope and Boundary

The scope of this report covers all OQEP operations in Oman. Data related to external contractors and suppliers are not included in this report, unless stated otherwise. All monetary values in this report are expressed in Omani Rial (RO).

## Materiality

The content of this report has been determined based upon a materiality assessment that considers the ESG issues and topics most relevant to OQEP and our stakeholders. The assessment considered our value creation and our environmental and social impacts alongside our stakeholders' priorities, needs, and perspectives. More information on our materiality assessment can be found in 'Our Approach to Sustainability' section of this report.

## Feedback

OQEP welcomes any feedback or inquiries related to this report via:

- ✉ [IR@oqep.om](mailto:IR@oqep.om)
- 🌐 <https://oqep.om/index.html>
- 📷 <https://www.instagram.com/thisisoqep>
- 🌐 <https://www.linkedin.com/company/this-is-oqep/>
- 📘 <https://www.facebook.com/profile.php?id=61562723975014>
- ✂ <https://x.com/ThisIsOQEP>

## Forward-looking statements

This report contains statements that may be deemed as "forward-looking statements" that express the way in which OQEP intends to conduct its activities. Forward statements could be identified by the use of forward-looking terminology such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

OQEP has made every effort to ensure that this report is as accurate and truthful as possible. However, by their nature, forward-looking statements are subject to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond OQEP's ability to control and therefore do not represent a guarantee that events implied in these forward-looking statements will occur.

# Chairman Message

On behalf of the Board of Directors of OQ Exploration and Production (OQEP), I am delighted to introduce OQEP's first annual sustainability report.

In today's ever-changing economic, political, and regulatory landscape, strong sustainability performance is the foundation of strong business performance. OQEP resembles a great growth story that has been built over the last 15 years. With a total production share reaching approximately 16.3% of Oman's oil, gas, and condensate output in 2024, and solid partnerships with 13 IOCs in Oman, OQEP is committed to further growth and sustainability. This inaugural report offers a transparent view of OQEP's ESG strategy, direction, and approach along with our achievements for 2024 which was a remarkable year for OQEP as we successfully completed our Initial Public Offering (IPO) on the Muscat Stock Exchange. The largest public offering in the history of Oman, the IPO has strengthened our financial foundation, expanded our investor base, and engaged new stakeholders who share OQEP's vision for a sustainable future.

We also strengthened our support for Oman's Vision 2040 ambitions throughout 2024, including formalising our commitment to Net Zero and decarbonisation, as well as sustainable development, environmental stewardship, and economic growth.

Looking ahead, OQEP is focused on three key strategic goals designed to amplify our positive impact across these areas. Our future objectives include expanding our exploration and production activities to unlock new horizons, enable new resources, and maximise resource utilisation; enhancing our technological capabilities to improve efficiency and sustainability across our operations, and strengthening our In-Country Value (ICV) contributions by amplifying our investments in local SMEs, investing in our people, and continuing to drive growth and innovation by attracting top talent.

We look forward to sharing our continued journey with you.

Ashraf Al Mamari  
OQEP Chairman

“In today's ever-changing economic, political, and regulatory landscape, strong sustainability performance is the oundation of strong business performance.”





# CEO Message

I am delighted to welcome you to OQEP’s first annual sustainability report. As custodians of Oman’s natural resources, we see our purpose as exploring, discovering, and unlocking the potential that lies beneath Oman’s surface. As a result, an impactful, ESG-centric approach to operational excellence sits at the core of our approach to sustainability.

This report aims to provide a transparent view of our commitment to powering our transition to a sustainable future by maximising value from Oman’s energy resources, driving sustainable economic growth, and creating a positive ripple effect across our teams, our company, our communities, our country, and beyond. Through this commitment, we aim to be a leading contributor to Oman Vision 2040 for sustainable economic development and environmental stewardship.

This year, 2024, was a momentous year for OQEP with the success of our IPO on the Muscat Stock Exchange and our exceptional growth. With an average daily production rate of 227,800 barrels of oil equivalent per day we have become a key asset to Oman’s economy. In this capacity we recognise strong sustainability performance as both our responsibility and as a critical indicator of our future resilience and success.

In 2024 we took our sustainability commitment a step further by establishing a sustainability framework designed to advance our performance in the areas of environmental integrity, climate change mitigation, health and safety, employee wellbeing, sustainable development, and other ESG-related issues directly aligned with our operations, investments, and corporate strategy.

The framework organises our ESG initiatives around three strategic areas of action: Exploring Green Solutions by integrating environmental responsibility across our operations; Discovering Shared Value by fostering positive social impact and driving in-country value, and Unlocking Responsible Growth through ethical leadership, transparency, and strong corporate governance. It also establishes targets for Net Zero by 2050, along with interim target of a 25% reduction in greenhouse gas (GHG) emissions intensity by 2030 from 2021 baseline. This target is in line with national-level commitments.

We made significant strides in each of these areas in 2024 by leveraging innovative technologies, focusing on operational excellence, and driving long-term value creation through a collaborative approach to optimising efficiency and resource development.

One marquee example of this collaborative approach in 2024 was our partnership with Total Energies to build Marsa Bunkering LNG plant, which encompasses renewable power generation alongside its upstream gas production and downstream gas liquefaction operations. A 300MWp (700 GWh/y) solar plant will be built to supply 100% of the Marsa LNG plant, which will be driven entirely by electricity. The plant will also offset 100% of its GHG emissions, making it the lowest GHG emissions intensity LNG plant ever built worldwide.

We also focused on long-term value creation and enabling sustainable economic development through our support for the local economy, including local talent development, SME investment, social impact investment, and enhanced contributions to ICV. Since 2020 we have implemented projects worth more than OMR 4 million, including our 2024 investment of OMR 613,508 in development and infrastructure, youth development and education, science and innovation initiatives, and health and wellness programmes aimed at driving positive impact on communities across our region.

Through our continued focus on efficiency, innovation, and collaboration OQEP remains dedicated to driving sustainable development and positive impacts for all our stakeholders. We are proud of our 2024 accomplishments. While we know that there is more work to be done, we look forward to an even more sustainable future.

Ahmed Al Azkawi  
Chief Executive Officer

“With an average daily production rate of 227,800 barrels of oil equivalent per day we have become a key asset to Oman’s economy.”



# 2024 Sustainability Highlights

## Exploring Green Solutions

Zero 

finances or non-monetary sanctions for environmental non-compliance during 2024.

Won 

the MEED Energy Project of the Year for our Bisat Block 60 power conversion

133+

million litres of domestic sewage treated and recycled



7% 

decrease in water consumption

1,000 

native trees planted

## Discovering Shared value

11% 

increase in number of employees


20 

nationalities represented in our diverse workforce

49% 

of new hires under the age of 30

## Unlocking Responsible Growth

85% 

of the total spending on suppliers was allocated to local suppliers

100% 

suppliers were screened using environmental criteria

33% 

decrease in actual cyber attacks



# About OQEP

Founded in 2009, OQ Exploration and Production SAOG (OQEP) is the Sultanate of Oman's largest pure-play oil and gas exploration and production company. OQEP holds a unique position in the industry as the only upstream oil and gas operator owned by the Government of Oman. We are proud to be the partner of choice for International Oil Companies (IOC) looking to enter the Omani market.

We have fostered joint venture partnerships with 14 marquee global industry leaders. Our portfolio includes 14 high-quality upstream oil and gas exploration and production assets, both onshore and offshore, making us a significant player in maximising Oman's energy resources.

OQEP's commitment to excellence is reflected in our role in driving economic progress aligned with Oman Vision 2040 while balancing sustainability and ESG priorities, and its strategic long-term shift towards energy transition, focusing on local assets to monetise Oman's hydrocarbon reserves.



## Vision

Maximising value from Oman's energy resources and powering our transition towards a sustainable future.



## Mission

Drive sustainable economic growth in Oman's energy value chain and enable energy transition through successful partnerships.



## Values

We Perform, Collaborate, and Care

As we perform, collaborate and care, we create a positive ripple effect – fostering growth for each of us, our teams, our organisation, our communities, our country and beyond.

Our production volumes have increased 14 times between our inception in 2009 and 2024, and OQEP's success in developing the nation's hydrocarbon resources has established us as a trusted partner for international oil companies and startups within the Sultanate, including 14 marquee leaders in the global oil and gas industry.



Our company's growth is powered by executing material growth through inorganic acquisitions of additional blocks where we see commercial promise, as well as focusing on increasing production in our existing reserve base through continuous operational improvements and cost reductions. In addition, the selective partial divestment of some of our assets at opportune moments has maximised value creation.

OQEP's achievements in navigating complex deep gas reservoirs and challenging geological formations underscores our expertise and commitment to operational excellence in exploration and production. As a result, we have established a strong track record in both operated and non-operated assets.

Looking ahead, we are focused on advancing the development of our assets by leveraging cutting-edge technologies, comprehensive surveillance, and advanced subsurface characterisation techniques, including seismic mapping.

### OQEP at a Glance

14  
oil and gas assets in Oman

RO ('000)  
251,790  
free cash flow

25%  
free float

14x  
Production volume growth

RO ('000)  
613,687  
EBITDA

41%  
ICV – share of total spend retained in Oman

RO ('000)  
32,730  
on domestic SMEs

### Our Legacy

2009

OOCEP (Oman Oil Company  
Exploration & Production LLC)

2019

OQ Group (Oman's global  
Integrated energy group)

2024

OQEP (OQ Exploration  
and Production SAOG)



Our Key Assets

OQEP has a high-quality portfolio of 14 upstream oil and gas assets in Oman. These range from assets in the development and production phase to those being appraised for commerciality or undergoing exploration programmes. We operate certain assets and participate/non-operate alongside one or more joint venture partners.

OQEP's six key producing assets compromise:

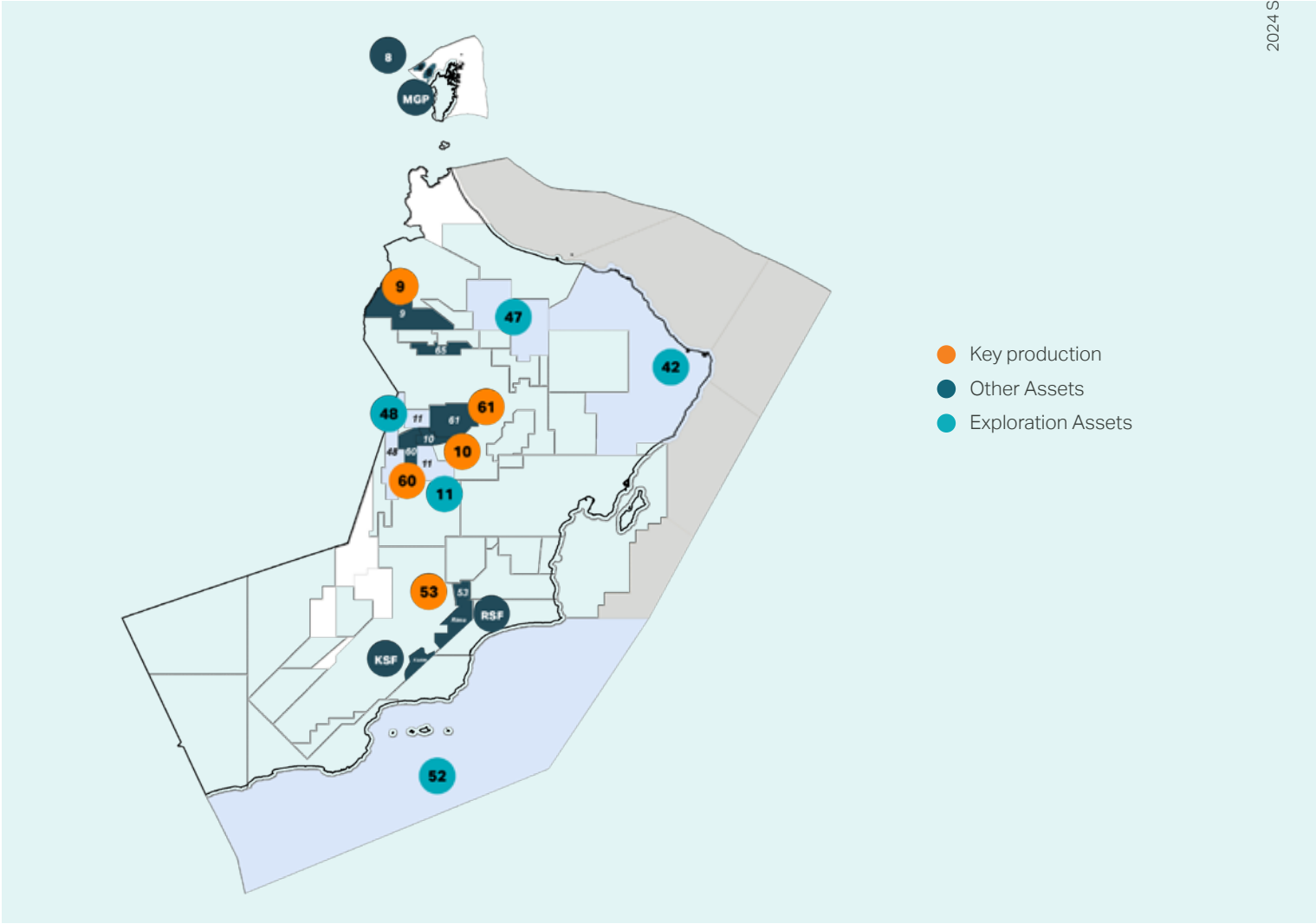
<b>Block 60</b> Operated by OQEP  OQEP: 60%	Block 60, OQEP's flagship onshore oil asset, contributed 16% of total working interest production in 2024, delivering a steady production. Strategic production practices and the implementation of improved recovery techniques led to an increase in reserves, supporting long-term sustainability. A key milestone included the updated full field development plan for the Bisat field.  The Gharif North discovery was swiftly followed by an appraisal and development plan, expected to boost production further in 2025.
<b>Block 61</b> Operated by BP  OQEP: 30%	Block 61, a non-associated gas and condensate asset, contributed about 40% of OQEP's working interest production in 2024, achieving its production target. The asset is undergoing detailed technical evaluations to study the block potential recoverable gas resources for future growth projects.
<b>Block 10</b> Operated by Shell  OQEP: 20%	Block 10, a non-associated gas and condensate asset, was commissioned in 2023, and began production in July 2024. The Marsa LNG bunkering project was sanctioned in April 2024, and it is planned to become operational in 2028, establishing the Middle East's first LNG bunkering facility at the Port of Sohar, with LNG export capability.
<b>Block 9</b> Operated by OXY  OQEP: 45%	Block 9, an oil and gas asset, accounted for approximately 20% of OQEP's working interest production in 2024. To support reserves replacement and production enhancement, key activities in 2024 included reinterpretation of seismic surveys and the drilling of exploration wells. These efforts are expected to improve the growth opportunity funnel in the block.
<b>Block 53</b> Operated by OXY  OQEP: 20%	Block 53, the largest thermal Enhanced Oil Recovery (EOR) project in the Middle East, exceeded oil production targets in 2024. To support the asset's continued growth, significant efforts were undertaken across multiple technical and investment initiatives aimed at increasing investments, production, reserves, and production life of Block 53.
<b>Block 65</b> Operated by OXY  OQEP: 49%	Block 65, an oil and gas asset operational since late 2022, continues to demonstrate strong production growth potential. To support reserves replacement and production enhancement, key activities in 2024 included the re-interpretation of seismic surveys and the drilling of exploration wells.

In addition to OQEP's producing assets, it holds licences for three exploration assets: Block 48, Block 47, and Block 11. Block 48 is adjacent to Block-60 and operated as well by OQEP. The block features several prospects with both clastic and carbonate depositional environments, including the Shuaiba, Khuff, Haushi, and Haima sequences, which are considered key exploration targets.

Block 8 is the only offshore production contract area in OQEP's portfolio and is operated via its fully owned subsidiary, Musandam Oil and Gas Company LLC, on behalf of the Government through a service agreement. The Musandam Gas Processing Plant is an oil and gas processing facility and export terminal currently processing production from Block 8. It is well positioned to provide similar services to new oil and gas discoveries in the Musandam region, offering strategic energy infrastructure with fixed returns.

The Karim Small Fields and Rima Small Fields are two producing areas within Block 6, operated under service agreements. Both assets have exceeded their 2024 production targets and delivered strong exploration and appraisal results.

OQEP is currently in the process of relinquishing its interests in three blocks—Blocks 30 and 52, while Block 42 has already been written off.





Awards and Recognition

ISLAMIC FINANCE NEWS (IFN) SHARIA-COMPLIANT IPO DEAL OF THE YEAR 2024

This award recognised our landmark RO 780 million IPO, which attracted a 2.7x oversubscription, making it the largest IPO in Oman’s history and the biggest in the Gulf region in 2024. With a market capitalisation now exceeding RO 3 billion, OQEP has become the largest company on the MSX. The award also highlights our Sharia-compliant investments in the oil and gas sector, reinforcing our dual value proposition of delivering strong returns while upholding ethical investment principles to enhance shareholder value and support the growth of Islamic finance.



MEED-ENERGY PROJECT OF THE YEAR 2024

Our Bisat power conversion at Block 60 was recognised as a national Energy Project of the Year for achieving a 46.2Kg CO<sub>2</sub>e daily emissions reduction from diesel transport, reducing production emissions by 90 tons per day and generating an annual cost savings of RO 11.55 million.



OPAL-BEST MADE IN OMAN AWARD 2024

Our Bisat C project, highlighting the project’s focus on promoting local content.



BUSINESS TODAY CXO AWARDS – CHRO OF THE YEAR – ENERGY

Said Bin Saif Al Hashmi, OQEP Chief Executive for People, Technology and Culture was named CHRO of the Year – Energy at the Business Today CXO Awards in recognition of his exceptional leadership in fostering innovation, building resilient teams and driving progress in Oman’s energy sector. The awards celebrate top corporate executives across the GCC for their visionary leadership, strategic impact and contributions to their industries.



TWO OER CORPORATE EXCELLENCE AWARDS 2024:

- Optimal and Sustainable Utilisation of Oil and Gas Resources in Line with Oman Vision 2040
- Exemplary Business Leader of the Year – Eng. Ahmed Al Azkawi, OQ Chief Executive Upstream

These awards recognised OQEP’s achievements in sustainability and leadership, including our success in attracting investments, strengthening partnerships and pursuing ambitious carbon neutrality goals.



OQEP also participated in the 2024 Oman Petroleum and Energy Show (OPES) as a principal sponsor. Held under the patronage of Oman’s Ministry of Energy and Minerals, the conference and exhibition convened more than 900 participants from 24 countries along with more than 200 expert speakers to address global initiatives that will impact the oil and gas industry.





# Our Approach to Sustainability

An impactful, ESG-centric approach to operational excellence sits at the core of our approach to sustainability. Through the integration of ESG principles into our corporate strategy and across our operations, we are balancing our environmental and social responsibilities with our growth mindset and our focus on generating value for our company and stakeholders -now and in the future. In doing so, we aim to be a leading contributor to Oman Vision 2040 for sustainable economic development and environmental stewardship.



## Sustainability Governance









Our sustainability policy provides a governing framework for the integration of sustainability quarterly practices into our regular business operations, activities, strategic priorities, and our general goal of making responsible contributions to local, regional and global sustainability. The framework focuses on cultivating a strong culture of health, safety, and wellbeing, promoting sustainable research and development, and ensuring responsible economic growth. It also reinforces our engagement with communities, suppliers, and stakeholders with the aim of fostering sustainable development, enhancing biodiversity, and implementing climate action initiatives. Underpinned by ethical business practices, diversity and inclusion, ICV creation, and sustainable

value chain management, these material priorities are linked to our sustainability performance objectives and targets in alignment with the UN SDGs.

OQEP's Board of Directors holds responsibility for the oversight of our sustainability performance, with support from relevant board committees and our senior management team. Sustainability is integrated into the company's scorecard and regularly tracked at the board level. The Board reviews progress on sustainability initiatives and ESG key performance indicators in a dedicated quarterly meeting. The management team is responsible for implementing sustainability initiatives and driving progress towards our strategic objectives.

## Stakeholder Engagement

OQEP’s sustainability is directly intertwined with the priorities, concerns, needs, and interests of our stakeholders. We define our stakeholders as the individuals, organisations, entities, and communities who are directly or indirectly affected by our operations. These include:

-  Our employees
-  Contractors and suppliers
-  Investors and shareholders
-  Customers
-  Local communities
-  Regulatory bodies
-  Government entities
-  Business partners
-  Environmental authorities
-  Industry and trade associations and organisations

We prioritise open, transparent, and lasting relationships with these groups. To ensure a comprehensive understanding of stakeholder perspectives, we conduct two types of communication: stakeholder surveys and one-on-one engagement sessions. Additionally, we actively receive and consider direct feedback from our key stakeholders, incorporating their insights into our sustainability strategy. Given the broad range of our stakeholders, we focus our engagement efforts on those with the highest potential to impact or be affected by our operations, ensuring that materially relevant strategic decisions and developments are communicated effectively.

## Materiality Assessment

In 2024, we conducted a comprehensive materiality assessment to identify and better understand our ESG impacts with particular attention to how they affect our stakeholders and our business. Based upon established GRI Materiality Assessment methodology and other internationally recognised frameworks such as SASB, Task Force on Climate-related Financial Disclosures (TCFD), as well as industry-specific guidance from International Association of Oil and Gas Producers (IOGP) and International Petroleum Industry Environmental Conservation Association

(IPIECA) and insights from our OQEP Risk Register. The assessment helped us clarify our ESG priorities through benchmarking, peer evaluations, best practice analysis, and one-to-one engagement sessions with key stakeholders. As a result of this process, we have identified a set of 17 sustainability priorities that reflect the ESG risks and opportunities most material to our stakeholders and our business. These priorities have informed the development of our sustainability policy and strategy, and the content of this report is organised around these priorities.

### Our Materiality Assessment Process

#### 1. STAKEHOLDER MAPPING:

We mapped our stakeholders and assigned weight for their responses.

#### 2. MATERIAL TOPIC IDENTIFICATION:

We made a preliminary identification of the ESG factors we would like to assess.

#### 3. STAKEHOLDER ENGAGEMENT:

We launched materiality surveys and interviews with all mapped stakeholders. This step included engagement with 42 Internal Stakeholders (10 VPs / MDs, 24 Heads, 8 Managers / Leads) and 26 External Stakeholders (2 Banks and Financial Institutions, 10 Government Entities, 8 Management Committees (JMC, TCM, FMC), 6 Exploration and Production Peers).

#### 4. DATA COLLECTION AND ANALYSIS:

Quantitative and qualitative data was collected via stakeholder engagement methods then analysed.

#### 5. MATERIAL TOPIC PRIORITISATION:

Using insights from steps 1-4, we created a materiality matrix and selected our high priority topics for exploration and production.

ESG Category	Material Topic
E	GHG Emissions and Energy Transition
S	Occupational Health and Safety
G	Innovation and Digital Transformation
S	Employment Practices and Development
G	Supply Chain Management and ICV
E	Waste and Circular Economy
G	Cybersecurity and Data Privacy
E	Water Management
S	Human Rights Protection and Labour Management
E	Asset Integrity and Critical Incident Management
S	Diversity, Equity and Inclusion
G	Reserves Valuation and Capital Expenditures
S	Local Community and Social Investment
S	Economic Impacts
G	Business Ethics and Anti-corruption
G	Government Relations and Tax
E	Biodiversity
E	Air Emissions and Air Quality

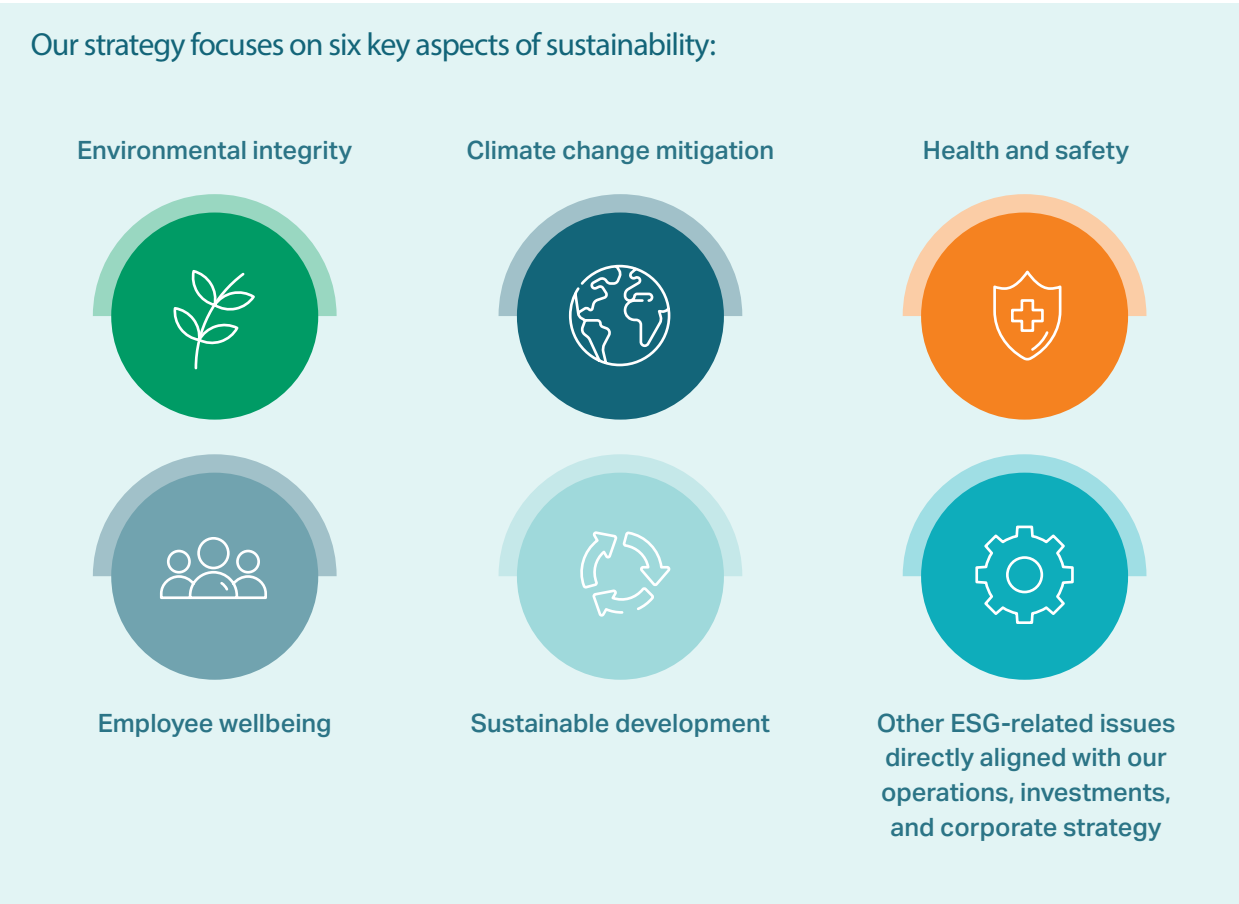





# Sustainability Strategy

In alignment with OQ group’s sustainability strategy, OQEP’s sustainability strategy outlines a holistic approach to operationalising ESG principles and impact-driven practices across our company. Rooted in leading regional and global sustainability best practices and frameworks—including the Oman Vision 2040, the UN SDGs, the GRI, the Oman Governance and Sustainability Centre’s Sustainability National Code of Conduct, and the ISO 26000 standard for social responsibility—our strategy also incorporates eight Corporate Social Investment (CSI) initiatives and key governance mandates.

These include the OQ Code of Conduct, conflict of interest, cybersecurity, Health, Safety, Security, and Environment (HSSE), and ethics training and requirements.



 OQEP’s sustainability strategy also establishes targets for Net Zero by 2050, along with a short-term target of 25% reduction in GHG emissions intensity by 2030 from 2021 baseline. This target aligns with national-level commitments.

# Sustainability Framework

Inspired by our focus on exploring, discovering, and unlocking the potential that lies beneath Oman’s surface, our sustainability framework focuses on galvanising our strategic and operational sustainability activities around three areas of action. The contents of this report are organised around the three pillars of this framework.



Alignment with the UN SDGs

UN SDGs	OQEP Contribution to the UN SDGs
	<ul style="list-style-type: none"><li>■ OQEP has a robust HSSE Management System, with a goal of zero harm at all sites.</li><li>■ Achieved 100% compliance for employees' periodic medical examination PME</li><li>■ Implemented ISO 45001:2018 lead auditor certifications for occupational health and safety management.</li><li>■ Conducted 6,609 hours of health and safety training for employees and contractors.</li><li>■ Launched V-trainerR Virtual Reality Road Safety Training, winning the OPAL Best Practices Award 2024</li><li>■ Sponsored the 20th International Symposium on Atherosclerosis (ISA 2024) and supported community first aid training for 1,500 beneficiaries.</li></ul>
	<ul style="list-style-type: none"><li>■ 133 million litres of domestic sewage treated and recycled in 2024, used for irrigation and dust suppression.</li><li>■ Reduced overall water consumption by 7% in 2024.</li><li>■ Monitors compliance with national water discharge limits at all operational sites.</li><li>■ Uses a seawater desalination plant at the Musandam Gas Plant to reduce reliance on freshwater sources.</li><li>■ Conducts periodic water quality monitoring and reporting to regulatory authorities.</li></ul>
	<ul style="list-style-type: none"><li>■ Targets a 25% reduction in GHG emissions intensity by 2030 from 2021 baseline.</li><li>■ Phasing out inhouse power generation by connecting to Government power grid which eliminate gas and diesel consumption.</li><li>■ Transitioned Bisat Field pumps from diesel to overhead power line, cutting down GHG and air emissions.</li><li>■ Launched the Marsa Bunkering LNG Plant, featuring a 300MW solar facility, expected to be the lowest GHG emissions LNG plant worldwide.</li></ul>
	<ul style="list-style-type: none"><li>■ Achieved a 90% Omanisation rate, prioritising local employment.</li><li>■ Workforce grew by 11%, with 49% of new hires under 30.</li><li>■ Invested in employee leadership and training programs, including women's leadership initiatives.</li><li>■ Conducted career development workshops and summer programs for youth in partnership with local education authorities.</li><li>■ Allocated RO 85.3 million to SMEs, supporting local entrepreneurship.</li></ul>
	<ul style="list-style-type: none"><li>■ Implemented Digital Twin Proof of Concept at Block 60, optimising asset management and operational efficiency.</li><li>■ Achieved 33% reduction in actual cyberattacks in 2024 through enhanced cybersecurity measures.</li><li>■ First SAP S4Hana customer in Oman, streamlining cloud-based digital operations.</li><li>■ Hosted and sponsored key industry events, including AAPG International Conference and Exhibition and Oman Petroleum and Energy Show (OPES 2024).</li></ul>
	<ul style="list-style-type: none"><li>■ Employs a diverse workforce of 20 nationalities.</li><li>■ Implemented a leadership programme for women, increasing female representation in senior management.</li><li>■ Prioritized hiring qualified Omani candidates, contributing to Oman Vision 2040.</li><li>■ Platinum sponsor of the Oman Science Festival, promoting STEM education and inclusion.</li></ul>

UN SDGs	OQEP Contribution to the UN SDGs
	<ul style="list-style-type: none"><li>■ Established a waste management hierarchy, prioritising waste reduction, recycling, and responsible disposal.</li><li>■ Recycled over 1.96 million kilograms of non-hazardous waste in 2024.</li><li>■ Implemented sustainable packaging solutions in drilling operations, reducing waste by 480 kg per well drilled.</li><li>■ Conducted hazardous waste segregation and storage improvements following an environmental compliance audit.</li></ul>
	<ul style="list-style-type: none"><li>■ Achieved MEED Energy Project of the Year Award for Bisat Block 60 power conversion, cutting daily CO<sub>2</sub>e emissions by 46.2Kg.</li><li>■ Developed methane emission reduction programme and leak detection campaign.</li><li>■ Implemented an Energy Efficiency Roadmap, optimising power usage in drilling and production operations.</li><li>■ Invested RO 13 million in climate-related infrastructure and energy transition projects.</li></ul>
	<ul style="list-style-type: none"><li>■ Ensures compliance with marine discharge regulations at offshore sites.</li><li>■ Conducted an underwater coral habitat survey at Musandam, observing natural coral regeneration after 10 years.</li><li>■ Maintains marine biodiversity monitoring for the Block 8 offshore concession.</li><li>■ Uses a subsea pipeline outfall system to prevent pollution in coastal waters.</li></ul>
	<ul style="list-style-type: none"><li>■ Planted over 1,000 native trees at Block 60 in 2024.</li><li>■ Supports the Ashgar National Tree-Planting Initiative for reforestation Oman.</li><li>■ Adheres to a strict "no hunting, no fishing" policy at all operational sites.</li><li>■ Utilises eco-friendly landscaping techniques to prevent invasive species introduction.</li></ul>
	<ul style="list-style-type: none"><li>■ 76 staff attended the on-boarding ethics sessions during the year.</li><li>■ Implemented a third-party due diligence programme for supplier integrity screening.</li><li>■ Enforces a strict whistleblowing and business ethics policy.</li><li>■ Governance framework aligned with ISO 27001-certified cybersecurity protocols and data protection laws.</li><li>■ Ensured zero fines or non-monetary sanctions for environmental non-compliance in 2024.</li></ul>
	<ul style="list-style-type: none"><li>■ Partnered with Ministry of Social Development, Ministry of Health, and Sultan Qaboos University Hospital on community projects.</li><li>■ Invested RO 613,508 in local community development.</li><li>■ Launched Dibba Archaeological Visitor Centre and Musandam Cultural and Innovation Centre.</li><li>■ Supported Robot Innovative Olympic Ambassadors (RIO) Program, training youth in robotics and AI.</li><li>■ Partnered with Takatuf Oman for English and leadership training for Musandam students.</li></ul>



# EXPLORING GREEN SOLUTIONS

Environmental sustainability is a fundamental pillar of OQEP's operations. Our holistic approach covers waste reduction, water conservation, biodiversity enhancement, pollution prevention, energy efficiency, and innovative decarbonisation strategies. This approach is designed to minimise our environmental footprint while aligning our activities with national and global sustainability objectives and ensuring our operations contribute positively to the planet and society.

MATERIAL TOPICS COVERED

- GHG emissions and energy transition
- Air emissions and air quality
- Waste and circular economy
- Water management
- Biodiversity

UN SDGS ALIGNMENT

 6 CLEAN WATER AND SANITATION	 7 AFFORDABLE AND CLEAN ENERGY	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
 13 CLIMATE ACTION	 14 LIFE BELOW WATER	 15 LIFE ON LAND



# Environmental Management

OQEP’s business activities are guided by our policies for Health, Safety, Security, and Environment (HSSE), Sustainability, and Energy Management. In accordance with these policies, our Integrated Management System (IMS) drives our approach to prudent environmental impacts, preventing pollution, conserving resource and energy, driving decarbonisation, managing biodiversity, and promoting sustainable business practices. In 2024 we continued progressing towards obtaining ISO 14001 for our IMS, with gap assessments and pre-certification audits planned for 2025 and 2026. We also advanced efforts towards achieving ISO 50001 Energy Management System certification across our operated assets.



663

Environment and/or sustainability training hours provided to employees, contractors and suppliers



RO

13million

Total amount invested, in climate-related infrastructure, resilience, and product development in 2024. Main projects were Bisat Permanent Power (BPP) and Bisat Electric Network Distributor (BEND)

## Environmental Compliance

Full regulatory compliance underpins OQEP’s approach to environmental management, and we take a structured approach to determining our compliance obligations, risks, and opportunities. To enable the continuous improvement of our management system and ensure ongoing compliance, OQEP periodically reviews our compliance obligations based on any newly promulgated laws, regulations, permit stipulations, or other requirements applicable to our business activities.

As part of our compliance obligations, OQEP is required to obtain and maintain a number of environmental permits, licenses, and approvals relevant to our business activities including (but not limited to) the drilling of wells, the extraction and processing of hydrocarbons, captive power generation, water desalination, waste and wastewater management, and chemicals management.

We ensure all valid permits, licenses, and approvals are renewed in a timely manner as per the applicable regulatory requirements. Copies of regulatory permits are repositied in OQEP’s online HSSE portal (i-HSSE) and are available for viewing by all OQEP personnel.



Zero

significant fines or non-monetary sanctions for environmental non-compliance at OQEP during 2024

### ESG in Action Environmental Compliance Audit

We engaged with a third party to conduct an environmental compliance audit for our Block 60 and Musandam Gas Plant assets to assess the status of compliance with environmental permits, licenses, regulatory requirements in Oman and the asset Operation Environmental Management Plans (OEMP). The external audit was over and above OQEP’s annual and regular in-house audits conducted in line with ISO 14001 standards.

The audit included document review, site inspections, and interviews with key personnel, and covered various facilities within the assets , including gas processing plants, oil processing units, captive power generation and desalination plants, hazardous material storage wellheads, construction areas and industrial yards , waste and Wastewater management , and

accommodation camps. The audit confirmed that OQEP regularly submits environmental reports to the Environment Authority, including Climate Affairs Reports and Environmental Performance Reports (EPRs), and that most environmental licenses and permits are valid. Further the audit confirmed OQEP’s adherence to compliance obligations.

The audit also identified several opportunities for improvement, including making improvements to our hazardous waste segregation and storage practices at construction sites, , enhancing the reporting of water discharge volumes, completing pending regulatory approvals (such as fire and safety approval for chemical storage), and implementing a visual smoke opacity monitoring system.



# GHG Emissions and Energy Transition

Oman adopted a plan for carbon neutrality by 2025 that establishes significant GHG emissions reductions targets for some of the nation's key sectors, including oil and gas, and OQEP fully supports this plan. As a dedicated upstream company focused on the exploration, drilling, and extraction of oil and gas, we are aiming to use our central role in the energy ecosystem of Oman and our surrounding region to maximise the use of Oman's energy resources in a sustainable manner, bridging the energy transition and driving economic growth throughout the Sultanate for the benefit of local communities.

## Our goal is to reduce GHG emissions intensity by 25% from 2021 baseline by 2030.

To drive progress, we aim to reduce our GHG emissions intensity by 25% from 2021 baseline by 2030, in alignment with national-level targets. We are also actively assessing the feasibility of eliminating routine flaring in our upstream assets by 2030. This initiative is part of our ongoing commitment to sustainability and minimising environmental impacts across our operations through the deployment of cutting-edge technologies.

## OUR DECARBONISATION STRATEGY IS CENTRED AROUND THREE LEVERS OF CHANGE:

- 01 An Energy Efficiency Roadmap designed to reduce our Energy Intensity (EI) and activate energy-saving measures across Operated assets
- 02 Renewable Energy Plans for operated assets and indirect renewable energy projects via our joint ventures
- 03 Flare Reduction initiatives and flare gas recovery projects



### DECARBONISATION TARGETS

- To align with the national target of achieving net-zero carbon emissions by 2050
- Reduce intensity-based Scope 1 and Scope 2 GHG emissions by 25% from 2021 baseline by 2030

We advanced our decarbonisation efforts in 2024 implementing emissions reduction projects with two of our key joint ventures:

- The Marsa LNG project involves the installation of a 300MW dedicated PV solar plant to cover 100% of power consumption, designed to result in < 3kg CO<sub>2</sub>/boe, widely expected to be the lowest in the world.
- Retiring captive power generators to connect with the national grid for permanent power supply by using solar energy supplied by OQ Alternative Energy (140 MW) at Block 9






### ESG in Action Methane Emission Reduction Programme

Proactive use of technology and comprehensive leak detection and repair campaign to minimise leaks, and fugitive emissions.



## Maximising Energy Efficiency

Continually maximising the energy efficiency of our assets and operations is one of the key drives of our decarbonisation efforts. In 2024, OQEP engaged a third party to conduct Energy Efficiency Surveys of our operated assets with the aim of identifying critical opportunities for enhancing energy efficiency and reducing energy consumption across our operations. This project included developing an inventory of Fugitive Methane Emissions Sources and defining steps to address these emissions. As a result of this effort, we have identified key efficiency projects across five categories. Over the next three years, we will assess each of the following opportunities with the goal of implementing those that are feasible:

-  Optimising Electric Submersible Pump (ESP) power
-  Decarbonising rig operations
-  Improving Bisat water injection pump efficiency
-  Improving non-technical facilities efficiency
-  Digitalisation

We are also in the process of establishing an Energy Management System (EnMS) that aligns with the ISO 50001:2018 standards. OQEP ambitiously expects to have its EnMS certified by 2026. In the meantime, numerous energy efficiency projects were underway across OQEP in 2024:

### FUEL SUBSTITUTION:

One such initiative is the reduction of emissions through fuel substitution at Block 60. Traditionally, Block 60's hydrocarbon well electrical submersible pumps (ESPs) in the Bisat field have been powered by portable diesel generators. To reduce the GHG, SOx, NOx, and VOC emissions associated with these generators, we are implementing a fuel substitution strategy that replaces diesel-based power generation with natural gas-powered electricity supplied through an infield overhead line. This transition away from

diesel to centralised power generation optimises our energy efficiency and drives decarbonisation by significantly lowering our emissions. The success of this project, which has generated RO 11.55 million in annual savings, has also earned OQEP the MEED Energy Project of the Year.

### DIESEL ENGINE PERFORMANCE OPTIMISATION:

We piloted an advanced Diesel Engine Performance Optimisers designed to monitor and optimise fuel consumption in diesel generators in real time. A nine-month trial on two land drilling rigs in Block 60 successfully demonstrated enhanced generator efficiency, diesel consumption reduction of approximately 8,000 Liters, reduced carbon emissions, and lowered operational costs.

### CONSOLIDATING LAND RIG POWER GENERATION:

In partnership with OQEP's land rig service provider we launched an initiative focused on decreasing diesel fuel usage and lowering greenhouse gas emissions. As a result of consolidating the rig camps we were able to facilitate the use of a single diesel power generator to supply electrical power, rather than relying on two generators. Within two months, the consolidation had already resulted in fuel savings of up to 250 Litres per day – the equivalent of approximately 15% of the camp's daily consumption.

### LEVERAGING GRID-BASED ELECTRICITY:

As part of our ongoing decarbonisation activities, OQEP has invested in transitioning to electricity sourced from the National Grid. Set to be commissioned by Q2 2025, this strategic investment will enable us to import up to 100 MW of cleaner electricity, reducing our reliance on carbon-intensive energy sources and significantly lowering our operational carbon footprint. Leveraging grid-based electricity supports national sustainability goals and enhances the efficiency of our operations, marking an important step toward achieving our long-term decarbonisation objectives.

ESG in Action  
Marsa Bunkering LNG Plant

In 2024, we made significant progress on our Marsa Bunkering LNG Plant, a joint venture between OQEP (20%) and TotalEnergies (80%). An innovative, one-of-a-kind project located in the port of Sohar designed to support Oman's energy transition, the plant encompasses renewable power generation alongside its upstream gas production and downstream gas liquefaction operations.

The plant will feature a 300MWp (700 GWh/y) solar facility built to supply 100% of the Marsa LNG plant, which will be entirely driven by electricity. As a result, the plant will offset 100% of its GHG emissions, making it the lowest

GHG emissions intensity LNG plant ever built worldwide. Due to launch operations in Q1 2028, the plant features the first LNG onshore bunkering hub in the Middle East and contains a train of 1MTPA with a 165,000m³ tank.

The Marsa Bunkering LNG Plant will be the lowest GHG emissions intensity LNG plant in the world.

ENERGY CONSUMPTION 2024  
(PERCENTAGE)



- 95% Total amount of energy directly consumed
- 5% Total amount of energy indirectly consumed



Energy Management	Unit	2023	2024
Stationary Combustion			
Diesel consumption from operations	m³	24,793.7	35,122.2
Natural gas consumption from operations	Million m³	74.2	86.6
Mobile Combustion			
Diesel consumption from vehicles	m³	13,668.5	13,348.3
Diesel consumption from marine vessel for transportation	m³	412.3	2,229.4
Refrigeration and AC Equipment Leakage			
Refrigeration and AC Equipment Leakage	Kilogram	1,129	1,386
Electricity¹			
Electricity consumption from non-renewable sources	MWh	65,504.4	71,300.1
Energy			
Total amount of energy directly consumed	GJ	4,226,011	5,123,856
Total amount of energy indirectly consumed	GJ	235,816	256,681
Total amount of energy consumed	GJ	4,461,827	5,380,537
Energy intensity	GJ/boe	0.19	0.24

¹OQEP uses wheeling system. The reported electricity consumption is purchased from the electricity grid for Musandam and head office while for Block-60, it is generated using either gas or diesel.

There was an increase in GHG emissions which was primarily attributed to direct emissions (Scope 1), which rose by 21% in 2024 compared to 2023 due to expansion in our offshore operation in Musndam. The commensurate rise in GHG emissions intensity by approximately 18.8% in 2024 indicates a higher emissions output per unit of production as operational activities expanded.

GHG EMISSION INTENSITY 2024  
(METRIC TONNES OF CO<sub>2</sub>eq/ BOE)



GHG Emissions	Unit	2023	2024
Direct GHG emissions (Scope1)	metric tonnes of CO <sub>2</sub> eq	337,633.77	410,152.14
Percentage of Scope 1 emissions from methane emissions	Percentage	4.88	4.40
Indirect GHG emissions (Scope 2)	metric tonnes of CO <sub>2</sub> eq	30,199.00	32,870.98
Total GHG emissions (Scope 1+ Scope 2)	metric tonnes of CO <sub>2</sub> eq	367,832.77	443,023.12



# Air Quality

At OQEP, we are committed to minimizing air emissions and ensuring responsible operations across all our assets. While emission rate metrics for SOx and NOx are not currently reported, all combustion sources—both stationary and mobile—are operated and maintained using Best Available Techniques (BAT). These techniques are globally recognized for their effectiveness in reducing environmental impact and are implemented across all OQEP-operated assets to ensure emissions are kept as low as reasonably achievable. This approach reflects our proactive stance on environmental performance and continuous improvement, as we work towards aligning with leading practices in air quality management.

Some of the BAT practices we use to reduce emissions and protect air quality include:

- Sulphur Oxides (SOx): Gaseous fuels used in combustion units have a sulphur content of less than 25 ppmv, and diesel fuel is procured with a sulphur content of less than 0.5% (5,000 ppm).
- Nitrogen Oxides (NOx): Stationary combustion units are equipped with low-NOx burners, including dry low-NOx burners.
- Carbon Monoxide and Unburnt Hydrocarbons: Combustion units are operated with optimal air/fuel ratios and at optimal loads to reduce these emissions.
- Flare or Vent Alternatives: We evaluate all reasonable alternative gas utilisation options before opting to flare or vent hydrocarbons. Permanent production and processing facilities are designed to minimise routine or continuous flaring or venting, except when necessary for safety reasons.

OQEP is committed to maintaining high standards of environmental stewardship through proactive air quality management. We periodically measure emissions concentrations to ensure alignment with national regulations, specifically Ministerial Decision 118/2004, and to provide assurance of our compliance. To further support this commitment, we operate continuous ambient air quality monitoring stations at both our Musandam and Block 60 facilities. These stations provide real-time data, offering a transparent and reliable view of ambient air conditions. They confirm that our operations consistently remain within acceptable environmental thresholds and meet all relevant national air quality standards. In addition, a dedicated meteorological station at Block 60 continuously records key atmospheric parameters—including wind speed and direction, humidity, atmospheric pressure, temperature, rainfall, heat stress index, and thermal work limits. This data supports both our operational safety and our environmental impact assessments, enabling data-driven decision-making in real time. Through these efforts, OQEP demonstrates its ongoing dedication to environmental compliance, operational transparency, and the protection of air quality in the communities where we operate.

## ESG in Action

### Transitioning power supply for Bisat Field ESPs from remote diesel generators to Overhead Line (OHL)

In our ongoing commitment to sustainability and operational excellence, OQEP has taken a significant step towards lowering emissions and enhancing energy efficiency in the Bisat Field of Block 60. Historically, Electric Submersible Pumps (ESPs) in this area were powered by portable diesel generators—contributing notably to our greenhouse gas (GHG) footprint, as well as emissions of SOx, NOx, and VOCs.

To address this, we implemented a forward-looking fuel substitution strategy: transitioning from diesel to cleaner, natural gas-based electricity delivered via a newly developed infield overhead power line. Unlike decentralized diesel generation at individual well sites, our centralized natural gas-powered system offers a substantial reduction in emissions alongside greater operational efficiency.

By the end of the reporting period, over half of the active oil wells—along with multi-selector valves and other remote equipment—had been successfully connected to this new overhead line. This initiative has already resulted in measurable environmental benefits and operational gains.

The overhead line connectivity project remains a top priority and will continue through 2025, with the goal of fully phasing out diesel generators in the Bisat Field. Once complete, this transition will mark a major milestone in our decarbonization journey, setting a new standard for responsible energy production across our operations.





# Waste and Circular Economy

In accordance with the Oman Vision 2040 objectives for a circular economy, OQEP approaches waste as an opportunity to recapture and reuse valuable materials wherever possible by optimising our resource use and reducing waste through innovative solutions.

In 2024, our waste and circularity efforts included reusing drilling mud, replacing conventional packaging materials with sustainable alternatives, and repurposing treated wastewater for irrigation and dust suppression. We also focused on the in-house recovery and recycling of waste oils, which enabled us to recycle and export about 6 tonnes as product in 2024.

We use a waste management hierarchy to further decrease the volume of waste generated at our sites and increase the volume of waste we recover, recycle, and treat – with disposal as our last resort. In this context during 2024 we have continued our efforts

in recycling high performance water-based mud (HPWBM) used for hydrocarbon well drilling within the Block 60 asset, which started in 2022. During 2024 alone about 6,775 m<sup>3</sup> of HPWBM was recycled and re-used. This initiative has not only resulted in eliminating 6,775 m<sup>3</sup> of end-of-well mud which would have been otherwise managed as waste product: it has also helped to reduce freshwater consumption and raw chemicals used in preparation of the HPWBM. Through this initiative, OQEP reduced consumption of 3,000 m<sup>3</sup> of freshwater and 3,500 m<sup>3</sup> of raw chemicals in 2024.

Since 2022 the recycling and reuse of drilling mud has eliminated the use of 3,500 m<sup>3</sup> of raw chemicals and 3,000 m<sup>3</sup> of fresh water per year.

Remove and Reduce	<ul style="list-style-type: none"><li>■ Bulk purchases to reduce volume of packaging (wood, plastic, etc.).</li><li>■ Supply in reusable containers i.e. IBC's vs. barrels.</li><li>■ Improved waste segregation / housekeeping and spill prevention to reduce amount of hazardous waste.</li><li>■ Sequential hydro-testing to reduce the demand for test water and the subsequent volume of wastewater.</li></ul>
Reuse	<ul style="list-style-type: none"><li>■ Return chemical containers to supplier for re-use.</li><li>■ Reuse treated wastewater for irrigation and dust suppression.</li><li>■ Reuse RO Rejects in drilling.</li></ul>
Recycle and Recover	<ul style="list-style-type: none"><li>■ Scrap metal, electrical cable offcuts, plastic (all kinds), paper, cardboard, wood, tires, crushed clean concrete, waste oil.</li><li>■ Recover drilling mud from drill returns and recycle to other rigs.</li><li>■ Recycling of waste oil in the processing facilities.</li></ul>
Treat	<ul style="list-style-type: none"><li>■ Clean packaging of hazardous material to render non-hazardous and reuse / recycle.</li></ul>
Dispose	<ul style="list-style-type: none"><li>■ Last resort, but must be disposed to approved facilities.</li></ul>



When waste cannot be recycled, such as hazardous waste generated as a by-product of our operations, we ensure its safe and responsible handling and disposal via authorised personnel and facilities for collecting, storing, disposing, and transporting this waste in compliance with all applicable regulations. In 2024, we generated 7,370 metric tons of waste, including 1,390 metric tons of hazardous waste.

Waste management systems are also established at our key operational assets. Key features of these systems include:

- Proper segregation and containment of hazardous and non-hazardous waste at most sites
- Storage yards with concrete flooring and secondary containment at key facilities, preventing soil contamination
- Well-maintained wastewater treatment and disposal systems, ensuring compliance with disposal standards
- Compliance with hazardous waste regulations and reporting

Waste Management	Unit	2023	2024
Total non-hazardous waste generated	metric tons	9,131.9	5,983.6
Total amount of hazardous waste generated	metric tons	251.3	1,390.5
Total non-hazardous weight of waste diverted from disposal (offsite) <sup>1</sup>	metric tons	1,470	1,966
Total hazardous weight of waste diverted from disposal	metric tons	1.3	306
Onsite – recycling	metric tons	-	6
Offsite - recovery options other than reuse and recycling	metric tons	1.3	300
Total non-hazardous weight of waste directed to disposal (landfilling)	metric tons	7,661.9	4,017.6
Total hazardous weight of waste directed to disposal (landfilling) <sup>2</sup>	metric tons	250	1,084.5

<sup>1</sup> Includes cardboards, wood waste, plastic waste, metal scrap, etc. are stored onsite for subsequent potential recycling / reuse / repurposing.

<sup>2</sup> Includes contaminated soil, currently stored in an impervious lined impound onsite and other hazardous waste that are stored onsite for subsequent offsite landfilling or other disposal options available in the sultanate of Oman.

ESG in Action  
Innovating Packaging to Reduce Waste at the Source



In our well drilling operations, the use of various chemicals and drilling muds has traditionally generated a considerable amount of packaging waste—ranging from hard paper sacks and small plastic cans to wooden pallets. Recognizing this challenge, QQEP proactively partnered with our chemical suppliers to transition toward more sustainable bulk packaging solutions. Key improvements include Polyethylene jumbo bags replacing paper sacks and Drums and Intermediate Bulk Containers (IBCs) replacing small plastic cans. This initiative has led to a significant reduction in both waste volume and weight. On average, each well drilled now avoids the generation of approximately 560 paper sacks and 14 wooden

pallets, equivalent to around 480 kilograms of packaging waste. Taking our efforts a step further, QQEP has also partnered with a local SME to repurpose the empty jumbo bags. Instead of being sent to landfill, these bags are now collected and recycled into secondary raw materials. By the end of 2024, this collaboration had successfully repurposed over 8 metric tons of waste, supporting the local economy and advancing our circularity goals.





# Water Management

Because OQEP operates in a water-scarce region, we make every effort to ensure that the activities of our sites and assets place no stress on the potable water aquifers relied upon by surrounding communities.

We take an “every drop counts” approach to maximise the water efficiency of our practices; however, water is essential to OQEP’s operations. We use freshwater for a variety of processes including boiler feeds, service water, fire water, and process water. A significant portion of water withdrawal at our inland concession comes from non-fresh groundwater sources, specifically from the Block 60 water supply wells (WSWs), which draw from the Umm er Radhuma aquifer. This aquifer provides brackish water (with a Total Dissolved Solids (TDS) of over 15,000 ppm) unsuitable for domestic use or human consumption and is mainly used by oil and gas operators in the region. As such, this does not create stress on the aquifer.

At our Musandam and Block 8 nearshore asset, we meet almost all freshwater demand through a captive seawater desalination plant that uses reverse osmosis to ensure there is no groundwater abstraction. A small amount of water is also procured from third-party sources at Block 8 and Block 60.

## WASTEWATER

Our environmental management system includes guidance, procedures, and processes to manage environmental impacts, water and wastewater management. At our Musandam plant, all industrial and process wastewaters are treated to comply with national regulatory limits before being discharged to the sea via a permitted seawater outfall and subsea pipeline. Similarly in Block 60 wastewaters are adequately treated to appropriate quality so that they may be safely discharged to lined evaporation pits or deep well disposed.

In 2024, our water conservation and management controls included periodic water quality monitoring and reporting to regulatory authorities, and lined evaporation ponds with fencing to prevent contamination and unauthorised access. We also use onsite treatment and recycling to treat and reuse domestic sewage generated in Block 60 on our site for irrigation and dust suppression purposes.



133million

litres of domestic sewage treated and recycled, using the treated water for irrigation and dust suppression.

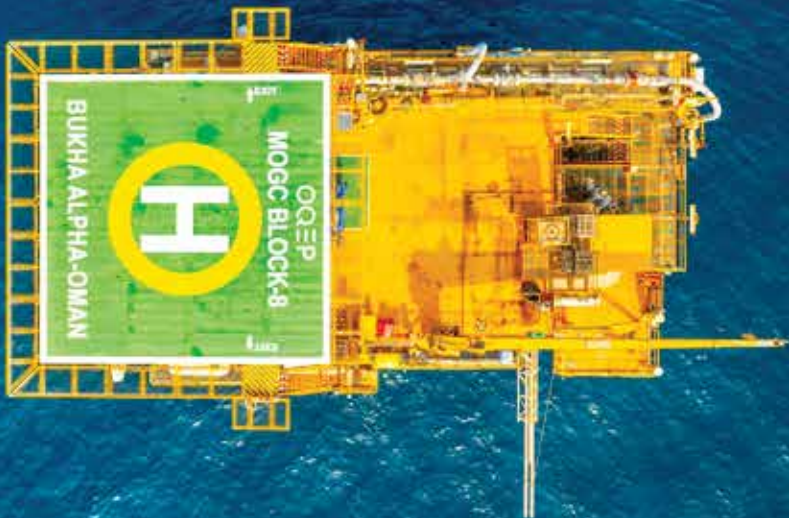


Water Management	Unit	2023	2024
Total water withdrawal	m³	32,282,524	40,505,907
Groundwater	m³	1,627,993	1,446,971
Seawater	m³	13,556,185	10,950,618
Produced water	m³	16,984,750	27,965,288
Third-party water	m³	113,596	143,030
Total water discharge	m³	30,906,246	39,224,829
Seawater	m³	13,434,994	10,853,837
Third-party water	m³	8,100	34,019
Water recycled	m³	232,926	133,669
Total water consumption	m³	1,376,278	1,281,078
Water consumption intensity	m³/boe	0.0583	0.0562



7%

decrease in our water consumption in 2024 compared to 2023

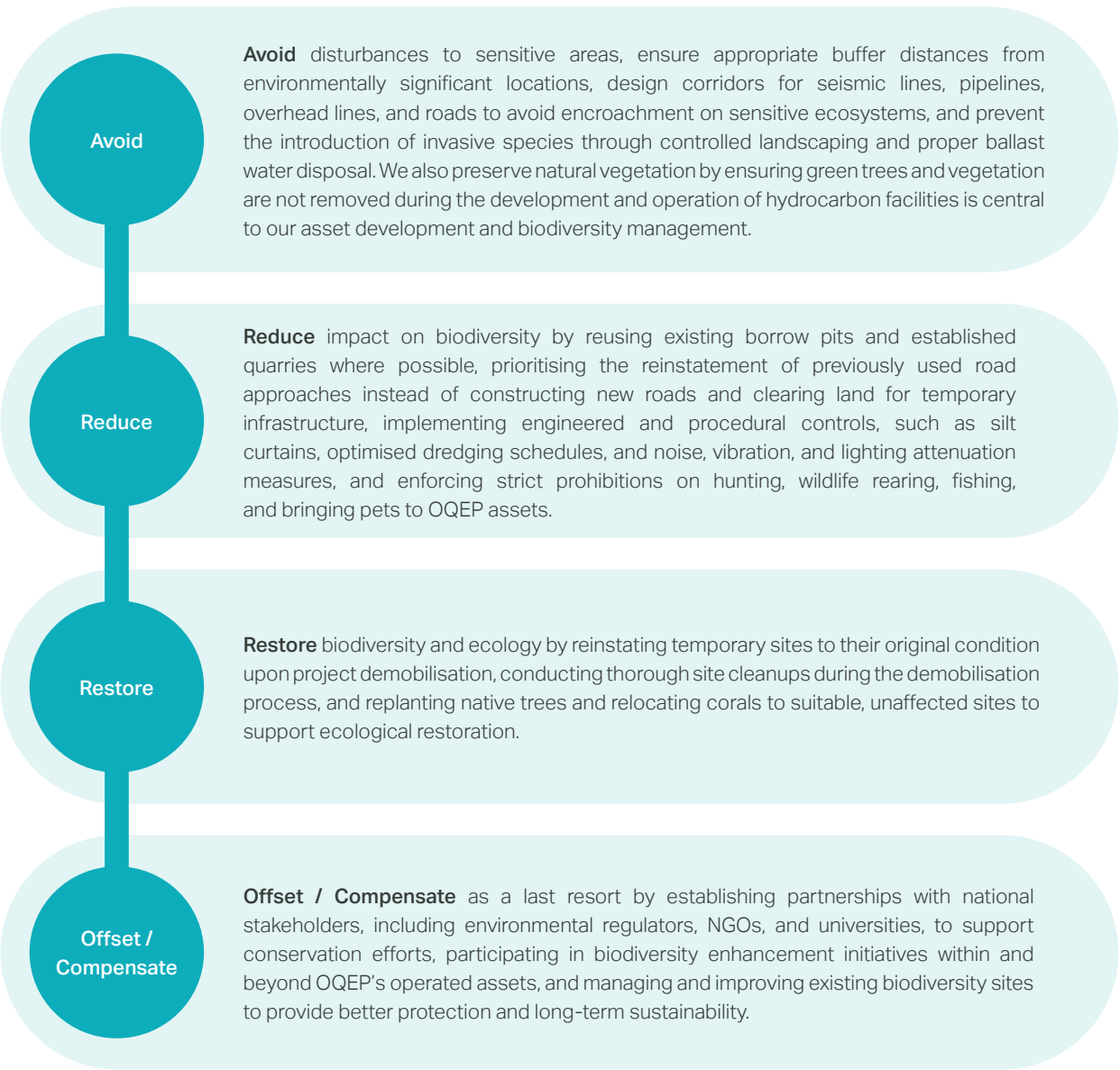




# Biodiversity

OQEP protect and support biodiversity at our sites through a range of strategies guided by baseline assessments of the ecological value and biodiversity of each asset's area of influence.

These early-stage assessments ensure we understand the co-existing ecosystems and the species of flora and fauna at each site, as well as any dependencies and vulnerabilities between species, habitats, and ecological resources. To mitigate any potential biodiversity impacts at a site, we then follow best practices to:



At OQEP, we recognize the importance of biodiversity in sustaining healthy ecosystems and combating climate change. In line with national strategies to combat desertification, reduce land degradation, and preserve native plant life, we are actively involved in a range of biodiversity initiatives that also contribute to nature-based carbon sinks.

In 2024, our efforts included the continuation of our support for the Ashjar Initiative—a national tree-planting program aimed at restoring and repopulating native tree species across Oman. Through this collaboration, we contribute to ecological resilience and the enhancement of natural carbon capture.

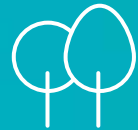
In the marine environment, we completed an underwater ecological survey at our Musandam assets to assess the performance of an artificial coral habitat we constructed a decade ago. This habitat was originally engineered by designing subsea pipeline rock armouring to mimic natural seabed conditions. We are proud to report that the site has seen natural coral colonization with an average density of 12 corals per 10 square meter quadrants, and the exciting discovery of two new coral species in 2024—demonstrating the success of our habitat enhancement approach.

To date, the artificial habitat spans an area of 8,000 square meters, representing a meaningful step forward in marine biodiversity conservation and habitat restoration in the region.



8,000 m<sup>2</sup>

of new habitat through native tree plantations created since 2014.



1,000

native trees were planted along with numerous shrubs and flowering plants within our Block 60 asset.

OQEP does not own, lease, or manage any operational sites located in or adjacent to protected areas or high biodiversity value areas outside protected zones.

- **Block 60:** Situated outside the proposed Rub' al Khali National Resource Reserve and Jiddat Al Harassis National Nature Reserve.
- **Musandam Gas Plant (MGP):** Located on the west coast of the Musandam Peninsula in the Arabian Gulf, a shallow basin averaging 30m in depth, with deeper areas near the Strait

of Hormuz. No high-value ecological sites have been identified in this region.

- **Block 8 Concession:** Located ~20km offshore, this site does not harbour sensitive marine habitats.
- OQEP has conducted a biodiversity baseline survey and found no species that are endangered or listed on the IUCN Red List.

No other threatened, vulnerable, or endangered species have been recorded within any of OQEP's operated assets.



# DISCOVERING SHARED VALUE

46

2024 Sustainability Report

47

Our support for Oman Vision 2040 is powered by active investment in projects and initiatives that reinforce our role as a preferred employer in our region and in programmes that drive positive social impacts for our local communities.

## MATERIAL TOPICS COVERED

- Occupational health and safety
- Human rights protection and development
- Diversity, equity and inclusion
- Local community and social investment
- Employment practices and development
- Asset integrity and critical incident management

## UN SDGS ALIGNMENT





# Workforce Overview

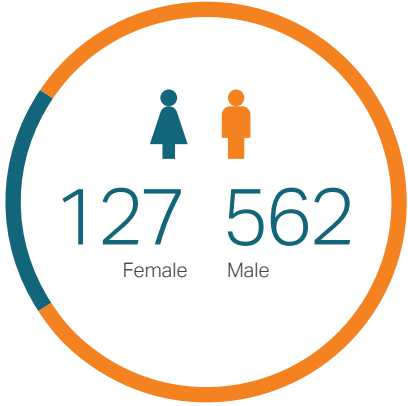
Creating an inviting, supportive and inclusive workplace that promotes health, safety and wellbeing and enables all employees to build successful careers with our company is at the core of our approach to social responsibility.

In 2024, OQEP's workforce grew by approximately 11% compared to 2023, with full-time employees making up 100% of the workforce. The proportion of female full-time employees decreased to 18% compared to 20% in the previous year, while the share of male full-time employees rose to 82%. Temporary employment was phased out entirely. Across age groups, the distribution remained largely unchanged, with employees aged 31-40 representing the largest segment at approximately 43%. Senior management saw a slight increase, with female representation rising to 8%.

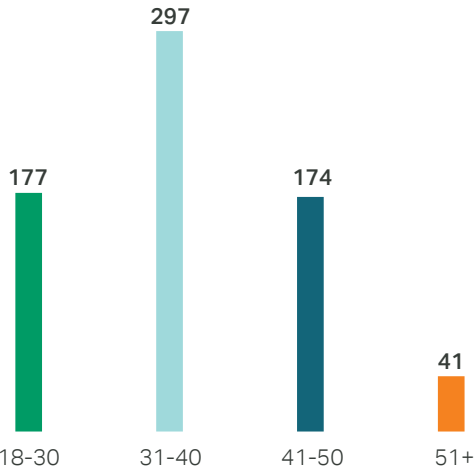


Workforce	Unit	2023	2024
Number of Employees	Number	634	689
Full-time employees	Number	633	689
Female full-time employees	Number	125	127
Male full-time employees	Number	508	562
Temporary employees	Number	1	0
Female temporary employees	Number	0	0
Male temporary employees	Number	1	0
Workers who are not employees	Number	123	123
Breakdown per Age Group			
18-30	Number	165	177
31-40	Number	280	297
41-50	Number	150	174
51+	Number	39	41
Breakdown per Employment Level			
Senior Management	Number	11	12
Male employees in senior management	Number	11	11
Female employees in senior management	Number	0	1
Middle Management	Number	121	135
Female employees in middle management	Number	10	15
Male employees in middle management	Number	111	120
Non-Managerial Level	Number	502	542
Female employees in Non-Managerial Level	Number	115	111
Male employees in Non-Managerial Level	Number	387	431

## FULL-TIME EMPLOYEES



## BREAKDOWN PER AGE GROUP



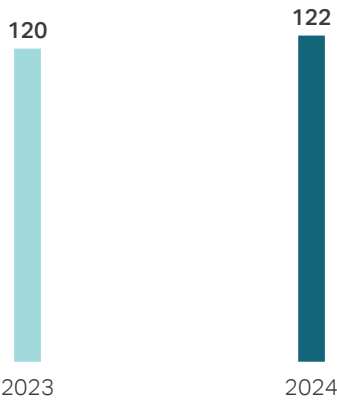
# Diversity and Equal Opportunity

With 20 nationalities represented across the OQEP workforce, we understand the value of a diverse, welcoming, and open workplace that values the expertise and contributions of all employees regardless of age, ethnicity or background.

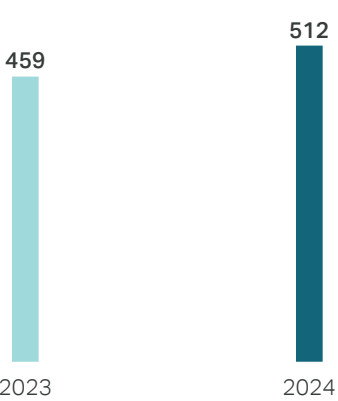
Knowing balanced gender representation is one of the keys to a truly diverse workplace, we are working to increase the number of female employees within our company and in leadership roles at OQEP through a women’s leadership programme. To build strong age diversity we are proud to provide career opportunities for young talent, with 26% of our employees under the age of 30. To support the aims of Oman Vision 2040, we are also proud to employ qualified Omani nationals across our workforce and in 2024 OQEP had a 90% Omanisation rate.



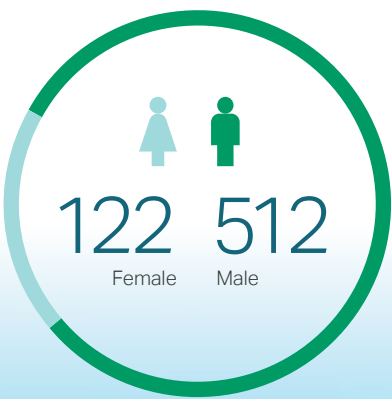
FEMALE NATIONAL EMPLOYEE



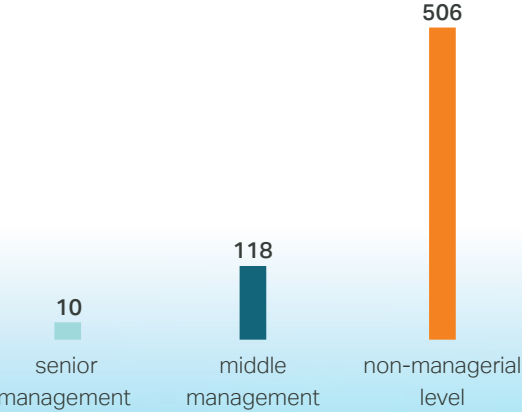
MALE NATIONAL EMPLOYEE



NUMBER OF FULL-TIME NATIONAL EMPLOYEES



NATIONAL EMPLOYEES BY EMPLOYMENT LEVEL





# Employment Practices and Development

OQEP takes pride in employing talented individuals at every career stage and to support Oman Vision 2040 for promoting a skilled workforce throughout our region. We provide a range of training opportunities and development support to enable all employees to pursue successful careers with us, including career development planning, leadership training programme, regular performance reviews, and employee engagement surveys.

## Performance Incentives

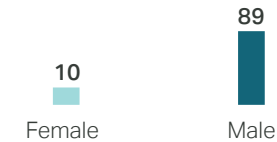
We award performance incentives on a purely discretionary basis after the approval of the company's performance rank, by the Board. Incentives are directly linked to individual performance and overall company performance, and the Board has the discretion to defer or withhold incentives for a particular year due to extraneous circumstances.

## Retirement (Omanis)

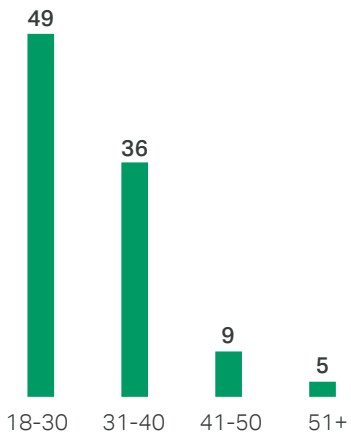
Employees can retire from OQEP after reaching the age of 60 for men and 55 for women, or as may be amended in the Social Insurance Law. Any extension to the retirement age shall be approved by the respective authority. For Omani employees, we provide an Omani Retirement Plan that follows the Oman Social Protection Fund. The same fund applies to all levels of employee and there are no other special schemes for directors or officers. Expatriate employees may receive End of Service benefits equivalent to one basic salary per year of service (pro rata).

### NEW EMPLOYEES BY GENDER

Total number of new employees who joined the organisation:  
99



### NEW EMPLOYEES BY AGE



49%

of new hires in 2024 were under the age of 30

# Human Rights Protection and Labour Management

OQEP's high standards of labour management and human rights ensure that our ethical practices align with our company's values and enable full compliance with international guidelines. We provide high-quality working conditions in compliance with internationally recognised principles on labour and human rights.

- > 1 We do not employ any children under legally eligible age of employment. If local law stipulates a higher minimum working age or mandatory schooling until a certain age, such higher age shall prevail
- > 2 We strictly oppose any forced or compulsory labour in all forms
- > 3 We are committed to providing a safe and healthy working environment
- > 4 We respect trade unions and the right of workers to organise and bargain collectively, and trade union representatives will not be discriminated against





# Occupational Health and Safety

We are committed to cultivating a proactive safety culture where every individual understands their role in maintaining an incident-free and injury-free workplace. We believe that sustaining this culture goes beyond policies and procedures—it requires visible, engaged leadership and active participation from both employees and contractors. By empowering our workforce and leading by example, we continue to build a resilient safety-first mindset that is deeply embedded in all aspects of our operations.

At OQEP, our approach to safety is deeply rooted in adherence to the highest standards across all our assets and facilities. We ensure consistent implementation of these standards through robust systems, clear procedures, and continuous workforce engagement—because for us, safety is not just a policy, but a shared value.

We empower our people through ongoing training, active participation in safety behaviours, and continuous improvement initiatives, all aligned with our unwavering commitment to zero harm.

Guided by our corporate Health, Safety, Security, and Environment (HSSE) Policy, OQEP maintains a comprehensive HSSE Plan that defines clear annual objectives and key performance indicators (KPIs). These KPIs are directly tied to our corporate performance scorecard and focus on proactive HSSE initiatives, targeted improvement and assurance programmes, and key metrics such as Total Recordable Incident Frequency (TRIF) and Motor Vehicle Incident Frequency (MVIF).

OQEP achieved significant milestones in HSSE performance, with TRIF maintained at a low level and LTIF reduced from 0.30 in 2020 to 0.14 in 2024, and MVIF decreased from 0.34 in 2020 to 0.17 in 2024. These results reflect our sustained efforts to embed safety across all levels of the organisation.

Our 2024 HSSE Plan also laid the foundation for several strategic focus areas for 2025 aimed at enhancing our HSSE management systems and overall performance. These include:

- Leadership commitment to drive a strong safety culture
- HSSE digitalization to enable smarter, data-driven decision-making
- Strengthened assurance mechanisms to support compliance and continuous improvement
- Continuous implementation of the 3E Road Safety Strategy, reinforcing engineering, education, and enforcement
- Occupational Health Strategy to promote workforce well-being

Specific initiatives supporting these focus areas include conducting an HSSE Engagement Workshop with stakeholders and contractors, organizing joint emergency response exercises with external agencies, and initiating the ISO Integrated Management System (IMS) pre-certification process.

These actions underscore our dedication to a safe, secure, and sustainable workplace, where every individual at OQEP plays a critical role in protecting People, Environment and Assets.

OQEP's HSE Committee plays a pivotal role in overseeing the implementation of our HSSE plan. Comprised of representatives from OQEP's senior management, operations, projects, well delivery, and field operation team, the committee fosters a collaborative approach to safety and sustainability. It enables joint management-worker participation in key areas, including:



Identifying hazards, reviewing HSE performance, and implementing improvements.



Ensuring compliance with regulations, international standards, and best practices.



Proposing corrective actions to management for continual improvement.














# HSSE Management System

We have established a robust HSSE Management System designed to drive accountability, align our operations with strategic priorities, and embed a culture of safety and sustainability across all levels of the organization.

This system serves as the backbone of our risk management approach, ensuring full compliance with national regulations covering all applicable Omani laws, ministerial decisions, and Royal Decrees as outlined in our Legal Compliance Obligation Register. In addition, our HSSE framework is aligned with globally recognized standards for occupational health, safety, and environmental protection. We actively benchmark against leading international and industry best practices to not only meet, but exceed, expectations in safeguarding our People, Environment and Assets.

OQEP Comply with the leading globally recognized standards including but not limited to:

- |   |  |   |
|---|--|---|
|  ISO 45001 (Occupational Health and Safety Management) |  NFPA Standards       |  IOGP Guidelines  |
|  ISO 14001 (Environmental Management System)         |  OPAL HSE Standards |  UK Health and Safety Executive Standards                             |
|  OSHA 1910.119 (Process Safety Management)           |  GRI Standards      |  Det Norske Veritas International Sustainability Rating System (ISRS) |

Worker participation in our HSE system is facilitated via direct engagement and HSE senior management site visits, representation on our HSE committee, and regular meetings to discuss HSE issues and allocate resources. We also conduct contractor workshops to gather feedback on our HSE practices. HSE-related reporting is enabled via our I-HSSE platform.

In 2024, we began actively working towards ISO 45001:2018 certification for occupational health and safety management. To advance our progress towards certification, a gap assessment and pre-certification audit are planned for 2025.

# Health and Safety Risk Management

At OQEP, we take a proactive and comprehensive approach to managing occupational health and safety across all our operations beyond compliance, energy products, and services. Our commitment is grounded in rigorous hazard identification, occupational health risk assessment and robust control measures aimed at eliminating or minimizing exposure to potential threats.

We enforce strict HSE requirements within all contracts, ensuring full contractor compliance through regular audits and performance evaluations. Our people, employees and contractors alike are fully empowered through targeted HSE training and awareness programs that build competence and cultivate a strong safety culture. We maintain a transparent and responsive incident management process, where every event is reported, thoroughly investigated, and followed by decisive corrective actions. Moreover, our emergency response systems and pre-incident plans are strategically developed and tested regularly to ensure a swift and effective response to any workplace risk protecting people, assets, and the environment at every turn.

To proactively identify, manage, and mitigate HSE risks across the company, we follow an established HSE Risk Management process that includes:

- Risk Identification and Rating based on our hierarchy of controls and with consideration for HSE Critical Equipment and Systems, Residual Risks, and ALARP principles
- Risk Register Updates based on incidents, audits, and overall HSE performance
- Regular Communication of risk findings through workshops, emails, and meetings
- Regular internal and external risk audits to ensure continuous improvement
- A contractor safety management strategy to strengthen HSSE practices with contractors, including a rigorous pre-contract evaluation and pre-qualification process to ensure the selection of well-qualified, responsible contractors
- Digitalising processes including permits to work, incident statistics, incident investigation, journey management, and emergency management, Occupational Health and Industrial Hygiene System.

## Risk Reporting

To promote a safety-first culture and open, reprisal-free reporting, our I-HSSE digital platform enables all OQEP employees and contractors to report work-related hazards safely, securely, and confidentially. Frequent surveys also give employees additional opportunity to anonymously raise safety concerns. All reports remain confidential and are immediately investigated based on clear terms of reference and addressed by HSE Department with the involvement of senior management and the Incident Review Committee (IRC) chaired by executives.





Emergency Preparedness and Incident Response

We have established incident preparedness and response procedures in place to ensure immediate response should an incident occur. These procedures include pre-incident scenario planning, comprehensive emergency and crisis plans, and annual large-scale exercises jointly with government authorities. Post-incident investigation procedures are also in place to ensure follow-up investigations, root cause analysis, and the implementation of corrective action plans to avoid recurrence.

We conduct full scale annual emergency response exercises up to national level. We provide regular rectification training to keep our emergency response teams well-prepared. Additionally, we have remote control and shutdown systems in place, enabling the prompt and early detection of leaks and spills, minimizing potential environmental impact.

Spill Management	Unit	2023	2024
Total recorded significant spills.	Number	5	5
Total recorded significant spills.	Cubic meter	6	241*
Notes:			
All reported spill materials are well fluids (mixture of oil and production water). All leaks / spills occurred within OQEP's operational controlled area. All spills occurred on soil.			
The impacts of the spills are surface soil contamination. The contaminated soil has been immediately removed and stored in the designated contaminated soil storage pit for subsequent disposal.			

\*Majority of the 241 cubic meter spill was recovered (approximately 85%).

We conduct annual training on emergency response and rectification, and have remote control and shutdown systems in place, enabling the prompt detection and early arrest of leaks and spills.

Asset Integrity and Critical Incident Management

In 2024, we successfully executed a large-scale emergency management exercise at Bisat Field in our Block 60 concession area. Implemented by our emergency and crisis management team in collaboration with strategic partners from relevant governmental authorities and local and international service providers, the exercise tested our crisis response system and evaluated communication and coordination between stakeholders and responders during an emergency.

The exercise simulated an oil well blowout (loss of well control) with potential escalations including gas leaks and oil spills. This complex, multi-faceted scenario was designed to challenge our response procedures, escalation processes and communication protocols.

Several entities participated in the exercise, including the Ministry of Energy and Minerals the Royal Oman Police, the Oil and Gas Installations Security, the Directorate General of Police Aviation, the Public Authority for Civil Defence and Ambulance, the Ministry of Health, the Directorate General of Health Services in Al Dakhiliyah, the Environment Authority, and external entities such as Wild Well Control (USA) (WWC), as well as contractors and service providers. These entities contributed expertise in well control and medical emergency response and coordinated with third parties and internal teams as needed.

These large-scale initiatives are held annually and provide a valuable opportunity for OQEP to evaluate and improve our emergency response procedures and communication protocols across all its operationally diverse assets. Similar scale exercises were conducted in our Block 60 concession in 2022 and in our Block 8 offshore concession area in Musandam in 2023.

These exercises are a key part of OQEP's commitment to maintaining a high level of readiness and ensuring the safety and security of all employees and contractors, and company assets.





# Process Safety Management

We believe that adhering to high standards and international guidelines is key to building a sustainable process safety system. In 2024, OQEP made significant strides in enhancing process safety, achieving strong KPIs. This success reflects our ongoing dedication to the highest process safety standards and prioritising operational excellence and asset availability.

Our efforts focused on strengthening risk management, improving compliance with process safety protocols, and promoting a culture of continuous improvement. Through training programmes, detailed process safety audits, and the implementation of advanced technologies, we ensured that process safety remained at the core of all operations.

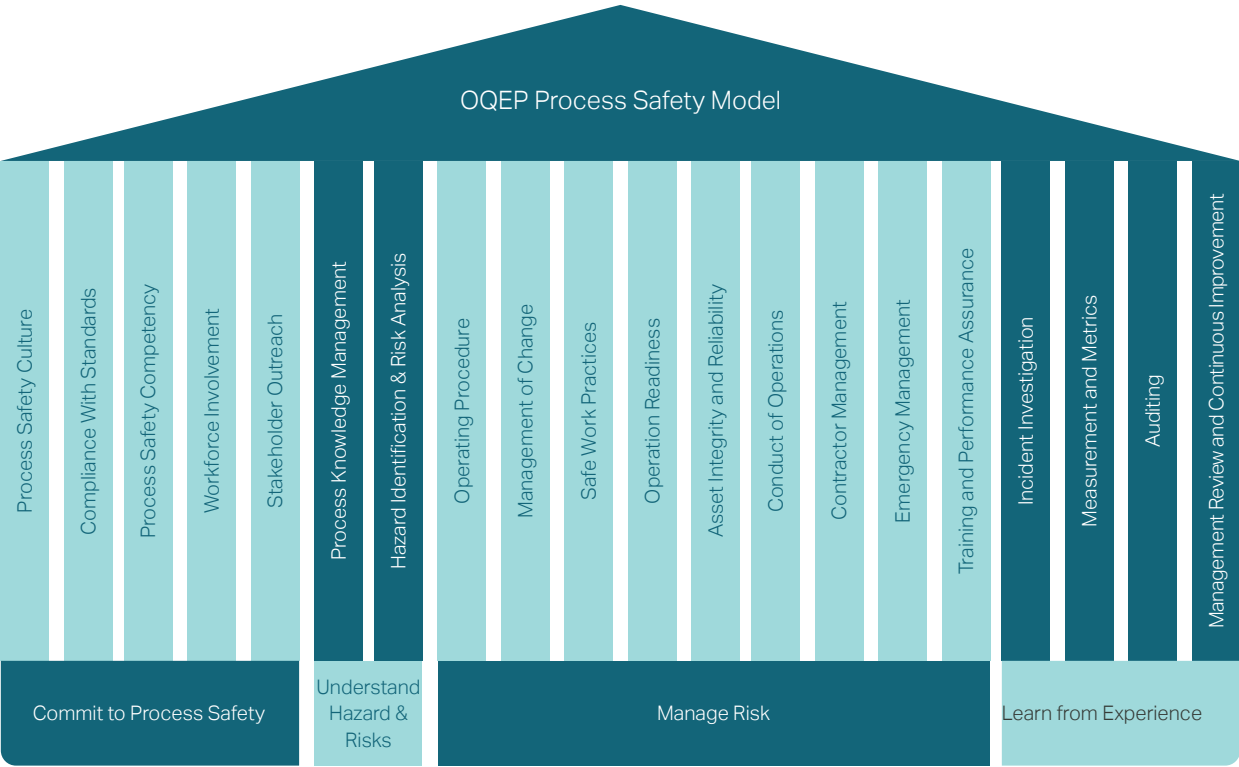
Our key achievements included reaching 87% of Tier 4 process safety performance, increasing employee engagement in safety initiatives, and placing a

stronger emphasis on proactive risk identification and mitigation. These results do not only highlight process safety but also our focus on operational excellence and long-term sustainability.

Looking ahead, we are more determined than ever to enhance our performance and set new benchmarks for process safety. With a clear process safety business plan for 2025, the progress made in 2024 provides a strong foundation for even greater achievements in the future.

## RISK BASED PROCESS SAFETY MANAGEMENT SYSTEM STRUCTURE

Pillars (Foundational-blocks) and associated Elements that constitute a sturdy RBPS Management Systems



# Occupational Health and Safety Training

We conduct regular health and safety trainings for a safety-first culture focused on continuous improvement and learning. In 2024, our safety training measures included both mandatory and competency-based trainings, such as OPAL Unified HSSE Induction, H2S, Fire Response, Defensive Driving, Incident Investigation, Advanced First Aid, NEBOSH IGC/Diploma, and Sea Survival and Basic Offshore Safety Induction and Emergency Training (BOSIET) with OPITO accreditation. Contractor compliance was reinforced via HSE contract requirements (C9) training and verification audits.

## ESG in Action Pioneering Road Safety Training with V-traineR Virtual Reality

In 2024, we took the innovative step of integrating advanced virtual reality (VR) technology with existing training frameworks to address the growing need for enhanced drive safety training in Oman with the aim of reducing road accidents, improving critical safety skills, and overcoming the limitations of traditional training methods. Developed in collaboration with internal and external stakeholders, the immersive V-traineR platform combines state-of-the-art VR road safety training with a 6D graded road simulator that enables drivers to safely experience and manage road risks.

“The V-traineR programme is a game-changer for driver safety training. By combining cutting-edge technology with practical applications, we’ve created a safer, more effective way to build critical road safety skills. The OPAL award is a testament to our team’s dedication to innovation and safety excellence.”

Now integrated into OQEP’s safety protocols, the V-traineR programme received the OPAL Award for Best Practices 2025 in the Health and Safety Risk category, positioning OQEP as a leader in leveraging technology for health and safety training. The programme has already made a significant impact in advancing road safety by enhancing driver safety training through immersive, risk-free environments, reducing incidents during practical training by providing realistic, controlled simulations.

Further development of the V-traineR programme include:

- Expanding the programme to train additional drivers across various sectors
- Upgrading the VR system to incorporate real-time analytics and feedback
- Exploring further applications of VR technology for other health and safety training initiatives
- Sharing success stories internationally to promote the adoption of similar technologies

Health and Safety Management	Unit	2023	2024
Total employees and workers covered by the health and safety management system	Percentage	100%	100%
Total number of health and safety training hours	hours	3,719	6,609
Direct employees	Number	669	874
Contractor employees	Number	2,885	5,735

TOTAL EMPLOYEES AND WORKERS COVERED BY THE HEALTH AND SAFETY MANAGEMENT SYSTEM

2023

2024

100% | 100%



# 2024 Safety Performance

- **Tier 1 Process Safety Event (PSE) Rate and Tier 2 PSE Rate for Loss of Primary Containment (LOPC):** In 2024, OQEP recorded one Tier 1 process safety incident. On 30 December 2024, an LLRTP line failed during commissioning activities due to human error, resulting in an oil spill. While no asset damage was recorded, minor environmental impact was measured. A root cause analysis (RCA) was conducted immediately, with recommendations and corrective actions implemented.
- **No Tier 2 event reported during the year**
- **Tier 3 'Challenges to Safety Systems' Rate:** In 2024, we reported 24 Tier 3 process safety incidents. These included challenges related to routine operational and maintenance activities, as well as minor leaks from isolation valves, flanges, and pinhole leaks.
- **Operating Discipline and Management System Performance (Tier 4 KPIs):** We have developed Tier 4 process safety KPIs specific to each asset, which are monitored monthly against predefined targets. The overall performance target for Tier 4 process safety KPIs in 2024 was set at 87%.

OHS - KPIs	Unit	2023	2024
Total employee manhours	Number	1,130,082	1,325,915
Total contractor manhours	Number	10,504,344	13,240,690
Employee fatalities as a result of work-related injury	Number	0	0
Employee fatalities rate as a result of work-related injury	Frequency	0	0
Contractor fatalities as a result of work-related injury	Number	0	0
Contractor fatalities rate as a result of work-related injury	Frequency	0	0
Employee high consequence works related injury (excluding fatality)	Number	0	0
Employee high consequence works related injury rate (excluding fatality)	Frequency	0	0
Contractor high consequence works related injury (excluding fatality)	Number	0	0
Contractor high consequence works related injury rate (excluding fatality)	Frequency	0	0
Employee recordable work-related injury (excluding fatality and high consequence work)	Number	0	0
Employee recordable work-related injury rate (excluding fatality and high consequence work)	Frequency	0	0
Contractor recordable work-related injury (excluding fatality and high consequence work)	Number	13	9
Contractor recordable work-related injury rate (excluding fatality and high consequence work)	Frequency	1.09	0.63
Fatalities as a result of work-related ill health	Number	0	0
Cases of recordable work-related ill health	Number	0	0



# Employee Health and Wellbeing

Our people are the driving force behind OQEP’s success, and we are proud to empower our employees with the support and resources they need to enjoy a healthy work-life balance.

In 2024, we provided a range of non-occupational medical and healthcare resources and services to minimise occupational illness and promote healthy lifestyles through our employee wellbeing programme, including:



Comprehensive medical insurance coverage for non-occupational health services.



Periodic medical checkups to monitor employee health and detect early signs of illness or risk.



Wellness and awareness programmes on mental health, lifestyle diseases, and preventive care



Fully equipped on-site clinics at Block 60 and the Musandam Gas Plant for timely medical support.

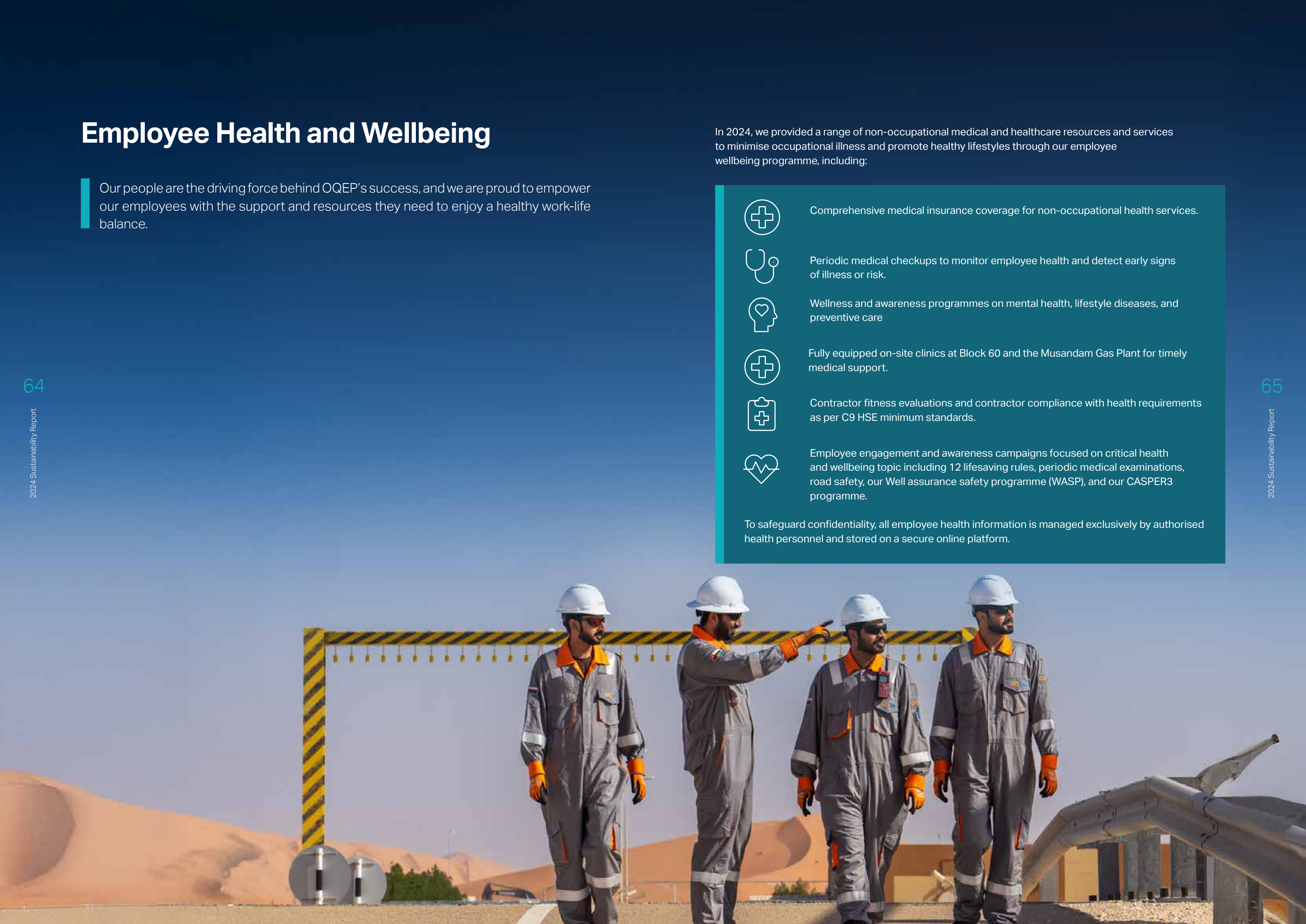


Contractor fitness evaluations and contractor compliance with health requirements as per C9 HSE minimum standards.



Employee engagement and awareness campaigns focused on critical health and wellbeing topic including 12 lifesaving rules, periodic medical examinations, road safety, our Well assurance safety programme (WASP), and our CASPER3 programme.

To safeguard confidentiality, all employee health information is managed exclusively by authorised health personnel and stored on a secure online platform.





# Local Community and Social Investment

OQEP contributes to the sustainable development of the communities where we operate, and aims to support the Oman Vision 2040 in the process. We prioritise social investment in sustainable initiatives that focus on local territorial development with a focus on supporting and enhancing the potential, values, and needs of our communities.

Each social investment aims to maximise synergies between our projects, ensuring meaningful contributions to community growth through a Corporate Social Investment (CSI) framework aligned with our corporate strategy and focused on four key areas:



Education and Health



Economic Prosperity



Youth and Citizenship



Environment

Our CSI Policy enhances the positive impact of our social investments on local communities and stakeholders by promoting transparency, accountability, and sustainability across our CSI activities in alignment with our strategic priorities and Oman's national vision . The policy establishes a structured approach for selecting, implementing, and evaluating social investment projects and sponsorship activities along with the planning, execution, monitoring and reporting associated with those projects.

Guided by our CSI policy, our Social Investment Committee oversees our social investment activities, including proposing and managing our annual CSI budget with Board approval, approving our CSI strategy and Term of Reference (ToR), approving CSI projects and programmes in alignment with business strategy and national priorities, and monitoring and evaluating the execution of those projects.

The CSI team drives the implementation of our social investment initiatives with oversight from the Social Investment Committee. The team's responsibilities include developing and proposing the annual CSI Strategy and Business Plan, executing approved CSI projects, managing our volunteering strategy and annual volunteering programmes, and developing and managing our external relations strategy and stakeholder engagement plan. The team also conducts regular programme monitoring and evaluation, and reports progress. The outcomes and results are shared with the CSI Committee.

To further advance our social investment initiatives and amplify our impact, we also collaborate with numerous governmental and non-governmental partners, including:

- Ministry of Social Development
- Ministry of Education
- Royal Oman Police (ROP)
- Musandam Governor's Office
- The Ministry of Culture, Sports and Youth – Youth Centre
- Oman In Focus
- North Sharqiyah Governorate Office
- Ministry of Health
- Sultan Qaboos University Hospital (SQUH)
- Oman Society for Lipid and Atherosclerosis

An open selection process for society to submit proposals is in place to ensure transparency in the selection, evaluation, and implementation of our social investment initiatives.



In 2024, our ongoing social investment projects included:

Community Development and Infrastructure

Community Development and Infrastructure initiatives that support local development, boost tourism, and preserve cultural heritage, addressing national priorities for economic diversification and community well-being.

1. Completion of the Bassah Beach Project in collaboration with Omran Group and the Musandam Governor's Office, enhancing local tourism and community infrastructure.


2. Continuing progress on the Dibba Archaeological Visitor Centre in the Wilayat of Dibba which will offer essential facilities and provide an opportunity to explore the history of Dibba. Implemented by the MHT and funded by OQEP in collaboration with the Governor's Office, the Centre spans an area of 17,562 square metres and the site features an archaeological excavation area dating back to the Bronze Age. (RO 2,200,000 Total budget)
3. Rebuilding Bukha Park in Musandam, featuring high quality amenities for the community (RO 250,000 Total budget)


4. Building the Musandam Cultural and Innovation Centre, an integrated cultural complex serving the local community in educational, instructional, cultural and entertainment fields (RO 488,487 Total budget)


5. Other ongoing projects include:
  - Dabba Beachfront Project — 64% completed
  - Telegraph Island Project — 40% completed

Youth Development and Education

Youth Development and Education projects that empower, engage and motivate Omani youth.


- Language Acquisition and Leadership Programme with Takatuf Oman to improve English proficiency and leadership skills for Musandam students


Summer Programmes Collaboration with the Youth Centre to provide academic and personal development opportunities

Summer Ambassadors Programme (2nd Edition) with the Musandam General Directorate of Education to empower students to represent Musandam in international events focused on scientific innovation, robotics, and AI

Science and Innovation


Science and Innovation initiatives to support the growth and development of technology, science and innovation in Oman.


- Sponsorship of the Oman Science Festival to foster creativity and public-private collaboration and promote science, technology, and innovation, helping position Oman among the top 20 countries on the global innovation index by 2040.

Platinum sponsorship of the AAPG International Conference and Exhibition. Held for the first time in the Middle East, the conference highlighted the unique geological diversity in Oman and its future exploration and production plans.

Health and Wellness

Health and Wellness programmes to promote and support public health.

- Sponsorship of the 20th International Symposium on Atherosclerosis (ISA 2024), fostering global discussions on preventing and managing cardiometabolic diseases.

In partnership with ASEF, delivering first aid skills training via community, and awareness workshops targeting school students, government entities and NGOs (1,500 Beneficiary)

In 2024, we completed two Social Return on Investment (SROI) studies to demonstrate the positive impact of our community initiatives:

DEVELOPMENT OF HEIL PARK AND SUNSET BEACH CAMP IN MUSANDAM

This initiative significantly enhanced the region's tourism infrastructure while contributing to the social, economic, and environmental well-being of the Bukha community. With an SROI ratio of 6.7:1, the project continues to generate long-term benefits for residents, tourists, and the local economy while serving as a model for similar initiatives across Musandam.

LANGUAGE ACQUISITION AND LEADERSHIP SKILLS PROGRAMME FOR MUSANDAM STUDENTS

This programme has positively impacted participants by equipping them with essential language and leadership skills. With an SROI ratio of 2.6:1, the initiative has proven to be a valuable investment in Musandam's youth, laying the groundwork for future expansion and improvement and ensuring continued social and educational benefits.

COMMUNITY INVESTMENT



NUMBER OF CSR PROJECTS



# Employee Volunteerism

We actively promote a culture of volunteering by encouraging employees to participate in various community-based initiatives. Over the past two years, we have executed approximately 15 volunteering activities with the engagement and participation of our employees, including the Qantab Beach Cleanup, Ramadan Cooking Show, Madhal Summer Programs, a Career Readiness Workshop at GCET, a Blood Donation at MGP Clinic, a Tree Day at Block 60, stress management workshops, and Knowledge Sharing with UTAS Students.

Volunteering	Unit	2023	2024
Number of volunteers	Number	348	230
Employee volunteer hours	Hours	7,262	1,864

## ESG in Action Robot Innovative Olympic Ambassadors (R.I.O)

To equip young students with the skills needed to thrive in an innovation-driven world, we proudly support the Summer Ambassadors Programme in Musandam in collaboration with the General Directorate of Education – Department of Innovation and Scientific Olympiad.

The programme focuses on students passionate about science, technology, and the environment, helping them develop skills in scientific innovation, robotics, and environmental studies. It also prepares them to represent Musandam in international competitions related to robotics, artificial intelligence, and scientific innovation.

- 88 students participated in the programme
- 100% satisfaction with resources and 99%

satisfaction with programme representatives

- 100% motivation to enhance skills in science, robotics, and environmental studies
- 99% felt an improvement in their knowledge, with 82% reporting significant improvement
- 100% found the programme innovative and gained a fresh perspective on science and technology
- 100% interest in attending similar future programmes, with 98% likely to recommend it
- Efficiency Ratio: 95.2%, reflecting the programme’s strong impact and success

The RIO Ambassadors Programme effectively empowers young learners with critical skills for the future, reinforcing OQEP’s commitment to education, innovation, and youth development.

## ESG in Action Leadership and English Upskilling Programme for Students in Musandam

In partnership with Takatuf Oman we support the Language Acquisition and Leadership Programme for students aged 15-16 in Musandam. This initiative enhances English proficiency, leadership skills, and exposure to STEAM disciplines, including programming and robotics. The Directorate General of Education in Musandam praised the programme and expressed interest in future editions.

- 5 students from Musandam participated
- Students reported improved English skills, confidence, resilience, and cultural awareness
- Students participated in activities such as sailing, horseback riding, go-karting, and camping to foster personal growth
- SROI ratio of 2.6:1, demonstrating strong social and educational impact

## ESG in Action Youth Centre Summer Programs in Musandam

We signed a memorandum of collaboration with the Youth Centre to support its Summer Programs in Musandam. These programmes are designed to enhance skills, nurture creativity, and align with Oman’s national goals.

- Virtual youth academy (LinkedIn)
- From skill to product program
- Independent professions program
- Tourist guides training camp
- Logistics camp
- Nikon photography program

## ECONOMIC AND COMMUNITY CONTRIBUTIONS

- Two young individuals from Musandam were hired to organise the programmes
- Five SMEs provided services
- Three productive families supplied food
- Two freelancers were employed to handle media coverage

## IMPACT

254 participants

91% reported enhanced capabilities due to provided equipment and resources

95% found representatives helpful and knowledgeable

95% were motivated to develop their scientific and soft skills

82% gained new perspectives in science, economy, and technology

73% reported significant improvement in their field of interest

100% expressed interest in future programmes

82% would recommend the programme to others

95.2% Efficiency Ratio, highlighting strong effectiveness



# UNLOCKING RESPONSIBLE GROWTH

## Business Ethics and Anti-Corruption

OQEP conducts its business with the highest levels of integrity and ethics supported by our rigorous governance structure and strong, prompt responses to all unethical or illegal practices. Guided by our core values and Code of Conduct, we follow the OQ Group's governance, business ethics, and anti-corruption policies and ascribe to a culture of personal integrity and accountability, maintaining the ethical standards of OQEP and OQ group.

### MATERIAL TOPICS COVERED

- Innovation and digital transformation
- Supply chain management and ICV
- Cyber security and data privacy
- Reserves valuation and capital expenditures
- Business ethics and anti-corruption
- Government relation and tax
- Economic impacts

### UN SDGS ALIGNMENT



# Governance

In 2024, OQEP transitioned from a Limited Liability Company (LLC) to a closed joint-stock company (SAOC) and subsequently to a public joint-stock company (SAOG). Following this transition, the shareholders elected a Board of Directors to oversee the company’s governance and strategic direction.

After the successful listing of OQEP on the MSX, the shareholders strengthened the Board’s leadership with the appointment of two additional members. As a result, OQEP is governed by a seven-member Board of Directors who hold responsibility for guiding our growth, meeting our corporate objectives, overseeing the company’s financial affairs as per the Commercial Companies Law, Code of Corporate Governance, and compliance with SAOG and other regulations.

Responsible for acting in the best interests of the company, all OQEP Board members are required to be of good conduct and sound reputation and shall possess suitable characteristics, high ethical standards and core competencies for the role.

## The Board’s responsibilities include but are not limited to:

-  Overseeing the company’s financial position and ability to meet its debts and other obligations
-  Developing a long-term strategy and 5-year business plan, with built in monitoring of progress and evaluation
-  Monitoring the performance of management, agreeing relevant KPIs and succession plans
-  Observing all legal and regulatory responsibilities as to related party transactions, interested parties (conflicts of interest). Reporting mechanisms for these transactions and entities will be established
-  Ensuring the integrity of accounting systems and policies, including external audit
-  Supervising and assisting internal and external audits and whistleblowing processes
-  Approving the company’s internal regulations regarding routine activities and specifying the responsibilities and the authorities of the executive management

## OQEP’s Board at a Glance

- 7 members
- 4 independents
- 3 non-independent
- 1 woman
- 5 members aged 30-50 years
- 2 members aged 50+

## The Board’s activities are supported by board-level committees:

### AUDIT AND RISK COMMITTEE (ARC):



Comprised of three non-executive members, the majority of whom are independent directors, the ARC is chaired by an independent director who cannot serve on other Board committees, and at least one member must have financial or accounting experience. The committee ensures the efficiency of executive management in implementing Board directives and evaluates the adequacy of internal controls to safeguard company assets and shareholder interests by overseeing governance, risk management, compliance, and financial controls.

The ARC also reviews risk exposure, compliance with regulatory requirements, and the effectiveness of mitigation measures. This committee has unrestricted access to company records and can request information from executives, employees, and auditors. It is authorised to investigate relevant activities, resolve disputes between management and auditors, and approve special audit engagements.

### NOMINATION AND REMUNERATION COMMITTEE (NRC):



Comprised of three members appointed by the Board, the NRC plays a crucial role in ensuring leadership continuity and effective governance for OQEP. The committee oversees the nomination, selection, and remuneration of directors and key executives, ensuring the company attracts and retains competent leadership by identifying and proposing qualified candidates for board elections, and overseeing the hiring and appointment of key management personnel including the CEO and executive team. The NRC is also responsible for reviewing human resources policies and strategic remuneration policies and approving director training and development programs.

To fulfil this mandate, the NRC maintains succession plans for the Board and key leadership roles, prepares job descriptions for Board members, and nominates qualified individuals to fill vacancies in line with legal requirements. It also formulates and reviews executive compensation policies, ensuring alignment with market conditions and company performance. The NRC has the authority to seek information from management, investigate relevant matters, and recommend necessary improvements.



Board of Directors



Executive Leadership Team





# Ethical Business Practices

OQEP’s Ethics department ensures ethical conduct throughout our company and operations. The department conducts regular ethics and Code of Conduct training for employees.

In addition to aligning with OQ Group’s overarching principles, OQEP has developed its own set of Ethics-related policies as part of the IPO readiness project, including:



**ANTI-COMPETITIVE LAW:**

We comply with all antitrust and competition laws relevant to our business. We seek to build a culture of good compliance, by creating confident employees who know the “rules of the game” and can compete for business internationally without fear of breaching national and international antitrust and competition law. Our Ethical Conduct team is responsible for the implementation of all antitrust and competition rules and will ensure that all interactions with competitors are regularly reviewed.



**WHISTLEBLOWING:**

Beyond our full compliance with all applicable laws, regulations and standards regarding ethics, conduct, discrimination, and safety, we strive to make sure our workplace is open, transparent, and one in which everyone feels welcome and safe. This means ensuring all employees and contractors are encouraged to speak up with the understanding that they are safe to report information regarding potential misconduct, harassment, criminal activity, malpractice, or other action that violates our Code of Conduct without fear of retribution or retaliation. Reports can be submitted anonymously through OQEP’s system or the dedicated hotline.



**ANTI-MONEY LAUNDERING:**

OQEP does not support or facilitate money laundering in any form and we minimise the risk of money laundering by complying with all anti-money laundering regulations applicable in each of the jurisdictions in which we operate; implementing appropriate policies, procedures, and internal controls to minimise the risk of money laundering in all our transactions, and undertaking appropriate and reasonable risk-based due diligence on third parties before contracting with them. Any suspicious activity must be immediately reported to the appropriate supervisor, and if deemed appropriate to the legal department, such activity will also be reported to the relevant authorities.



**CONFLICT OF INTEREST**

To ensure transparency and compliance, all employees must submit an annual conflict of interest declaration at the start of each calendar year and report any new conflicts as they arise. The Ethical Conduct team reviews all declarations and implements risk mitigation measures where necessary. Regular training and awareness sessions on ethical conduct, including conflicts of interest, are provided, with mandatory e-learning modules covering real-world conflict scenarios. Employees are also required to disclose any personal or financial relationships that could present a conflict, in accordance with company policy.



**ANTI-CORRUPTION**

Our company upholds a strong commitment to ethical business practices through its Anti-Bribery and Corruption Prevention Policy. This policy ensures that all employees, business partners, and stakeholders operate with integrity and in full compliance with anti-corruption regulations. The Ethical Conduct department regularly conducts a range of employee awareness and training programmes on anti-corruption including face-to-face training sessions, online learning modules, roadshows, and awareness campaigns throughout the year, and key reminders are also shared through posters on digital screens and ethics newsletters.



**CODE OF CONDUCT**

To reinforce our ethical business standards, we adhere to the OQEP Code of Conduct which applies to all employees, suppliers, contractors, and business partners. Third parties must read and confirm their compliance with this code at the time of their registration with the company. To further strengthen our oversight of third-party engagements, we are also planning to roll out comprehensive due diligence processes in 2025.

While our primary focus has been on internal training, we are expanding our efforts to include third-party vendors and suppliers. In 2025, in coordination with our Contracting and Procurement team, we plan to conduct engagement sessions with select business partners. These sessions will address our ethics principles, expectations for ethical conduct and business integrity, and the tools available for reporting unethical practices.

The Ethics team also receives, retains, investigates and acts on concerns reported via our Whistleblowing mechanisms by any personnel or third parties regarding questionable conduct, misconduct, or unethical behaviour. The Board Audit and Risk Committee (BARC) receives regular ethics reports and updates throughout the year. All critical concerns are reviewed, with updates and corrective actions communicated to BARC to ensure accountability and governance.





## Government Relations and Tax

OQEP complies with all applicable tax laws and regulations while maintaining a responsible and transparent approach to taxation. We foster a proactive, open, and constructive relationship with the Omani tax authorities. Our tax governance is overseen by the Chief Financial Officer, ensuring diligent management and assessment of potential tax risks. When necessary, we engage external tax specialists to support full compliance with our tax obligations. We continuously monitor our tax positions, and as of today, tax assessments have been completed up to December 31, 2021.



## Innovation and Digital Transformation

Digital transformation is a key lever for sustainable business continuity and growth, and we are actively implementing a range of cutting-edge technologies to drive efficiency, enhance operations, and support long-term success. Sustainability is embedded across all our digital initiatives, and the adoption of cloud services to reduce reliance of physical hardware is a key focus – lowering our energy consumption and further minimising the environmental impact of our activities.

We regularly participate in leading regional and international technology conferences to help us stay ahead of key trends and developments in the digital transformation. We also take part in idea exchanges with industry peers designed to address major challenges as well as showcase advancements in Artificial Intelligence, Machine Learning, and Immersive Technologies. These innovations help to support functions across HR, HSE, and Asset Management.

In 2024, we successfully implemented SAP RISE in a private cloud to streamline operations and enhance productivity through cloud computing.



### ESG in Action Digital Twin Proof of Concept at Block 60



One of the most significant milestones for OQEP in 2024 was the successful implementation of a Digital Twin Proof of Concept at Block 60 in response to global and regional trends in digitalisation, regulatory requirements, stakeholder expectations, and our sustainability goals.

By creating a digital twin of our Block 60 asset, we established a single source of truth for end users, enhancing data accuracy, operational efficiency, and decision-making. The project aligns with our corporate objectives for driving digital transformation, improving asset management, and optimising operational performance, addressing industry challenges by enhancing efficiency and reducing operational risks.

Based on the success of this project, we are developing a Digital Twin Roadmap to expand its application across production functions, HSE, and maintenance, and expand Digital Twin capabilities to improve production rates, predictive maintenance, and operational sustainability.

# Cyber Security and Data Privacy

In the fast-moving landscape of digitalisation, cybersecurity, and data privacy, safeguarding critical information related to our customers, suppliers, partners, employees and other stakeholders is a critical mission.

We apply rigorous governance practices and procedures to ensure the responsible processing of all personal and private data in full compliance with all applicable data protection rules and regulations.

While OQEP has not yet initiated a specific General Data Protection Regulation (GDPR) compliance program, we align fully with OQ SAOC's People Team, which oversees the Oman Personal Data Protection Law (PDPL) compliance programme for the group, and a PDPL compliance scope has been developed for future implementation. In addition, OQEP is ISO 27001 certified for information security management, and we have a dedicated data security department responsible for security management and the implementation of our data security measures.

In 2024, we introduced a Data Privacy and Protection E-Learning course in alignment with Oman PDPL

All personnel charged with handling personal data must obtain consent and act in accordance with all laws and regulations and collect, use, process, and transfer information only for legitimate business purposes. Access to data or information is limited only to those with legitimate business purposes, and care is taken to prevent unauthorised use and disclosure.

In many countries, laws exist for the protection and secure storage of personal data. Some countries permit the transfer of personal data across their border only if the recipient has implemented procedural safeguards to ensure an equivalent level of data protection and data security. OQEP manages and stores various types of data using systems such

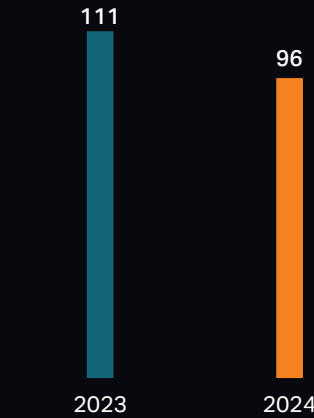
as EDRMS, SharePoint, and the classification platform TASNIF. The data we manage includes employee data, wells data, production data, reservoir data, financial data, process data, HR data, and seismic data.

To further maintain security, confidentiality, and compliance with relevant regulations, and ensure proper handling and security, we also classify data into different sensitivity levels, with a total of 5.55 million documents and emails categorised according to sensitivity and security.

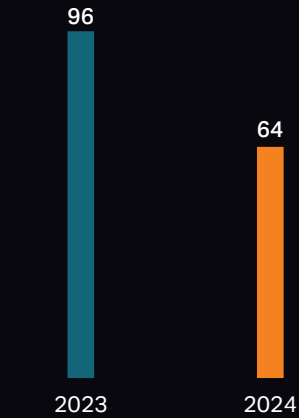
At OQEP, regular cybersecurity audits are conducted as part of a centralised service, assessing and evaluating the effectiveness of our privacy and security management systems. We also conduct a range of cybersecurity assessments and stress tests on a regular basis to evaluate IT infrastructure security, detect risks, and address vulnerabilities. These tests include periodic Vulnerability Assessment (VA) Scans, bi-annual Vulnerability Assessment and Penetration Testing (VAPT), ad-hoc VAPT for New Projects conducted on a case-by-case basis before project deployment, annual Risk Assessments and Gap Assessments, and regular Cloud Services Risk Assessments to assess the security risks and ensure compliance and data protection.

The high number of recorded cyberattacks is due to OQEP's enhanced reporting approach, which now includes all attempted cyberattacks rather than only false positive events, as was done previously. This enhanced approach offers a more accurate view of the cyber threat landscape, enabling us to strengthen our cybersecurity defences, proactively address risks, and build greater resilience against evolving digital threats.

ATTEMPTED CYBERATTACKS



ACTUAL CYBERATTACKS



33%

decrease in actual cyberattacks





# Economic Impact

In 2024, we achieved the largest IPO in Oman’s history, the biggest in the Gulf region. Offering 25% of OQEP’s share capital, the IPO raised RO 610 million and attracted an oversubscription of 2.7 times. With a market capitalisation now exceeding RO 3 billion, we stand as the largest company on the MSX, a testament to the strong confidence of local and international investors in the robust progress of our company and Oman’s economy.

While we experienced a revenue decrease from the sale of oil by RO 236 million in 2024 largely due to a decrease in entitlements of Block 60 and the strategic divestment of 40% of Block 60 in December 2023, OQEP continued to contribute to the economic development through our IPO with OQEP accounting for 11.3% of the total market value of MSX listed companies – helping elevate MSX to emerging market status and supporting better representation of economic sectors in the overall development of Oman’s economy.

Our 2024 economic impact highlights also included:



LOCAL MANUFACTURING SUCCESS:

The largest locally made inlet separator in Block 60 was designed and manufactured by an Omani SME, demonstrating local enterprises’ capabilities in executing complex projects. Designed and manufactured by HEMT, an SME working under our EPC contractor Enerflex for the Bisat C Expansion Project, the Inlet Separator showcases our commitment to using local suppliers and partners to amplify growth for our company and support the ambitions of Oman Vision 2040.



LOCAL EXPENDITURE:

Our spending on goods and services within Oman increased from RO 107.8 million to RO 135.71 million, with a notable increase in expenditure on Made in Oman goods (from RO 21.30 million to RO 24.91 million) and spending on SMEs (from RO 29.14 million to RO 32.84 million).



OMANI EMPLOYMENT:

Over 19 Omani fresh graduates were recruited across OQEP’s contracts, enhancing employment opportunities.



SME DEVELOPMENT:

We facilitated the participation of two SMEs in the Vendor Development Programme (VDP), a collaboration with Protiviti aimed at enhancing SME business performance in areas like strategy, financial management, human capital, and operations.

OQEP faced a 21% reduction in revenue, primarily due to the strategic divestment of 40% in Block 60 in December of 2023, which had contributed significantly to the previous year’s revenue through full-year production and a one-off gain. The decrease was further impacted by a lower average realised oil price, partially offset by higher gas volumes and prices, and the transfer of Abraj as part of a corporate reorganisation.

Financial Performance	Unit	2023	2024
Revenues	RO	1,063,281	841,265
Operating Costs	RO	805,180	508,426
Employee wages and benefits	RO	29,510	22,269
Payments to providers of capital	RO	308,080	173,030
Payments to the government	RO	3,575	78,528
Community investment	RO	39,373	613,508
Total tax paid	RO	3,575	78,528

Note: For more detailed information on our financial performance, please refer to our Annual Report.



RO 613k

Community investment

## Reserves Valuation and Capital Expenditures

### Capital Expenditures

OQEP's capital expenditures (CapEx) support the development and maintenance of infrastructure, equipment, and facilities for oil, gas, and condensate production. These investments cover new and existing projects, including drilling, reservoir management, facility construction, and environmental and safety initiatives.

CapEx categories include:

- Well-Related Expenditure – Drilling, hoisting, flowline installation, and hook-up.
- Facility/Non-Well Expenditure – Production platforms, pipelines, export facilities, and commissioning costs.
- Other Expenditure – Overheads, technology, environmental initiatives, and research & development.

OQEP primarily funds CapEx through operational cash flows and aims to maintain a strong financial framework. Future investments will focus on hydrocarbon exploration, gas expansion, and production growth through asset optimisation, new developments, and acquisitions.

### Reserves Valuation

Reserves estimates reflect OQEP's production potential and growth opportunities. The company classifies reserves into 1P (Proven), 2P (Proven + Probable), and 3P (Proven + Probable + Possible) based on certainty, alongside contingent resources.

Valuation involves estimating production, costs, market conditions, and associated risks. Independent audits ensure accuracy and transparency, reinforcing investor confidence and financial stability.



## Supply Chain Management and In-Country Value (ICV)

OQEP's operations are powered by a strong network of trusted business partners and suppliers. In 2024, our approach to supply chain management focused on assessing and improving our existing procurement processes while gathering insights to shape and enhance our procurement policy.

The procurement policy includes an established Supplier Code of Conduct, which is publicly available on Tawreed. All distributors, agents, vendors, suppliers, subcontractors, and partners engaging in business with OQEP are required to comply with the Code of Conduct, and to confirm their adherence at the time of registration or when requested by OQEP.

Similarly, OQEP does not engage with suppliers who have significant risk of forced or compulsory labour. Our Supplier Code of Conduct mandates that all work must be voluntary, free from coercion, threats, or penalties, and prohibit the use of forced, bonded, or indentured labour.

### Contract Provisions

All OQEP contracts include social considerations and conditions, including:

- C7 (ICV): Supporting local SMEs and investing in human capital
- C9 (HSE): Promoting best practices in health, safety, and environment
- C3 (General Conditions): Stipulating rights and best practices related to the scope of the project, including wages, benefits, and welfare



# 100%

success rate achieved in 2024 for logistics imports through Omani ports and airports, adhering to national standards and ensuring efficient supply chain management.

In accordance with our commitment to providing high-quality working conditions aligned with Omani and internationally recognised best practices on labour and human rights, we also expect our partners and suppliers to operate in accordance with the United Nations Universal Declaration of Human Rights and the International Labour Organisation (ILO) Fundamental Conventions. As a matter of principle, OQEP does not work with suppliers who are considered high risk for child labour or for exposing young workers to hazardous work. Suppliers must strictly prohibit the use of child labour and comply with ILO standards and local laws regarding the minimum working age.



# 100%

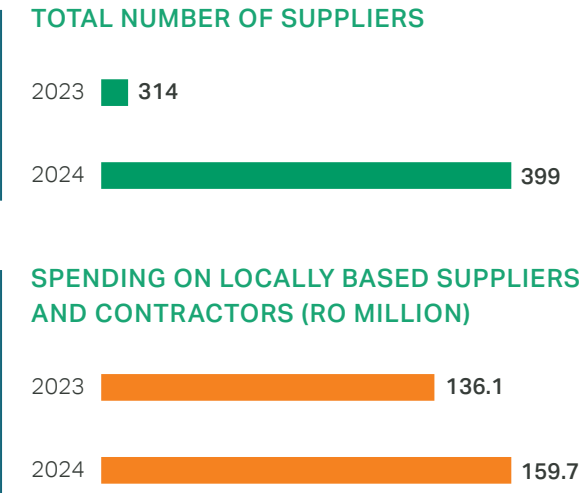
suppliers screened using environmental criteria in 2024





In 2024, the total number of local suppliers we used grew by 20%, accounting for 83% of our total suppliers and 85% of our total supplier spend –supporting the local economy and partnering with local businesses.

Procurement	Unit	2023	2024
Total number of suppliers	Number	314	399
Total number of local suppliers	Number	277	332
Percentage of local suppliers	Percentage	88%	83%
Total spending on suppliers and contractors	RO million	136.1	159.7
Spending on locally based suppliers and contractors	RO million	107.8	136.3
Percentage of spending on local suppliers	Percentage	79%	85%
Percentage of suppliers that have formally certified their compliance with the supplier code of conduct	Percentage	100	100



### Vendor Development Programme (VDP)

In 2024, we spent RO 32.84 million in SMEs and Riyadh. We have also partnered with Protiviti to implement a comprehensive SME development program, further enhancing its commitment to supporting local businesses.

A recognised leader in small business growth and development, Protiviti has worked with us to identify gaps and challenges faced by local SMEs. Together, we have designed a tailored VDP programme to address these needs and enhance the capabilities of local SMEs in areas critical to their growth and sustainability, including strategy and planning, financial management, human capital development, sales and marketing, and quality and operations.

Two SMEs, Tarabut and Superiority of Modern Services, have already joined the programme and are actively participating in their development journey. It is anticipated that these SMEs will successfully graduate from the program, equipped with the enhanced skills and capabilities to thrive in their respective industries.

In-Country Value (ICV)

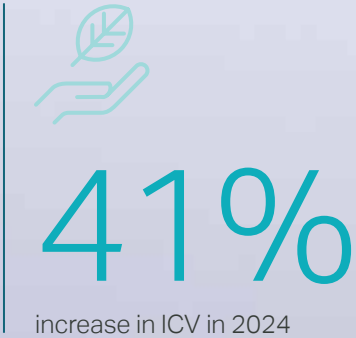
Defined as the total spend retained in-country that benefits business development, ICV contributes to human capability development, and stimulates productivity in Oman's economy. We include ICV terms and conditions in most of OQEP's major contracts, and we further maximise our contributions to ICV through a range of activities, including investments that promote local business growth and development promoting the sourcing and use of locally made products, supporting skills development and the generation of local job opportunities, and encouraging innovation and development in SMEs.

In 2024, we significantly amplified our ICV contributions by focusing on local economic growth and allocating contracts and procurement to local businesses wherever possible. As a result, we increased our ICV Index value from RO 54.3M in 2023 to RO 64.7M in 2024.



One of the primary challenges OQEP faces in growing our ICV index value is ensuring the accuracy of ICV reporting submitted by contractors. To remedy this challenge, we conduct thorough audits to verify the reliability and precision of contractor reported ICV data, and we are continuing to improve our ICV team's capacity to conduct these audits. Amid these efforts, we made significant progress in increasing OQEP's ICV contributions (as measured by the ICV Index Value).

Looking ahead, we plan to further amplify our ICV contributions by increasing annual local spending on goods and services with a focus on incorporating more local suppliers into our operations and advancing Human Capital Development by increasing recruitment and training opportunities to contribute to human capital development, particularly via new projects that will generate more local employment and skills growth.



# APPENDICES

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2024 Sustainability Report

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2024 Sustainability Report





APPENDIX (A)

# GRI Content Index

Statement of use	OQ Exploration and Production has reported the information cited in this GRI content index for the period 1 <sup>st</sup> of January 2024 to 31 <sup>st</sup> of December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	PAGE NUMBER/DIRECT ANSWER
GRI 2: General Disclosures 2021	2-1 Organisational details	12-19
	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	No restatements took place.
	2-5 External assurance	The report did not go through external assurance
	2-6 Activities, value chain and other business relationships	16, 17
	2-7 Employees	48, 49
	2-8 Workers who are not employees	49
	2-9 Governance structure and composition	74, 75
	2-10 Nomination and selection of the highest governance body	75
	2-11 Chair of the highest governance body	74
	2-12 Role of the highest governance body in overseeing the management of impacts	74
	2-13 Delegation of responsibility for managing impacts	74
	2-14 Role of the highest governance body in sustainability reporting	74
	2-15 Conflicts of interest	78
	2-16 Communication of critical concerns	78
	2-17 Collective knowledge of the highest governance body	Please refer to the Annual Report
	2-18 Evaluation of the performance of the highest governance body	74
	2-19 Remuneration policies	75
	2-20 Process to determine remuneration	75
	2-21 Annual total compensation ratio	Confidentiality Constraint
	2-22 Statement on sustainable development strategy	6-9
	2-23 Policy commitments	21, 27, 54, 67, 78, 79, 87

GRI STANDARD	DISCLOSURE	PAGE NUMBER/DIRECT ANSWER
	2-24 Embedding policy commitments	21, 27, 54, 67, 78, 79, 87
	2-25 Processes to remediate negative impacts	74, 78
	2-26 Mechanisms for seeking advice and raising concerns	74, 78
	2-27 Compliance with laws and regulations	31, 74-79, 82
	2-28 Membership associations	Not Available
	2-29 Approach to stakeholder engagement	22
	2-30 Collective bargaining agreements	The Sultanate of Oman has not ratified the ILO core labour conventions regarding freedom of association and the right to bargain collectively.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	23
	3-2 List of material topics	23
	3-3 Management of material topics	23
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	85
	201-3 Defined benefit plan obligations and other retirement plans	52
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	98
	202-2 Proportion of senior management hired from the local community	49, 98
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	88
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	79
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	78
GRI 207: Tax 2019	207-1 Approach to tax	90
	207-2 Tax governance, control, and risk management	90
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	35
	302-3 Energy intensity	35
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	42
	303-3 Water withdrawal	43
	303-4 Water discharge	43
	303-5 Water consumption	43
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	44
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	35
	305-2 Energy indirect (Scope 2) GHG emissions	35
	305-4 GHG emissions intensity	35

GRI STANDARD	DISCLOSURE	PAGE NUMBER/DIRECT ANSWER
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	39-41
	306-2 Management of significant waste-related impacts	41
	306-3 Waste generated	40
	306-4 Waste diverted from disposal	40
	306-5 Waste directed to disposal	40
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	87
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	52
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	52
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	54-60
	403-2 Hazard identification, risk assessment, and incident investigation	60
	403-3 Occupational health services	61, 65
	403-4 Worker participation, consultation, and communication on occupational health and safety	55-57
	403-5 Worker training on occupational health and safety	61
	403-6 Promotion of worker health	65
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	57
	403-8 Workers covered by an occupational health and safety management system	62
	403-9 Work-related injuries	63
	403-10 Work-related ill health	63
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	52
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	50, 51, 75
	405-2 Ratio of basic salary and remuneration of women to men	98
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	66-71
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	88

APPENDIX (B)

MSX Disclosure Mapping

Category	Metric	Calculation	Direct Answer
Environment	E1. GHG Emissions	E1.1) Total amount in CO <sub>2</sub> equivalents, for Scope 1	410,152 metric tonnes of CO <sub>2</sub> eq
		E1.2) Total amount, in CO <sub>2</sub> equivalents, for Scope 2 (if applicable)	32,871 metric tonnes of CO <sub>2</sub> eq
	E2. Emissions Intensity	E2.1) Total GHG emissions per output scaling factor	0.019 metric tonnes of CO <sub>2</sub> eq/boe
		E2.2) Total non-GHG emissions per output scaling factor	Not Available
	E3. Energy Usage	E3.1) Total amount of energy directly consumed	5,123,856 GJ
		E3.2) Total amount of energy indirectly consumed	256,681 GJ
	E4. Energy Intensity	Total direct energy usage per output scaling factor	0.24 GJ/boe
	E5. Energy Mix	Percentage: Energy usage by generation type	Electricity = 5% Diesel = 34% Natural gas = 61%
	E6. Water Usage	E6.1) Total amount of water consumed	1,281,078 m <sup>3</sup>
		E6.2) Total amount of water reclaimed/recycled	133,668.94 m <sup>3</sup>
	E7. Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes/No	Yes
		E7.2) Does your company follow specific waste, water, energy, and/or recycling polices? Yes/No	Yes
		E7.3) Does your company use a recognised energy management system?	No
	E8. Environmental Oversight	Does your Management Team oversee and/or manage sustainability issues? Yes/No	Yes
	E9. Environmental Oversight	Does your Board oversee and/or manage sustainability issues? Yes/No	Yes
	E10. Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development	13,265,807



Category	Metric	Calculation	Direct Answer
	S2. Gender Pay Ratio	Ratio: Median male compensation to median female compensation	1:1
	S3. Employee Turnover	S3.1) Percentage: Year over-year change for full-time employees	3%
		S3.2) Percentage: Year over-year change for part-time employees	Not Applicable
	S4. Gender Diversity	S3.3) Percentage: Year over-year change for contractors/ consultants	Not Applicable
		S4.1) Percentage: Total enterprise headcount held by men and women	Women 18%, Men 82%
		S4.2) Percentage: Entry and mid-level positions held by men and women	Women 19%, Men 81%
	S5. Temporary Worker Ratio	S4.3) Percentage: Senior- and executive level positions held by men and women	Women 8%, Men 92%
		S5.1) Percentage: Total enterprise headcount held by part-time employees	Not Applicable
		S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	Not Applicable
	S6. Non-Discrimination	Does your company follow non-discrimination policy? Yes/No	No
	S7. Injury Rate	Percentage: Frequency of injury events relative to total workforce time	No Employee injuries. 9 contractor work related injuries
	S8. Global Health and Safety	Does your company follow an occupational health and/or global health and safety policy? Yes/No	Yes
	S9. Child and forced Labour	S9.1) Does your company follow a child and/or forced labour policy? Yes/No	No, OQEP complies with Omani labour law
		S9.2) If yes, does your child and/or forced labour policy also cover suppliers and vendors? Yes/No	Not available

Category	Metric	Calculation	Direct Answer
Governance	S10. Human Rights	S10.1) Does your company follow a human rights policy? Yes/No	No, OQEP complies with ILO international standards, Oman labour law, and code of conduct
		S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	Not available
	S.11 Community Investment	Amount invested in the community, including philanthropic donations, as a percentage of the company's pretax profits	613,508
	G1. Board Diversity	G1.1) Percentage: Total board seats occupied by men and women	Women 14%, Men 86%
		G1.2) Percentage: Committee chairs occupied by men and women	Women 0%, Men 100%
	G2. Board Independence	G2.1) Does company prohibit CEO from serving as board chair? Yes/No	Yes
		G2.2) Percentage: Total board seats occupied by independent board members	57%
	G3. Incentivised Pay	Are executives formally incentivised to perform on sustainability?	Yes
	G4. Supplier Code of Conduct	G4.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/ No	Yes
		G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	100%
	G5. Ethics and Prevention of Corruption	G5.1) Does your company follow an Ethics and/or Prevention of Corruption policy? Yes/No	Yes
		G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	100%

Category	Metric	Calculation	Direct Answer
G6. Data Privacy		G6.1) Does your company follow a Data Privacy policy? Yes/No	Yes
		G6.2) Has your company taken steps to comply with GDPR rules? Yes/No	Yes
		G6.3) Has your company taken steps to comply with Oman Personal Data Protection Law rules? Yes/No	Yes
G7. Sustainability Reporting		G7.1) Does your company publish a sustainability report? Yes/No	Yes
		G7.2) Is sustainability data included in your regulatory filings? Yes/ No	Yes
G8. Disclosure Practices		G8.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	Yes
		G8.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No	Yes
		G8.3) Does your company set targets and report progress on the UN SDGs? Yes/No	No
G9. External Assurance		Are your sustainability disclosures assured or verified by a third-party audit firm? Yes/ No	No

APPENDIX (C)

SASB Content Index

Topic	Code	Metric	Unit of measure	Location/direct answer
Greenhouse Gas Emissions	EM-EP-110a.1	Gross global Scope 1 emissions, percentage methane	Metric tonnes CO <sub>2</sub> -e (t), Percentage (%)	35
	EM-EP-110a.3	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	35
Water Management	EM-EP-140a.1	(1) Total water withdrawn, (2) total water consumed	Thousand cubic metres (m <sup>3</sup> ), Percentage (%)	43
	EM-EP-140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Percentage (%)	0%
	EM-EP-140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Percentage (%)	0%
Biodiversity Impacts	EM-EP-160a.1	Description of environmental management policies and practices for active sites	n/a	44, 45
Workforce Health & Safety	EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) direct employees and (b) contract employees	Rate, Hours (h)	63
	EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	n/a	54-63
Business Ethics & Transparency	EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	n/a	78-79
Critical Incident Risk Management	EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	n/a	59



