



2022

SUSTAINABILITY

SUMMARY REPORT





|| ABOUT THIS REPORT

Bundug Limited Company (referred to as “Bundug”) takes great pride in presenting its seventh annual sustainability report, which captures our economic, social, and environmental performance from January 1st to December 31st, 2022.

Furthermore, this report offers a glimpse into our commitments for 2022. Unless stated otherwise, references to “we,” “us,” and “our” in this report pertain to Bundug’s operations in the El Bundug offshore oil field, our headquarters in Abu Dhabi, and the Musaffah warehouse.

This report highlights the achievements and knowledge acquired through stakeholder engagement processes. It includes sustainability data related to all services and operations of Bundug, specifically for the duration of January 1 to December 31, 2022. We have followed the guidelines provided by the Global Reporting Initiative (GRI) Standards (core option) when preparing this report (please refer to the GRI content Index at the end of the report for comprehensive information).

This report offers a comprehensive overview of our progress in advancing a sustainable future for both our company and the community we serve. Significant achievements and initiatives from 2022 are showcased through case studies developed throughout the report.

We value constructive feedback and comments, and we are pleased to provide additional information regarding our reporting process. For inquiries, please contact us at hse_mail@bundug.ae.

This report offers a comprehensive overview of our progress in advancing a sustainable future for both our company and the community we serve.



CONTENTS

About This Report.....	03
About Bunduq.....	10
Our Approach to Sustainability.....	20
Preserving the Environment.....	26
Creating Economic Value.....	36
Protecting Our People & Assets.....	46
Commitment to our People.....	56
Appendices.....	64

CHAPTER 1

A MESSAGE FROM OUR CEO

Welcome to Bunduq's sustainability report for the year 2022. We take this opportunity to reaffirm our commitment to sustainability and showcases our influence and contribution to the economy, society and surrounding environment.

A MESSAGE FROM OUR CEO



As of April 2023

Dear stakeholders,

I'm pleased to share Bunduq's Annual Sustainability Report for 2022, highlighting our sustainable initiatives and alignment with key material topics identified by our stakeholders.

As we set our sights on the future and strive for sustainable growth, we remain guided by the vision and objectives of the UAE and Qatar governments, respectively, directing our Environmental Social & Governance (ESG) efforts towards long-term sustainability.

Throughout our journey, safety remains the cornerstone of our operations, underpinned by our Health, Safety, and Environmental (HSE) policy. Our commitment to safety is evident in our achievement of zero Lost-time Injury Frequency (LTIFR) per 1 million man-hours over the years. We are committed to strengthening our emergency response and crisis management capabilities, including our medical emergency plan, as part of our ongoing efforts to strengthen our safety culture.

Our sustainability efforts naturally include Environmental protection. Our '2021-2025 Environmental Plan' sets clear objectives for energy, waste, flaring, and greenhouse gas (GHG) reduction. Our targeted efforts resulted in a 15% reduction in GHG emissions and a 47% reduction in average daily flaring. Our commitment to energy management and conservation is validated by our ISO 50001 Certification.

Spill avoidance remains our top priority, and we are proud to have achieved zero spills for six consecutive years. This achievement stems from our strong emphasis on reservoir productivity, asset and well integrity, and our dedication to embedding health and safety into every aspect of our operations.

Bunduq remains committed to achieving sustainable growth through responsible practices. Supporting local capabilities and fostering partnerships with local suppliers are integral to our commitment, where over 96% of our procurement spending is directed to locally based suppliers, indirectly contributing to the growth of the UAE.

We place a high value on the well-being of our staff and strive to provide ample development opportunities. Inclusivity is at the core of our work environment, where we respect and value differences, fostering an atmosphere of success. With 12 different nationalities represented among our workforce and a nationalization rate of 44%, we continue to drive diversity and empower our employees through technical and other training programs.

Sustainability is an ongoing journey, and we stand ready to embrace its challenges and opportunities. Together, we will continue to demonstrate our commitment to making a positive impact on society and the environment.

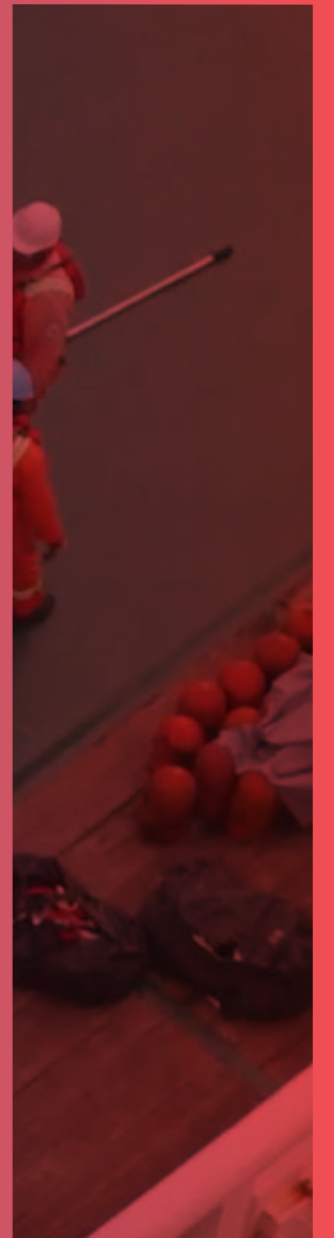
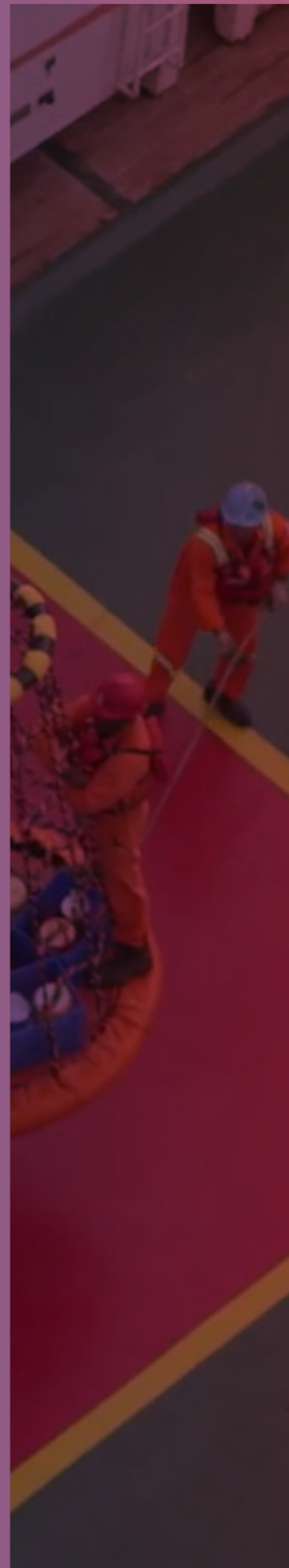
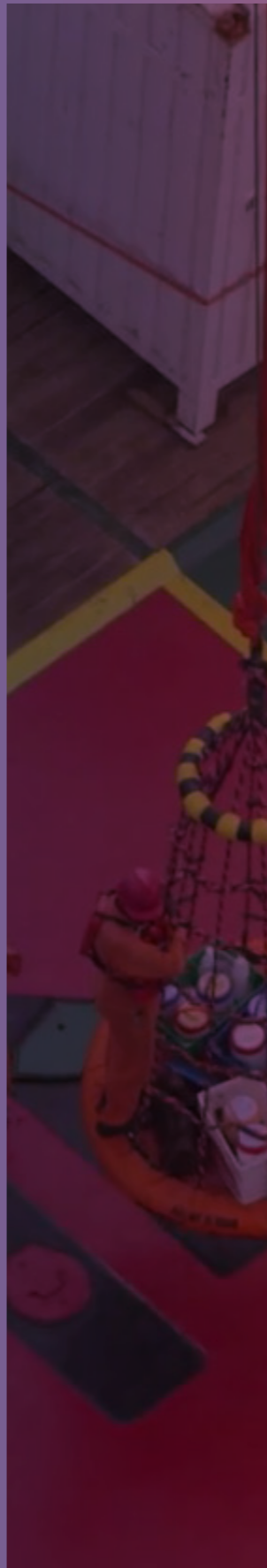
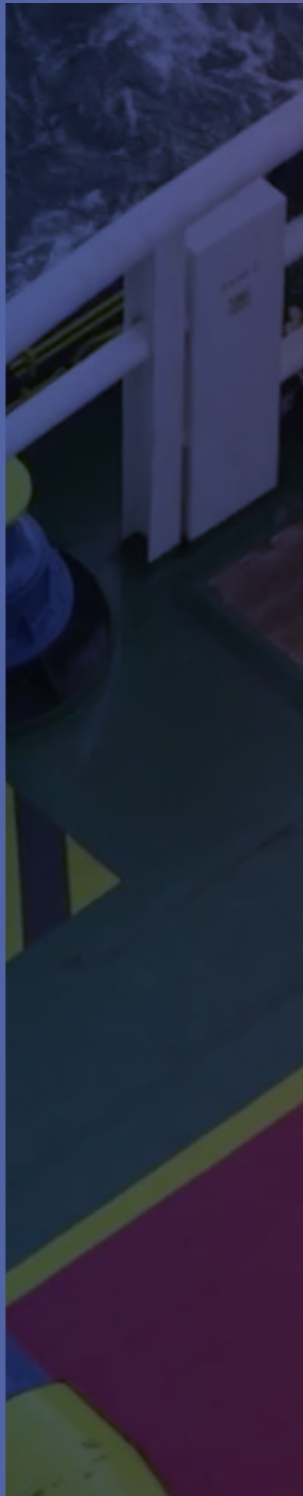
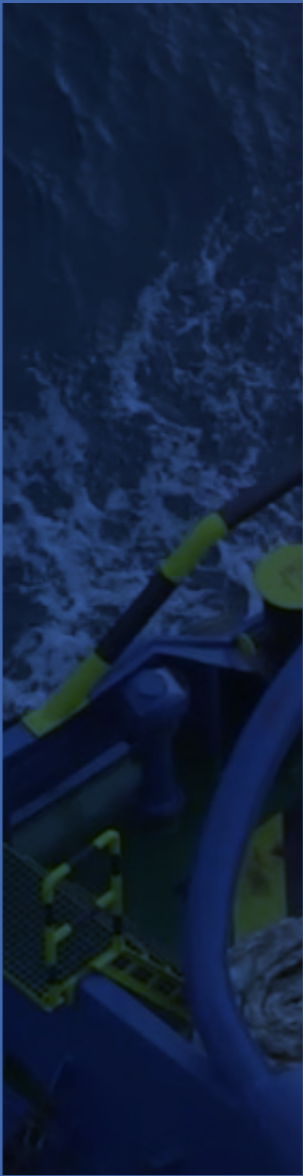
Thank you for your support as we collectively work towards a more sustainable and prosperous future.

Sincerely,

Ichiro Shikano
CEO, Bunduq

“
Our commitment to safety is evident in our achievement of zero Lost-time Injury Frequency (LTIFR) per 1 million man-hours over the years.
”





CHAPTER 2

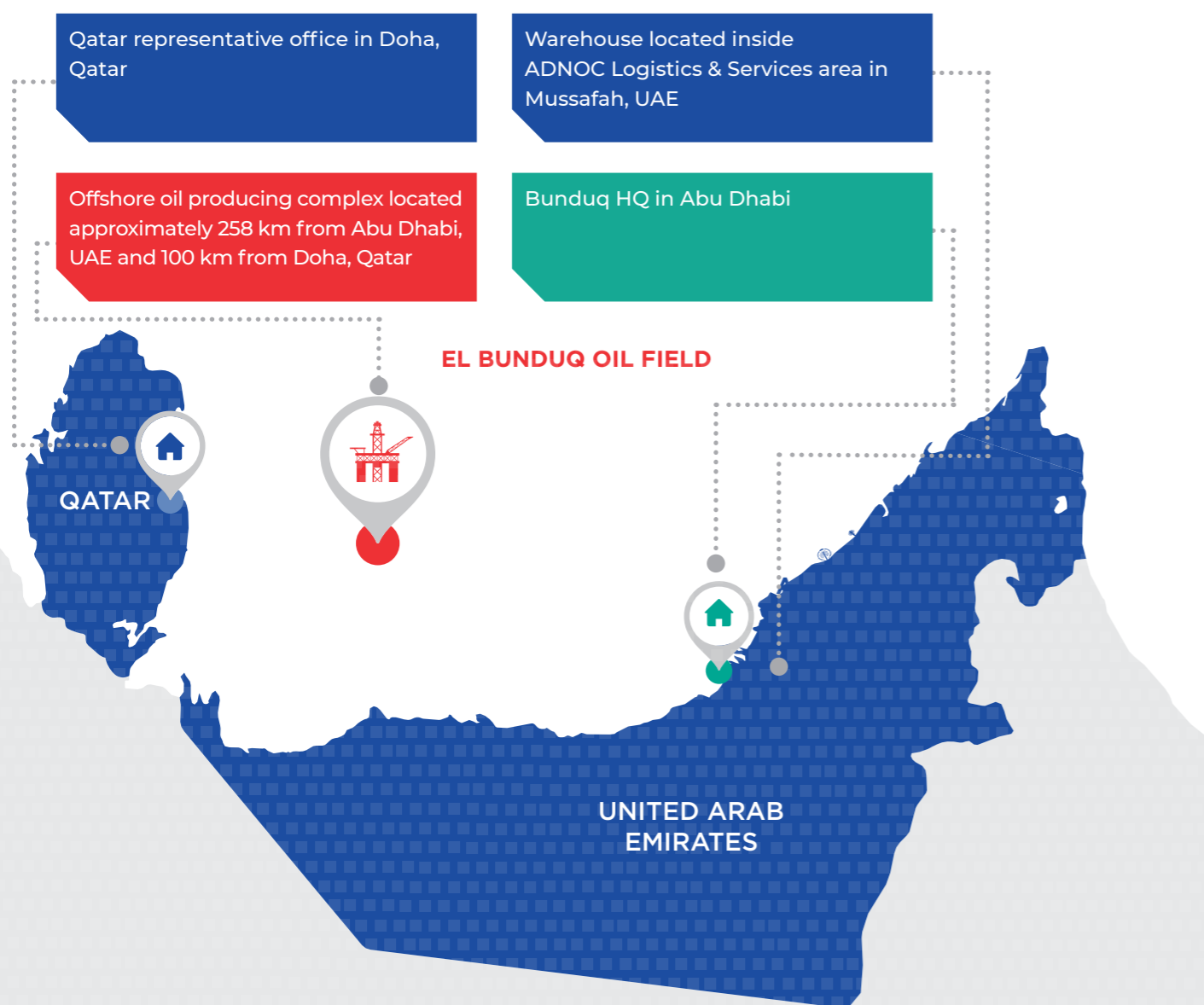
ABOUT BUNDUQ

Established in December 1970, Bunduq Company Limited set out to develop the offshore El Bunduq oil field.

ABOUT BUNDUQ

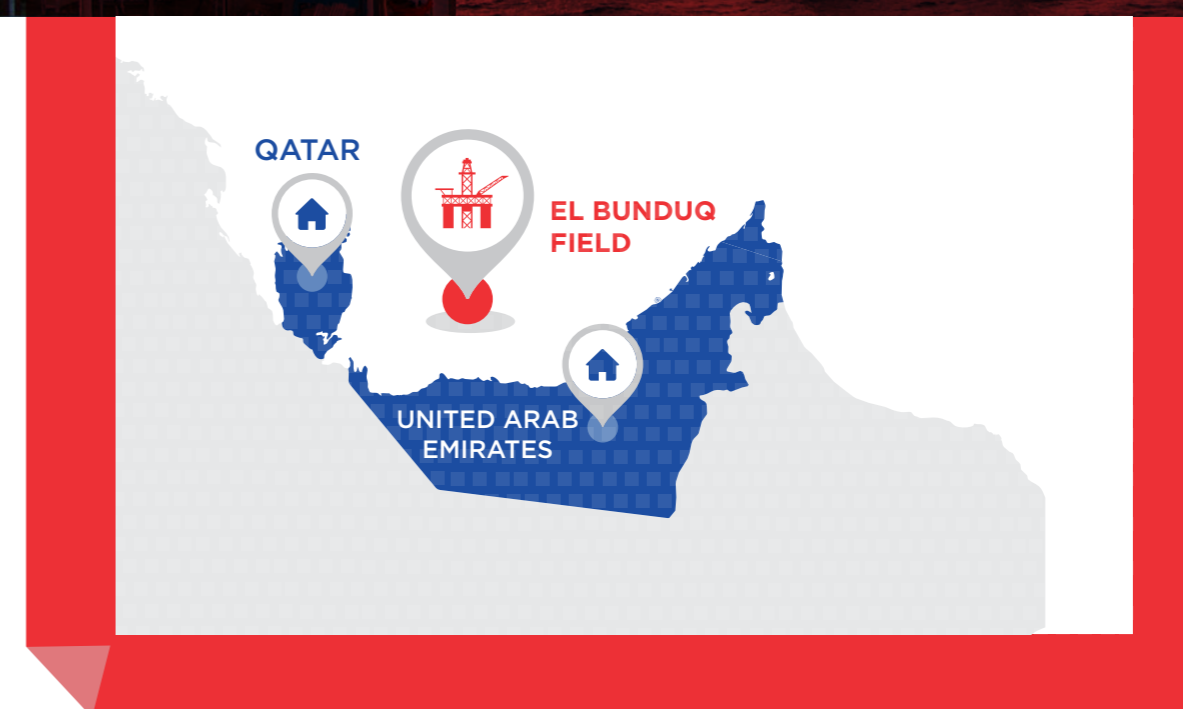
Established in December 1970, Bunduq Company Limited set out to develop the offshore El Bunduq oil field. Our offshore field is strategically located on the border of the emirate of Abu Dhabi and the state of Qatar, approximately 200km west of Abu Dhabi city and 100km east of Doha, offering a unique opportunity for collaborative growth.

Operating locations



Operating locations

- Qatar representative office in Doha, Qatar
- Offshore oil producing complex located approximately 258 km from Abu Dhabi
- Warehouse located inside ESNAAD's area in Mussafah, Abu Dhabi



In 1975, the El Bunduq field commenced commercial oil production through a natural depletion scheme, followed by the implementation of water injection in 1983 to ensure its long-term sustainability by maintaining reservoir pressure.

The lasting success of the El Bunduq Oil Development demonstrates the productive collaboration between the United Arab Emirates (UAE) and Qatar, under the visionary

leadership of His Highness Sheikh Mohammed Bin Zayed Al Nahyan, President of the UAE and Ruler of Abu Dhabi, and His Highness Sheikh Tamim Bin Hamad Al Thani, the Emir of Qatar.

For over fifty years, Bunduq has been engaged in the production and exportation of oil continuing its energy and production operations in the UAE and Qatar while ensuring safety, stable, and efficient oil production.



Our Mission

Our mission is to explore, develop and produce hydrocarbon resources of El Bunduq Oilfield in a steady, safe, and cost-effective manner. To achieve our mission, we employ leading technology and sustainability principles with the core aim of maintaining our Health, Safety and Environmental (HSE) performance.



Our Core Values

Bunduq's Code of Business Conduct (CoBC) represents our commitment to upholding high standards of ethical business practices. It serves as a guide and is continuously reviewed to ensure its ongoing relevance in our business landscape.

Embedded within our CoBC are principles that represent our core values. At Bunduq, we firmly believe in fostering a culture of integrity and accountability, guiding both our organization and employees to consistently uphold honorable and ethical behavior. In line with this commitment, we require all our employees to demonstrate their acknowledgment and comprehension of Bunduq's Code of Conduct (CoC) during the annual performance evaluation. To streamline this process, our employees conveniently endorse the CoBC digitally as part of their annual performance appraisal.

Our CoBC revolves around the following fundamental pillars:



139
EMPLOYEES



02
COUNTRIES OF
OPERATION



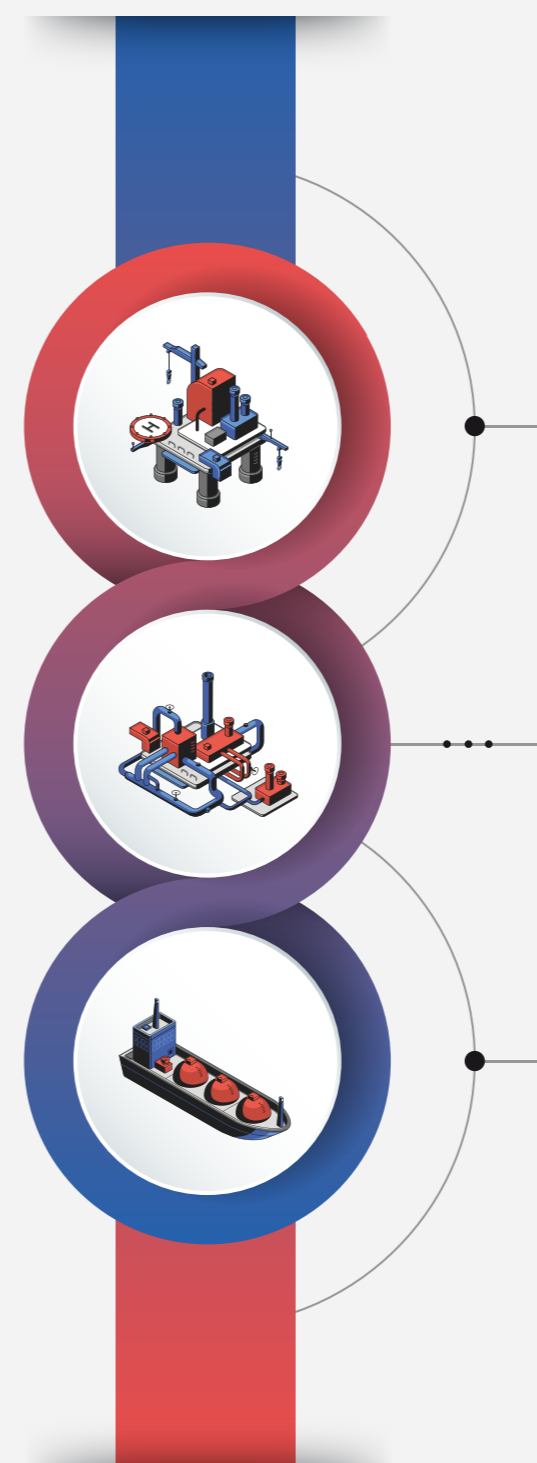
3,850,801
BARRELS OF CRUDE
OIL PRODUCTION



Our Operations

Our main product, crude oil, is used in numerous applications, supporting economic growth, and improving living standards worldwide. We aim to make a positive impact by using efficient and responsible practices in our operations.

Value Chain:



Developing & Extracting

- Production fluid from wells is transported to the CCP (Central Collector Platform) via pipelines located at the Bunduq's offshore complex.
- Oil is separated from production fluid after flow to Das island via 18" MOL (Main Oil Line).
- Our operation involves the separation, treatment and recycle of gas from production fluid for the generation of electricity used in the Bunduq's offshore complex.
- The gas from production fluid also used within the Bunduq for the injection to reservoir for the purpose of the EOR (Enhanced Oil Recovery), which contribute to minimize the waste and maximize resource utilization.
- The extracted oil is then transported through a 26 km pipeline to Das Island, where it is processed.

Packaging

- The recovered oil undergoes treatment to archive the export requirement.
- The oil is further processed for export in the Bunduq facility located on the Das Island.

Exporting

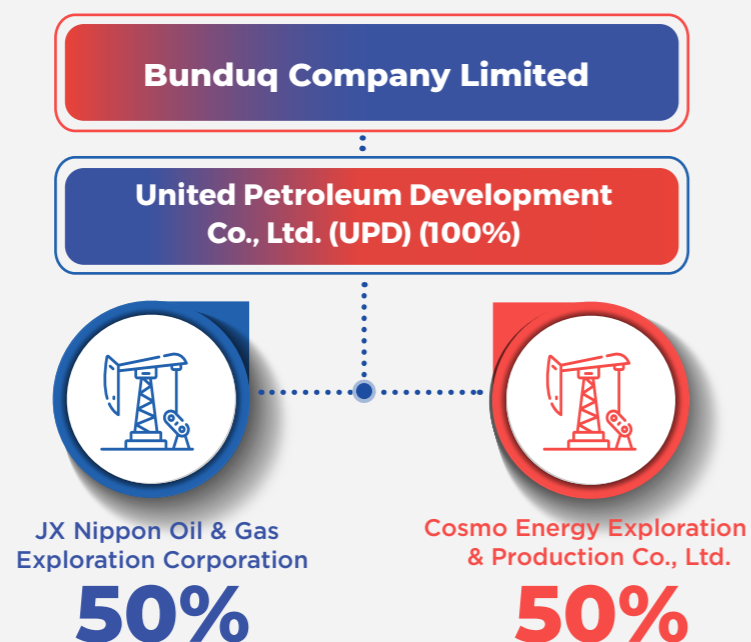
- All crude oil is transported to Japan through vessels from Das Island, where it undergoes further processing and refining.

By employing efficient and responsible practices at each stage, we aim to ensure the optimal utilization of resources, minimize environmental impact, and deliver high-quality crude oil.

Our Shareholders (as of December 2022)

Bundug Company is owned by United Petroleum Development Co. Ltd (UPD), Japan which, together with its own shareholders, plays a crucial role in supporting Bundug's ongoing success and expansion in the Middle Eastern region. UPD offers financial backing and provides experienced human resources to ensure Bundug's continuous growth.

With UPD acting as both the sole shareholder and customer of Bundug, it becomes an indispensable component of Bundug's downstream supply chain. Their close relationship ensures a seamless flow of resources that strengthen Bundug's industry position.



Corporate Governance

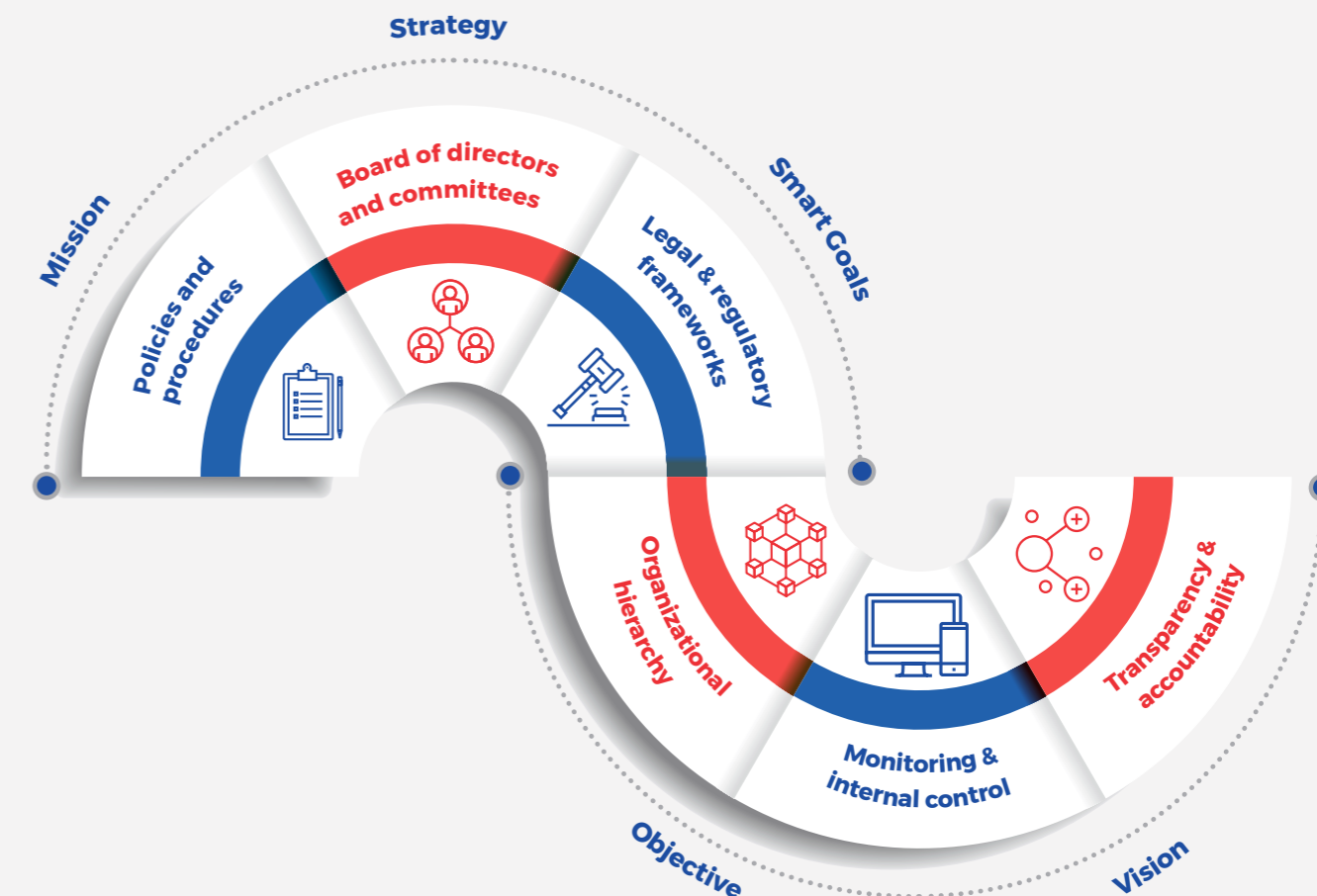
Bundug's corporate governance framework is the foundation of our effective decision-making process through our established policies and procedures. Our objective is to run a business that benefits the stakeholders involved, promotes ethical behavior among our employees, and operates with transparency and accountability.

Bundug's governance principles are based on the concession agreement, which was created in partnership with the Emirate of Abu Dhabi and the State of Qatar, representing their national oil companies, ADNOC and QatarEnergy.

ZERO
INCIDENTS OF
CORRUPTION REPORTED



Bundug's Corporate Governance Framework

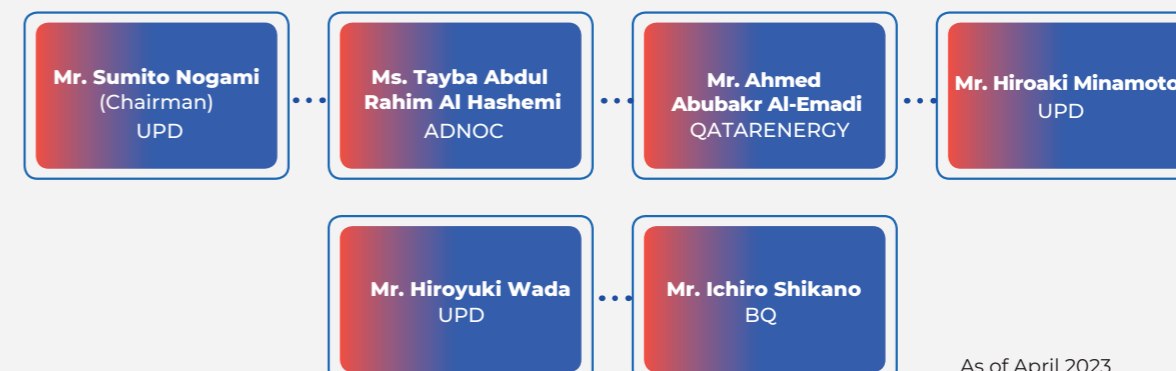


Our Board of Directors

At Bundug, our Board of Directors serves as the top governing authority within our company. It consists of nine members from ADNOC, QatarEnergy, UPD, and our CEO. They hold the responsibility of overseeing Bundug's operations, setting our strategic direction for the future and ensuring the effective implementation of our corporate governance framework.

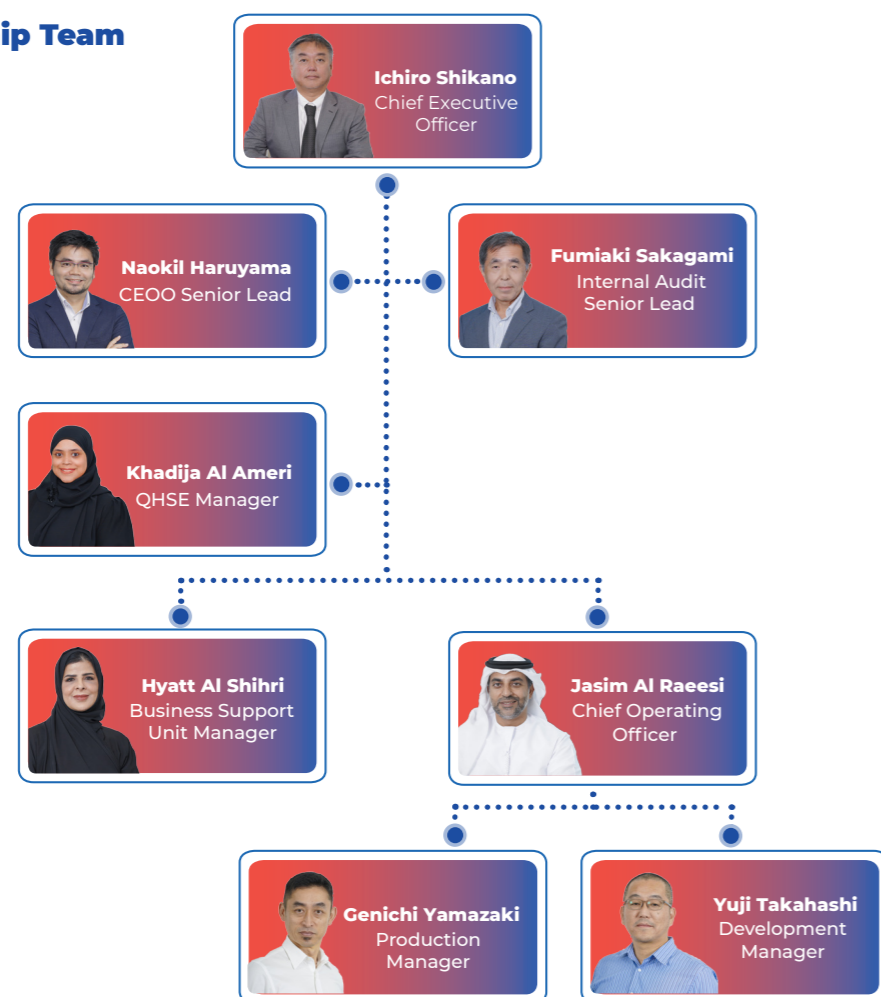
During their biannual meetings, the board carefully assesses and monitors Bundug's performance in areas of operations, finance, and HSE. This evaluation process is essential to make sure our company fulfills its mission while safeguarding the interests of our shareholders.

Bundug's Board of Directors



As of April 2023

Our Leadership Team



Sustainability Governance

Bunduq Sustainability Governance aims to build trust with stakeholders by aligning our strategies with their interests.

Our Sustainability Governance structure consists of four key committees: the HSE Steering Committee, the Technical Advisory Committee (TAC), the Tender Committee, and the Offshore Employee Health Committee (OEHC). These committees define clear responsibilities and reporting lines, facilitating informed decision-making and fostering a culture of accountability throughout our organization.

The HSE department leads the evaluation and monitoring of our sustainability efforts, regularly updating senior management through the HSE Steering Committee. This committee oversees our sustainability governance framework, evaluating our performance in environmental, social, and material aspects.

The three additional committees are dedicated to managing specific sustainability areas, including regulatory compliance, transparent procurement processes, and offshore employee health and wellbeing. They work collaboratively to set goals aligned with our organization's mission, develop action plans, and closely monitor our progress in sustainability.

Each committee takes responsibility for addressing important sustainability issues within its area of expertise, meeting regularly to assess progress. The outcomes of these meetings are then presented to the HSE Steering Committee, which makes decisions at the board level. This ensures that our sustainability practices are well-coordinated and in line with our overall vision. This approach also allows us to effectively address sustainability concerns and encourage innovative solutions for growth and sustainability.

Below is an overview of each of the three committees responsible for overseeing sustainability at Bunduq:



Technical Advisory Committee (TAC)

The TAC is responsible for ensuring that we maintain regulatory compliance and demonstrate transparency. The committee consists of representatives from Qatar Energy, ADNOC and UPD, and meets biannually to discuss overall company performance, strategic planning, and budget allocation.

Each department is allocated KPIs specific to their function by the HSE committee.



HSE Steering Committee

The QHSE Committee & Subcommittees are responsible for ensuring that we operate safely and sustainably. The committee is chaired by the CEO and meets biannually to discuss topics related to employee health and safety performance, asset and well integrity, safety related training requirements, and compliance. To ensure we manage our HSE performance effectively, onshore and offshore HSE sub-committees were formed.



Tender Committee

In line with our code of conduct, we strive to ensure the procurement process is transparent and competitive. The Tender Committee oversees procurement and is responsible for reviewing and approving all bids for contracts valued over USD 250,000. The committee evaluates all supplier bids against our commercial, technical, quality, and HSE requirements.



Offshore Employee Health Committee (OEHC)

The OEHC committee safeguards employee health and welfare in Bunduq's Offshore complex. It is chaired by our Offshore Installation Manager (OIM) and attended by the management team which includes all Department's Unit Managers, Permanent Members, Members from office and a Safety Technician. The meeting is held monthly, minimum 10 times a year, and is conducted in person. Following the meeting a site tour is scheduled depending on the activities on site.

As an oil and gas company operating in the Middle East, we are aware of the impacts caused by our activities. Our operations are essential for meeting the region's energy needs, but they can also have negative economic, social, and environmental effects. To address this, we've established sustainability initiatives and commitments to monitor our actions and minimize adverse impacts. Additionally, we've set environmental goals in line with ADNOC's regulatory requirements, detailed in the "Preserving the Environment Our 2021-2025 Environmental Plan" section

CHAPTER 3

OUR APPROACH TO SUSTAINABILITY

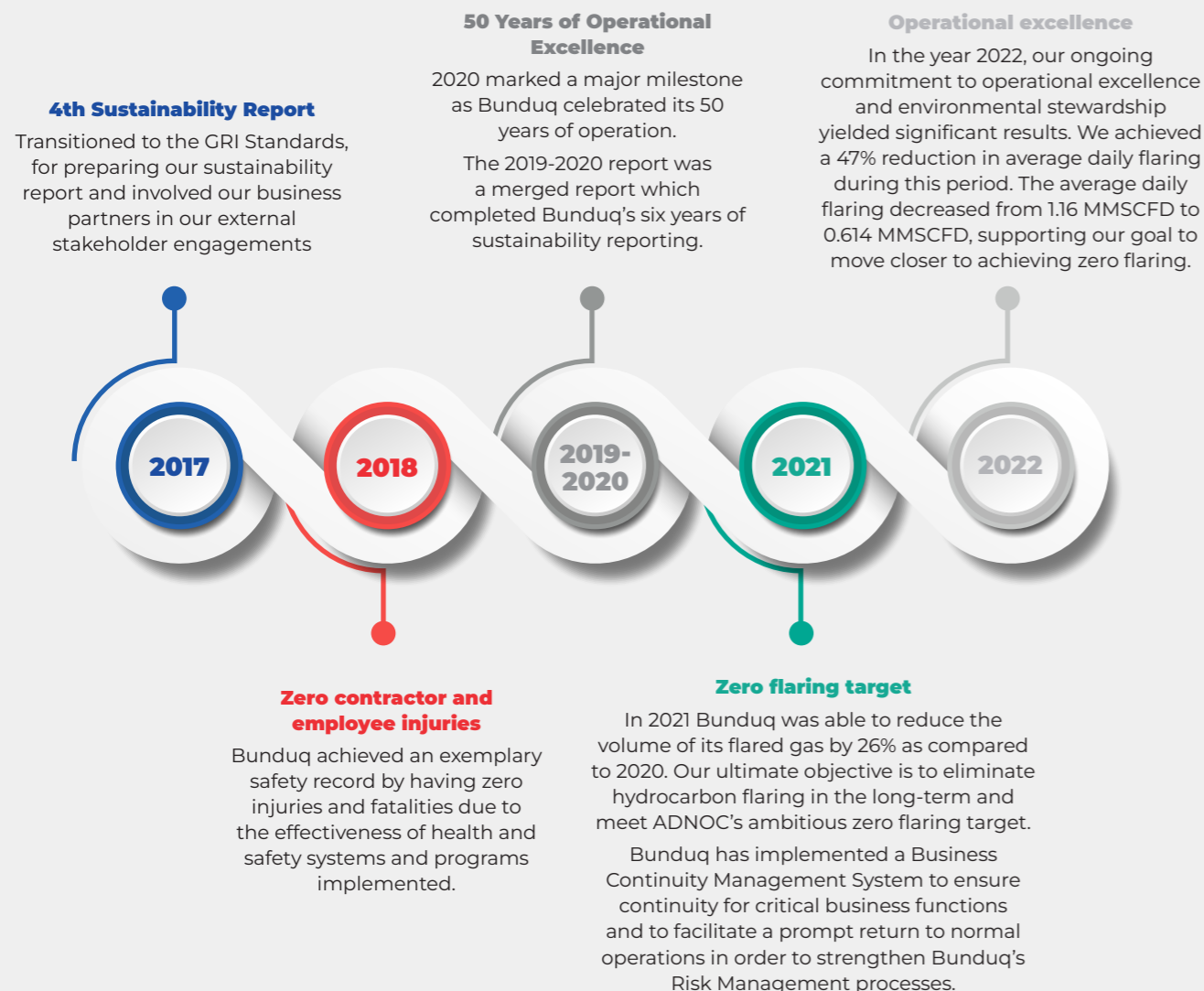
**Bunduq's sustainability principles are embedded
throughout our business operations.**

OUR APPROACH TO SUSTAINABILITY

Bundug's sustainability principles are embedded throughout our business operations. Our objective extends beyond responsibly extracting crude oil; we actively strive to support the government's mission of promoting sustainable and equitable development. Through initiatives, our aim is to create a positive impact on the energy sector, aligning with the common vision of a more sustainable and improved future for all.

Bundug's Sustainability Journey

As we look back on our journey, we recognize that sustainability is not a destination but an ongoing path of innovation, collaboration, and responsibility. Our key sustainability highlights from the past five years are presented below:






Sustainability Pillars

To ensure responsible practices and continuous improvement, we have set sustainability targets across our four sustainability pillars:



Sustainability Commitments

We aim to create a positive impact in the UAE and Qatar by supporting these nations meet their Sustainable Development Goals (SDGs) commitments. To showcase our efforts, we've mapped our sustainability initiatives with the SDGs.

PILLARS	KPIs	STATUS	ALIGNMENT WITH THE SDG'S
 Creating economic value	Achieve a nationalization target of 40%	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Control inventory levels	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Spending on locally based suppliers for procurement to remain above 90%	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
 Contributing to social development	Effectively implement multi-tasking initiative by creating job cards for all sections	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Implement 2 CSR programs	On-going	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
 Preserving the environment	Achieving a 5% reduction in energy consumption	Ongoing	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Attaining a 20% reduction in waste volume	Ongoing	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Setting a flaring target of less than 1 million standard cubic feet per day (MMSCFD)	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Achieving a 15% reduction in GHG emissions	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
 Protecting our people	Achieving 0 Lost Time Injury (LTI)	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Achieve 100% employees to attend HSE training	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Achieving 3000 WATCH observation	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
	Conduct 4 HSE audits	Achieved	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

Note: We are in the process of enhancing our Key Performance Indicators (KPIs) and plan to unveil them in our upcoming 2023 Sustainability Report.

Materiality Assessment

To better understand what matters to our stakeholders, we conducted a materiality assessment in 2021, following the guidelines set by the Global Reporting Initiative (GRI) Standard. The insights we learned following discussions with stakeholders shaped our sustainability strategy and reporting practices.

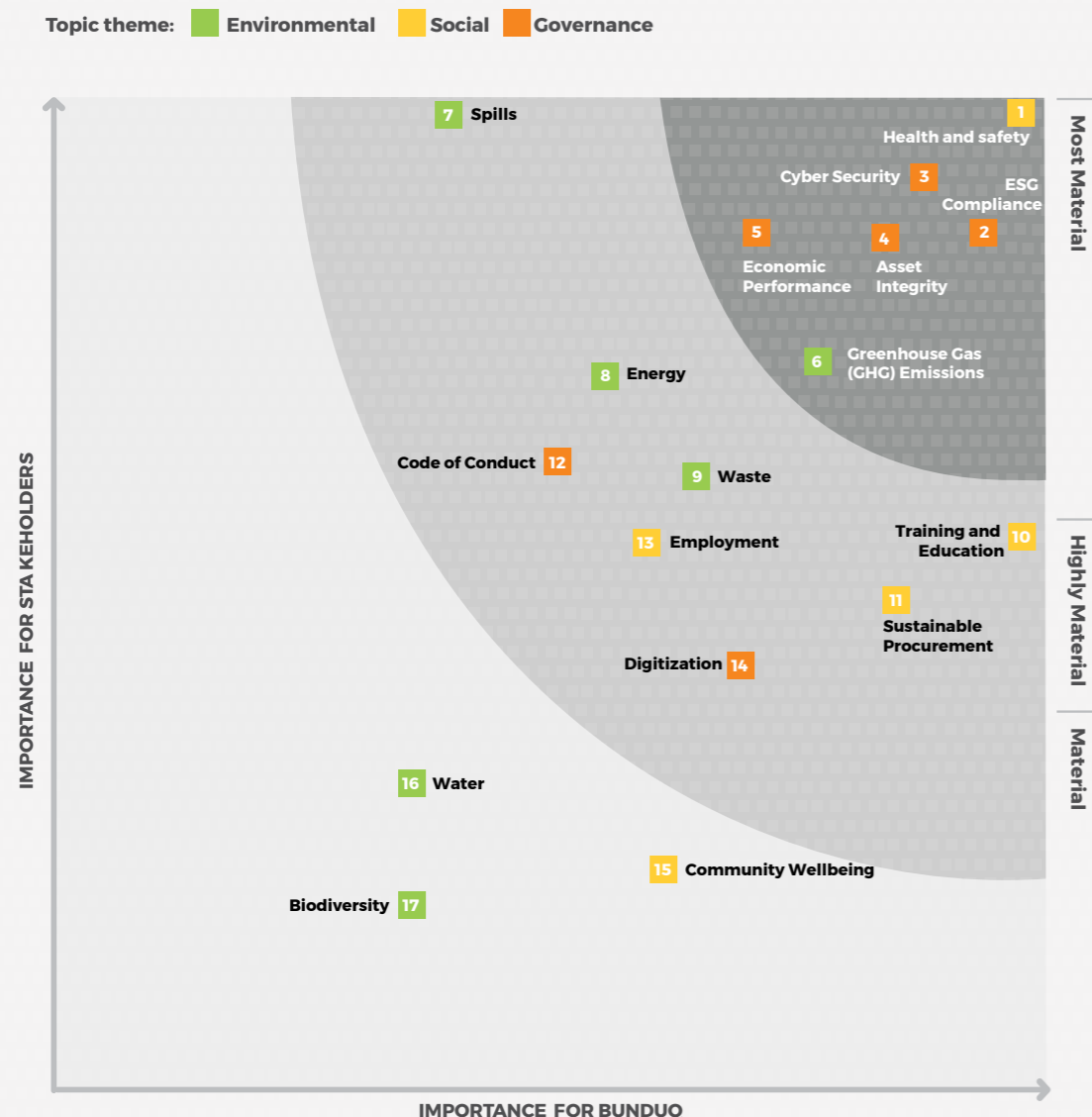
Our materiality assessment workshop aimed at understanding the topics that our stakeholders identified as the most significant to our organization. We conducted stakeholder engagement sessions, carried out extensive research which included benchmarking against local, international oil companies and industry standards.

We conduct annual reviews of our material issues, allowing us to adapt to any changes necessary. By prioritizing in our material topics and remaining attentive to changes in stakeholder expectations, we continuously strive for excellence in our sustainability efforts.

The materiality assessment highlighted Health and Safety as the utmost priority for Bunduq, reflecting our commitment to safeguarding the well-being of our workforce. Other material topics identified include ESG compliance, Cyber Security, Asset Integrity, Economic Performance, and GHG emissions.

The 17 topics identified leading to their inclusion in our Materiality Matrix for 2022 are presented below:

Materiality Matrix – Final 2021



Materiality Matrix

Reporting boundary: ■ Bunduq (entire organization) ■ Bunduq (offshore operations only)

Materiality Matrix	Rank	Material topics	Concerned stakeholders	Reporting boundary
Most material	1.	Health and safety	Employees, government, contractors	■
	2.	ESG Compliance	Shareholders	■
	3.	Cyber Security	Shareholders	■
	4.	Asset Integrity	Government, employees	■
	5.	Economic Performance	Shareholders, government, employees	■
	6.	Greenhouse Gas (GHG) Emissions	Government, local communities	■
Highly material	7.	Spills	Government, local communities	■
	8.	Energy	Government, shareholders	■
	9.	Waste	Government, employees, local communities	■
	10.	Training and Education	Employees	■
	11.	Sustainable Procurement	Suppliers, government	■
	12.	Code of Conduct	Shareholders	■
	13.	Employment	Shareholders, employees	■
	14.	Digitization	Shareholders	■
Material	15.	Community Wellbeing	Local communities	■
	16.	Water	Government	■
	17.	Biodiversity	Government, local communities	■

“

As an Oil and Gas company, we strive for harmony between industry and nature by minimizing our impact on the marine ecosystem. Through multiple systems, we reduce our oil spill risk, aligning our efforts with the expectations of regulators and stakeholders, all while driving sustainability forward.

”

Aitzaz Raza

CHAPTER 4

PRESERVING THE ENVIRONMENT

PRESERVING THE ENVIRONMENT

Bundug is committed to environmental protection and the promotion of sustainable practices. We actively work towards reducing our environmental impact by closely monitoring our activities and adhering to ADNOC's environmental regulations. Our focus lies in achieving long-term improvements in energy efficiency and reducing GHG emissions.

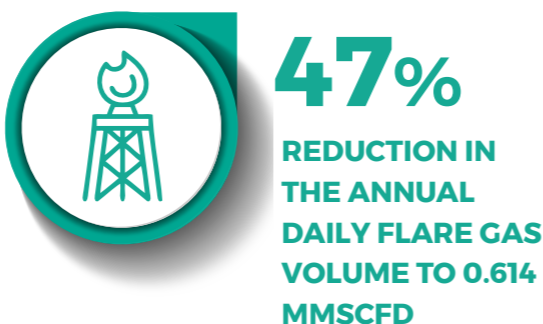
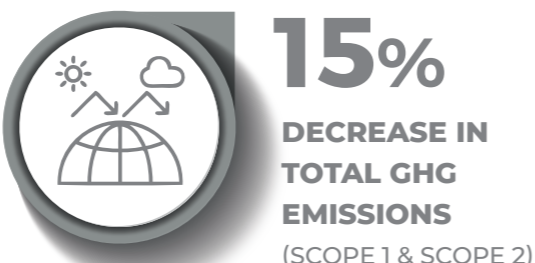
In 2022, we achieved a 15% reduction in GHG emissions. However, we continuously explore opportunities to improve our performance in this area by assessing how we operate. These efforts have led to a reduction in daily flare gas volume through continuous improvement activities like maintenance and streamlined operations, resulting in lower GHG emissions for Bundug.

To safeguard the integrity of our assets we conduct monitoring, inspection, and maintenance methods throughout their life cycle. Our commitment to spill avoidance has resulted in zero spills for six consecutive years. Furthermore, we handle various waste streams in line with ADNOC Group's Health Safety Environment (HSE) -Waste Management principles, ensuring secure disposal of chemical waste while minimizing environmental impact.

Given the water-intensive nature of our operations, we prioritize the use of saltwater for manufacturing processes and employ desalination methods to meet domestic water demands for our offshore operations. Additionally, we conducted an environmental baseline assessment and an environmental impact identification workshop to analyze and mitigate any negative effects on the marine ecosystem caused by our offshore operations.

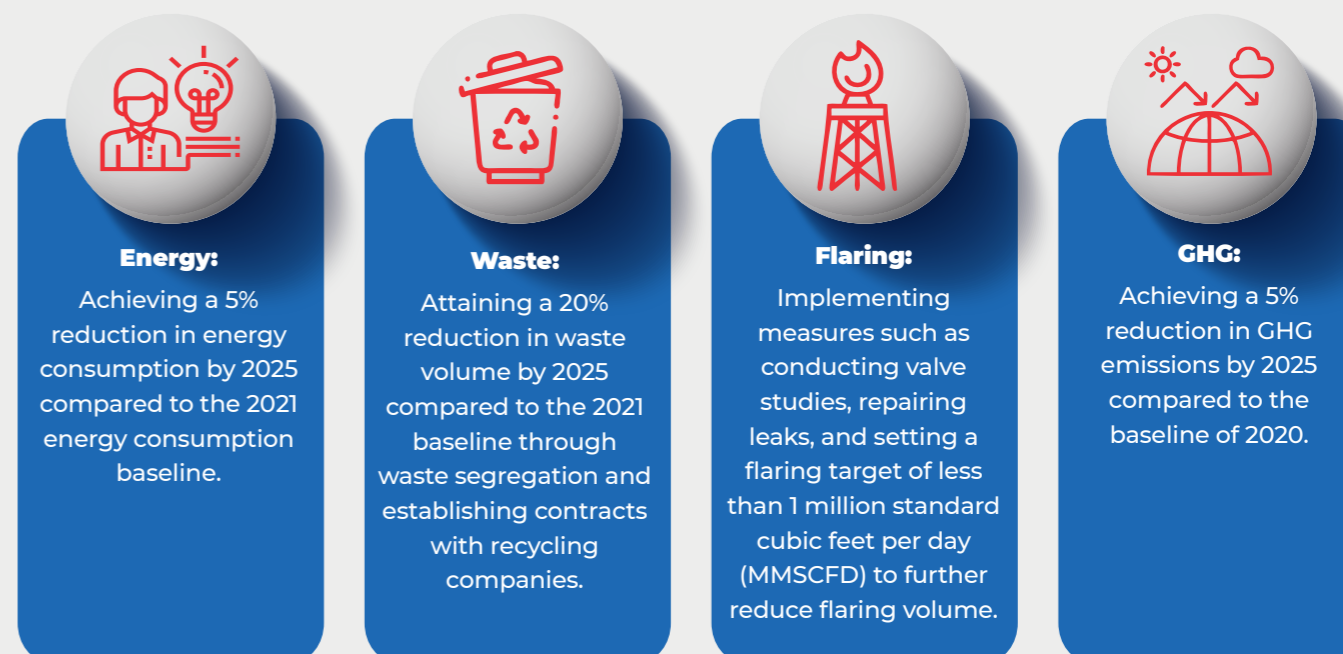
By implementing these measures, our goal is to both meet industry standards and make a positive contribution to the environment.

Environmental Highlights 2022



Our 2021-2025 Environmental Plan

Bundug has launched a 5-year Environmental Plan, consisting of four key initiatives addressing energy, waste, flaring, and GHG emissions. These initiatives include:



Energy

In 2021, Bundug transitioned to the new ISO 50001:2018 Certified Energy Management System (ESM), a global standard for energy performance. An external audit in May 2022 confirmed our compliance with the new system requirements. Bundug secured recertification to ISO 50001:2018, and it remains valid until March 2025.

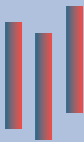
This transition has enabled our facilities to make consistent, sustainable improvements in energy efficiency and GHG emissions reduction. As a result, we've already achieved cost savings by using energy smarter and enhancing overall efficiency.

Our implementation efforts have enabled us to establish strong processes and a quality system for ongoing improvement and operational efficiency. The energy management system covers various aspects, including energy usage, measurement, reporting, procurement practices, energy management plan development, and monitoring factors that affect energy performance.



(ENERGY USE (GJ	2019	2020	2021	2022
Direct energy used (from stationary combustion and mobile sources e.g. vessels and helicopters)	1,301,275	1,282,905	1,371,610	1,359,982
Indirect energy used (purchased electricity)	-	3,433	3,964	2,387
Renewable energy	1	1	1	1
Total energy used	1,301,276	1,286,339	1,375,574	1,362,370
Energy intensity (GJ/MMBOE)	189,198	181,972	199,943	204,817

Note: MMBOE (oil and gas produced).



Case Study: Environmental Campaign

As part of Bunduq's HSE campaign, an environmental campaign was conducted in 2022. The primary objective of the campaign was to enhance the knowledge of Bunduq staff on HSE matters, specifically focusing on energy conservation and household chemical safety.

- Energy Conservation in Day-to-Day Life:**
 During the campaign, we emphasized the significance of conserving energy in our daily routines. We covered topics like reducing electricity usage, optimizing appliance usage, and adopting energy-efficient technologies. Our aim was to educate our staff on the advantages of energy conservation, both for the environment and their personal finances.
- Household Chemical Safety:**
 Another crucial discussion of the campaign was. Our employees learned about safe handling, storage, and disposal of household chemicals to minimize the risks of accidents and potential harm to human health. We stressed the importance of reading product labels, using protective gear, and following correct methods when dealing with household chemicals.

A total of 25 employees from our Head Office actively participated in this campaign, engaging in interactive sessions focused on these topics. The smaller group size allowed for effective knowledge sharing and gave employees the opportunity to ask questions and seek clarifications.

This campaign served as a valuable platform to enhance our staff's knowledge and understanding of HSE matters. By focusing on energy conservation and household chemical safety, we aimed to educate our employees to make conscious choices in their daily lives that contribute to environmental protection and personal safety.

Waste

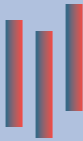
Bunduq follows the waste management standards established by ADNOC Group, including their HSE-Waste Management guidelines and the ADNOC Waste Reduction Committee's recommendations. We're committed to responsible and sustainable waste practices across our operations.

Our hazardous waste mainly includes organic and expired chemicals, lead-acid batteries, and contaminated garments. These materials are disposed of responsibly through BeAAT's waste treatment facility in Ruwais, minimizing their impact on the environment. We also manage non-hazardous waste, such as wood waste and construction & demolition waste.

In 2022, out of 410 tons of non-hazardous waste, the majority (326 tons) were successfully sent to Abu Dhabi Center of Waste Management - Tadweer's municipal landfill, while 83 tons were directed to other recovery options. Less than 1 ton was sold to third parties.

We utilize Tadweer's Bolisaty service, a smart integrated waste database system, to streamline coordination among waste producers, environmental service providers, treatment facilities, and disposal sites. This digitalized process ensures efficient waste collection, treatment, and disposal, benefiting all parties involved in the waste management cycle. In 2022, the overall waste produced by Bunduq increased by 5% compared to the previous year.

(WASTE GENERATED (METRIC TONS	2019	2020	2021	2022
Total Hazardous Waste	13	7	20.6	18.4
Total Non-Hazardous Waste	234	171	389	410.7
Total Waste Generated	247	178	409.6	429.1



Case Study: 100% Implementation of NORM Wastes Management

Bunduq offshore complex's commitment to the 100% Implementation of Naturally Occurring Radioactive Material (NORM) waste management has secured it a nomination for the Bunduq QHSE Excellence Award. Recognizing the hazards associated with NORM in oil production, the complex followed industry and federal regulatory standards to ensure safe handling, storage, and disposal of hazardous materials. The collected highly hazardous wastes were carefully managed through the strict implementation of NORM waste management protocols. This approach allowed us to ensure we make all efforts to protect the environment and meet regulatory compliance.



Flared Gas

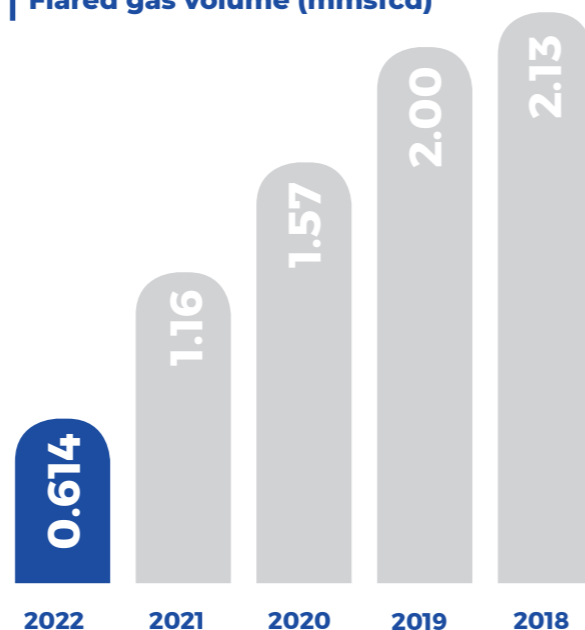
Flaring waste gases has long been a known contributor to GHG emissions in the oil and gas industry. At Bunduq, we use flaring as a standard safety practice during offshore oil and gas extraction to release pressure and manage byproducts. It's commonly used during the gas sweetening process to handle gases like hydrogen sulfide (H2S) and carbon dioxide (CO2). We typically use low-pressure flaring, reserving high-pressure flaring for rare emergency situations.

In 2022, we exceeded our target for reducing daily flare gas emissions, set below 1 million standard cubic feet per day (MMSCFD). Through dedicated efforts, we achieved 47% reduction in average daily flaring, dropping from 1.16 MMSCFD to 0.614 MMSCFD.

To understand the impact of ongoing emission sources like power generation, gas injection, and flaring (both regular and emergency), we conducted an Air Dispersion Modelling (ADM) study. This reduction was facilitated by the efficient operations, maintenance, and various projects, supported by Bunduq Production Operation Management System (BPOMS) and Maintenance Management System (MMS).

Since setting our initial target below 2 MMSCFD in 2020, we've made significant progress. Looking ahead to 2023, our flaring target is 0.8 MMSCFD, with a stretch goal of 0.5 MMSCFD. These objectives align with ADNOC Group's aim of eliminating hydrocarbon flaring and achieving net zero flaring.

Flared gas volume (mmsfcd)



FLARED GAS	2019	2020	2021	2022
Volume of Continuously Flared Hydrocarbon (m3)	18,726,275	12,239,109	3,256,437	724,911
Volume of hydrocarbon flared in relation to volume of oil and gas produced - m3/ million barrel of oil equivalent (MBOE)	3,596,074	2,311,097	1,758,555	956,314
Total Volume of Flared Hydrocarbon (m3)	22,762,783	16,293,232	11,975,762	6,346,100.5
Flared gas volume (MMSFCD)	2.00	1.57	1.16	0.614

“

In 2022, we exceeded our target for reducing daily flare gas emissions, set below 1 million standard cubic feet per day (MMSCFD).

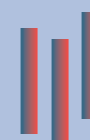
”

Greenhouse Gas Emissions

In the El Bunduq offshore oil field, our emissions mainly include carbon dioxide (CO2), methane (CH4), and nitrous oxide (N2O), which are produced during combustion and flaring activities. Additionally, we generate indirect emissions through our use of electricity from the local municipality in our onshore offices. To effectively monitor air pollutants from flares, we use a Predictive Emissions Measurement System (PEMS) for real-time

monitoring, data processing, and reporting, in line with ADNOC Group's Code of Practice (CoP).

Recognizing the importance of reducing our direct emissions, which make up a significant portion of our total emissions, we took several initiatives in 2022. By focusing on minimizing emissions related to direct fuel usage and operational activities, we successfully achieved a 15% reduction in our overall emissions.



Case Study: Optimization of Drill Pipe Handling Works

Previously at Bunduq, it was a common practice to arrange drill pipes individually on the deck before moving the rig. However, this approach required extensive manual handling of the pipes, resulting in increased fuel consumption (diesel) and higher GHG emissions. It also extended the time needed for tasks, raising the risk of accidents and safety issues.

To tackle these challenges, the Bunduq drilling team worked together with

rig contractors to implement a new operational design. Now, all rig moves are conducted with the drill pipes stored in the derrick. This change has eliminated the need for repetitive drill pipe handling, making our operations more efficient and reducing safety risks and fuel consumption. We've achieved substantial reductions, including a 64.1 metric ton decrease in fuel consumption, a reduction of 205.1 metric tons in CO2 emissions, and a savings of 213.4 man-hours.

(GHG EMISSIONS RELEASED (TONS CO2 EQUIVALENT	2019	2020	2021	2022
Scope 1	116,374	109,160	121,351.4	102,683
Scope 2	220	469	495.3	261.2
Total GHG emissions	116,594	109,629	121,846.7	102,944.1
GHG intensity (kilo tons/ million barrels of oil equivalent produced)	29.53	24.98	33.25	15.518

Scope 1

Emissions refers to the direct GHG emissions produced from sources that are owned or controlled by Bunduq. This typically includes emissions from combustion processes, such as those occurring in on-site facilities, flaring, and venting.

Scope 2

Emissions refers to the indirect GHG emissions associated with the generation of purchased energy, such as electricity and heat. This typically includes consumption of externally sourced electricity to power operations, including extraction, refining, and transportation processes.

| **Water**

Bundug's offshore production operations involve activities that require a significant amount of water, such as Enhanced Oil Recovery (EOR) and cooling processes. To meet this demand, we primarily use saltwater for manufacturing purposes. Additionally, we employ desalination methods to provide domestic water for our offshore Bundug complex and housing facilities. For our Mussafah Headquarters and warehouse operations, we rely on municipal water. Our approach of using saltwater and implementing desalination helps reduce the

pressure on freshwater sources and minimizes our ecological impact.

In 2022, our seawater usage increased due to the expansion of rig and increase in barge activities, which require substantial cooling. To address this, we actively promote water-saving campaigns both at our offices and offshore locations. These initiatives aim to encourage responsible water use and promote a culture of conservation among our employees.

(SEAWATER WITHDRAWAL (M3	2019	2020	2021	2022
Seawater Withdrawal	8,997,801	4,029,123	6,706,653	4,093,281

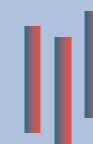
| **Biodiversity**

Bundug's offshore production operations involve activities that require a significant amount of water, such as Enhanced Oil Recovery (EOR) and cooling processes. To meet this demand, we primarily use saltwater for manufacturing purposes. Additionally, we employ desalination methods to provide domestic water for our offshore Bundug complex and housing facilities. For our Mussafah Headquarters and warehouse operations, we rely on municipal water. Our approach of using saltwater and implementing desalination helps reduce the pressure on freshwater sources and minimizes our ecological impact.

which require substantial cooling. To address this, we actively promote water-saving campaigns both at our offices and offshore locations. These initiatives aim to encourage responsible water use and promote a culture of conservation among our employees.



ZERO
BIODIVERSITY
RISKS HAVE BEEN
REPORTED IN 2022



Case Study: Marine Ecology Surveys

Bundug conducted marine ecology surveys using advanced techniques such as drop-down video (DDV), infauna analysis, and incidental sightings to identify marine habitats within Bundug's designated area of operation.

The survey employed various assessment parameters:

1. Benthic Habitat: Thorough description of the habitat, assessment of its current health, and mapping the distribution and abundance of each habitat and community type.
2. Benthic Communities: Analysis of videos and photographs to identify coral species, assess their abundance, and evaluate the health of flora and other benthic species.
3. Fish and Invertebrate Populations: Incidental sightings of fish and invertebrates were recorded and subjected to species identification whenever feasible.
4. Marine Mammals and Reptiles: Instances of marine mammal or reptile encounters were documented, with species identification and GPS location recording where possible.
5. Areas of Interest: Any noteworthy marine species, objects, or events with potential ecological impact were recorded and reported.

All identified habitats were cross-referenced against the Abu Dhabi Emirates Habitat Classification and Protection Guidelines 2017 and the Marine Habitat Classification published by the Environment Agency Abu Dhabi (EAD). This approach to marine ecology surveys ensures we have an understanding of the marine environment and provides insights for conservation and protection efforts.



“Our primary objective is to pursue sustainable expansion through ongoing investments that generate economic value while promoting responsible growth. By incorporating sustainability into our overarching corporate strategy, we strive to maintain our status as responsible corporate citizens and achieve sustained growth and prosperity. We prioritize reservoir productivity, asset and well integrity, and collaborate wholeheartedly to shape a more promising future.”

Jasim Al Raeesi

CHAPTER 5 CREATING ECONOMIC VALUE

CREATING ECONOMIC VALUE

Bundug acknowledges its duty to create economic value that benefits our shareholders, our partners with whom we have concession agreements, and the national interests they represent.

In line with our overarching strategy, we focus on finding effective technical solutions to optimize our oil field operations, overcome challenges, seize opportunities, and ensure the smooth operation of the El Bundug oil field.

Our goal is to generate economic value by prioritizing local suppliers in Bundug's procurement practices. This approach is designed to support and collaborate with local businesses, promoting regional growth. We not only operate within these communities; we actively contribute to their sustainable development.

In addition, we continue to adopt digital technologies to refine our processes. This not only enhances efficiency but also contributes to business activity through digital integration. We ensure robust cybersecurity measures are in place to protect our digital assets, networks, and systems, thus safeguarding critical information and privacy. This combination of economic growth and digital advancement keeps us at the forefront of the evolving economic landscape.

Economic Highlights 2022



3,850,801

BBLS CRUDE OIL PRODUCTION VOLUME



96%

OF TOTAL PROCUREMENT SPENDING WAS ON LOCAL SUPPLIERS



Business Strategy

Our business strategy shapes our path towards long-term success. It outlines our plans, the challenges we face, and the opportunities to keep the El Bundug oil field running smoothly. We've identified five key strategic priorities that are crucial for achieving our business goals:

1. Enhanced Oil Recovery Field Development:

Applying advanced techniques to optimize oil production and increase overall reservoir recovery.

2. Asset Reliability:

enhancing the dependability and performance of our infrastructure and equipment.

3. Operational Synergies:

Fostering collaboration and integration across our operations to improve efficiency and effectiveness.

4. Digital Transformation:

Leveraging digital technologies to streamline workflows, automate processes, and enhance data management and document control.

5. Employee Development and Knowledge

Sharing: Prioritizing our workforce's development through training and growth opportunities while promoting knowledge sharing and transfer within the organization.

In line with our strategy, we're committed to identifying technical solutions that enhance the efficiency of our oil field operations, ensuring both commercial success and sustainability. Our primary focus is on investing in technology that boosts oil recovery and ensures the reliability of our assets. Additionally, we optimize our costs through digital advancements and teamwork.

Production

In our journey to boost oil production and ensure well integrity, Bundug conducted a thorough study with the aim of utilizing non-producing or idle wells in the future. There was a comprehensive review and assessment of these wells, all geared towards maximizing oil production. We identified opportunities to recover any remaining oil from idle wells while also identifying wells that needed to be abandoned and secured due to unfeasible oil recovery. Out of the total 10 wells studied, we selected 6 for future use.

Moreover, we conducted another study to explore new opportunities for enhanced oil recovery techniques. We focused on implementing water-alternate-gas injection methods to improve sweep efficiency and increase crude oil recovery. We successfully completed all drilling and workover operations related to this study.

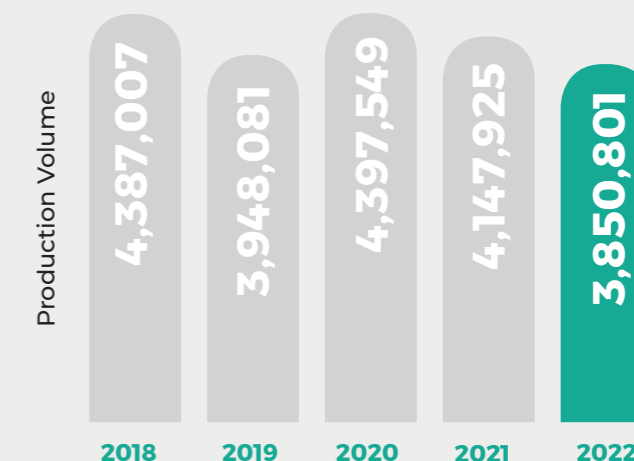


IN 2022, BUNDUG PRODUCED

3,850,801

BBLS OF OIL

(Crude Oil Production (bbl



Case Study: Digital Oil Field: Data Connectivity Between Office and Offshore

In 2019-2020, Bunduq undertook a Distributed Control System (DCS) assessment study in collaboration with UPD/Schlumberger. The study results emphasized the need for connecting offshore and onshore operations to enable real-time offshore process data monitoring from the Bunduq head office and the automatic updating of process data in the Bunduq Production software (Avocet).

Upon consideration, it was found that the bandwidth of the existing Etisalat microwave communication network between Bunduq offshore and Das Island might be insufficient for the proposed data transfer. Given that further upgrades were not possible with Etisalat, Bunduq opted for a dedicated VSAT connection through Yahsat.

Yokogawa was awarded the contract for data connectivity and data monitoring at the Bunduq office, utilizing the Yokogawa Exaquantum system. The

site implementation and project commissioning were successfully completed by December 2022.

Presently, offshore data is seamlessly transferred through the Very Small Aperture Terminal (VSAT) connection. Live data, including process graphics and trends can be actively monitored at the Bunduq office using a dedicated Exaquantum client PC for analysis and evaluation purposes. Additionally, daily reports are automatically generated offshore and efficiently transmitted to the Bunduq office, streamlining the monitoring and reporting processes.

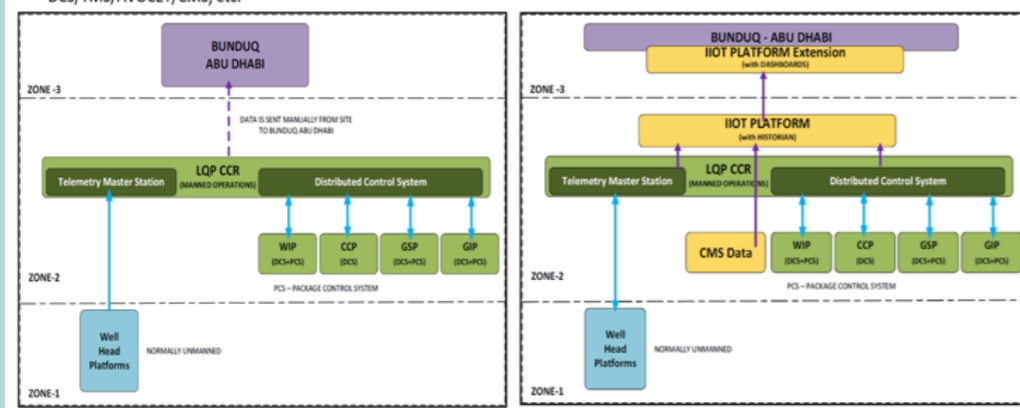


Current practice

- Data is Transferred Manually to HQ for Analysis
- No HISTORIAN for Real Time Data archiving
- No interconnection of disparate systems like DCS/TMS/AVOCET/CMS, etc.

ISSUES ADDRESSED

- Data is Transferred automatically to HQ for Analysis
- **HISTORIAN** for Real Time Data archiving
- Disparate Systems Interconnected including AVOCET



Procurement Practices

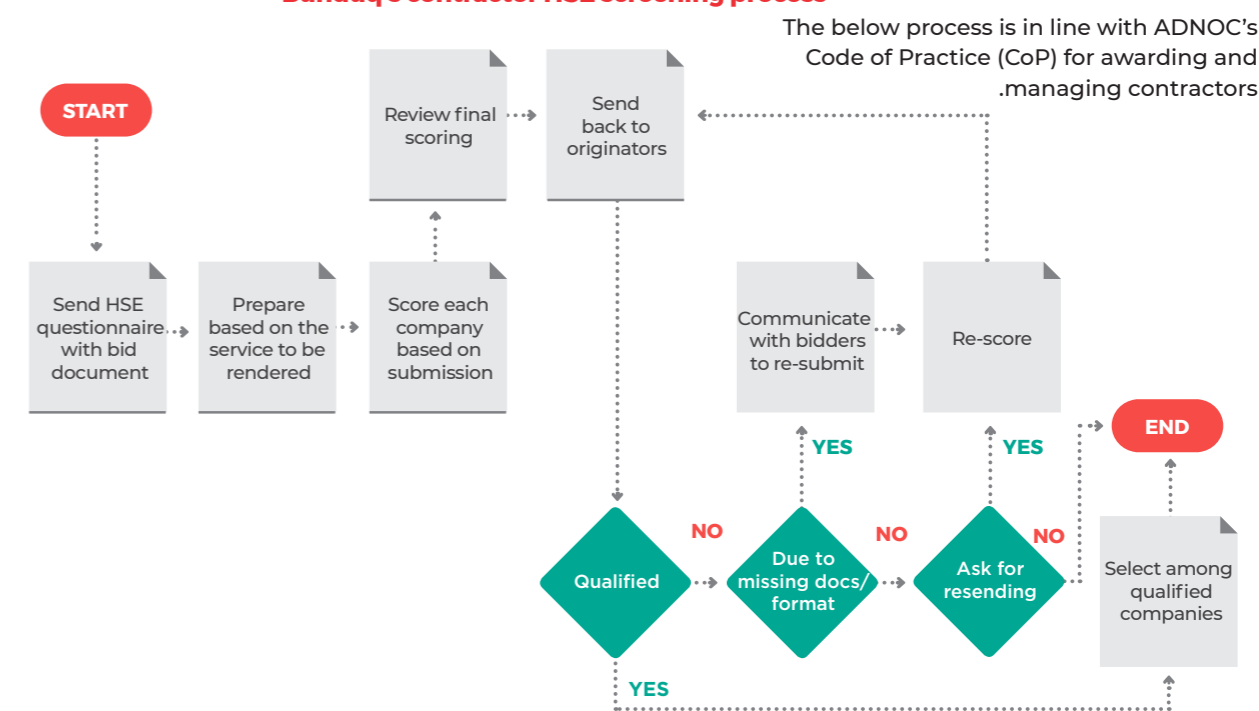
Bunduq is committed to supporting local suppliers, aligning with the national visions of both the UAE and Qatar. We classify suppliers with a registered trade license in the Emirate of Abu Dhabi as local. By building strategic partnerships with these businesses, we not only contribute to the economies of our host countries but also indirectly promote job creation within the UAE. In 2022, we directed 96% of our procurement spending to local suppliers, highlighting our active role in supporting our domestic economies.

Our long-standing relationships with many suppliers reflect our dedication to fair treatment and transparency. We offer flexible payment options and

shorter pre-qualification and registration periods to further assist local suppliers.

To maintain high standards in health, safety, and environmental practices, we subject both registered and new suppliers to a rigorous evaluation process (outlined in the diagram below). We utilize an HSE scorecard to assess contractors' performance post-project completion, allowing us to collaborate with those demonstrating exceptional operational excellence in health and safety. In 2022, we conducted a comprehensive evaluation of all new vendors to ensure that only the most compliant ones were considered.

Bunduq's contractor HSE screening process



LOCAL PROCUREMENT

Proportion of procurement expenditure on locally based suppliers (%)

2019	2020	2021	2022
98	96	94	96

Case Study: Improvement of Chemicals handling at Mussafah Warehouse

Bundug's HSE department identified the need for improved organization and labeling of stock chemicals at the Mussafah Warehouse. In response, the procurement and warehouse teams collaborated on an action plan to enhance our chemical management practices, ensuring strict compliance with safety regulations, and prioritizing the safety of our employees and our operations.

Action Plan:

- **Instructions to Chemical Suppliers:**
The procurement team communicated with chemical suppliers, stressing the importance of labelling all delivered chemicals with their validity dates.
- **Labelling of Stored Chemicals:**
The warehouse team labelled all stored chemicals, displaying their expiry dates prominently.
- **Designation of Specific Area for Expired Chemicals:**
A designated area within the chemical storage location was established and labelled specifically for expired chemicals.
- **Creation of Labels in Chemical Shield:**
The warehouse team created labels to be affixed to the stored chemicals, improving their identification and organization.

Improvements and Notable Outcomes:

- **Manual Labelling and Cost Savings:**
Manual labeling, including production and expiry dates, improved communication between the warehouse and operations teams. This allowed us to use chemicals before their expiry dates, leading to cost savings.
- **Integration with IT Systems:**
Our Logistics and IT departments collaborated to include expiry dates in the Goods Receipt Note (GRN) process. This provided automated notifications on SAP, reminding the originators to use chemicals before expiry.
- **Segregation of Expired Chemicals:**
Our warehouse team successfully separated expired chemicals from valid stock, maintaining stock integrity and streamlining follow-up actions with the operations team.
- **MSDS Boxes and Emergency Preparedness:**
Multiple Material Safety Data Sheets (MSDS) boxes onto racks were fixed, ensuring valid MSDS copies were readily available for emergencies, enhancing safety protocols and emergency response capabilities in the warehouse.



Digitization

Bundug's commitment to sustainability is evident through its focus on technology and digital transformation. We set a target to achieve a paperless environment by the end of the third quarter of 2023.

Furthermore, we maintain a strong dedication to improving our IT infrastructure and cybersecurity.

In 2022, we made added two new firewalls to our system. We're proud to report zero information security or cybersecurity incidents in the same year, while ensuring industry-standard capabilities in information security to safeguard the exchange of information.

Case Study: Implementation of Paperless Work in Logistics

Bundug's Logistics Department previously relied on physical files to manage Material Purchase Requests (MPRs) from various departments, which posed challenges such as file consumption, damage, and frequent purchases. This also led to issues with file movement, causing misplacement and delays in the evaluation process.

In March 2020, our Logistics team embraced a paperless approach to address these challenges and reduce our reliance on physical files. Employees created digital folders for Monthly Payment Reports (MPRs) related to specific departments, and the evaluation process shifted to email communication.

Improvements Noted:

- The paperless approach demonstrated our commitment to reducing paper usage and promoting environmental sustainability.
- By eliminating the need for physical files, we reduced costs.
- We eliminated file transfers, conducting all MPR-related communication through email.
- The paperless system enabled efficient tracking of pending items and support for respective departments. With digital records and email correspondence, we could monitor and expedite MPR progress.

Case Study: E-Invoice Portal for Suppliers

As part of our digitization efforts, Bundug will introduce an e-invoice portal by 2023. This portal on our website will replace traditional paperwork and simplify our processes. This will address challenges faced by our suppliers in verifying purchase orders, processing invoices, and receiving payments.

The portal will be easily accessible through a web link on the Bundug website, providing our suppliers with convenient access to purchase orders, invoices, and payment information.

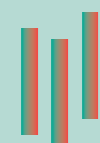
This e-invoice portal will offer several benefits, including:

- Eliminating data redundancy and human errors.
- Enhancing efficiency by ensuring synchronization between purchase and invoice processing with SAP.
- Providing increased self-service functionalities for our suppliers.
- Saving time for our suppliers.

Cyber Security

Bundug remains committed to strengthening our IT infrastructure and ensuring strong cybersecurity. In 2022, we added two new firewalls, bringing our total to five. The result was zero cybersecurity incidents.

Although minor alerts were raised, there were no breaches. This achievement highlights Bundug's dedication to maintaining a positive track record and industry-standard information security capabilities to safeguard data exchange.

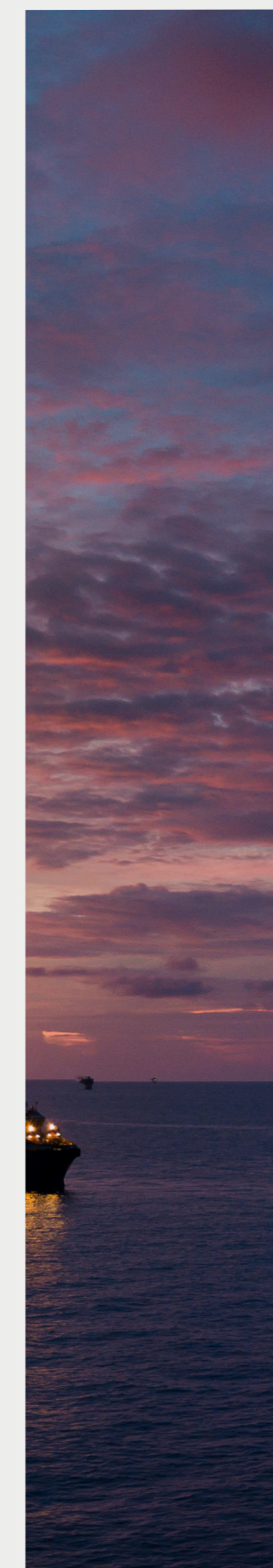
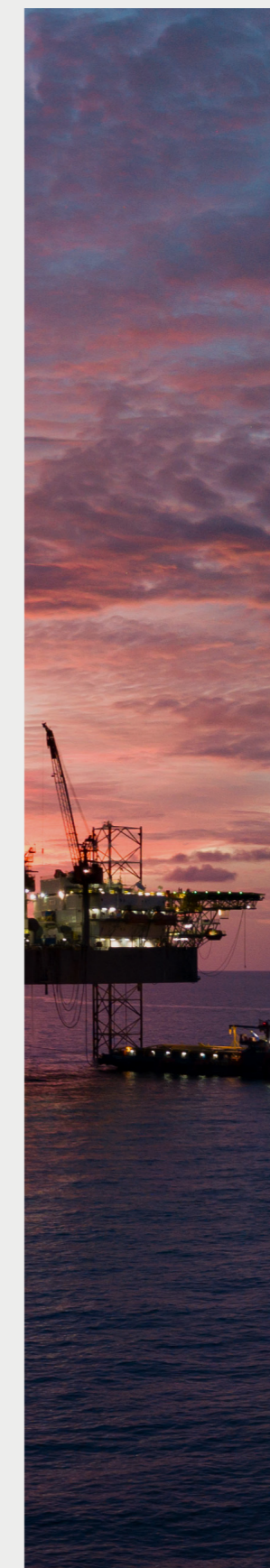
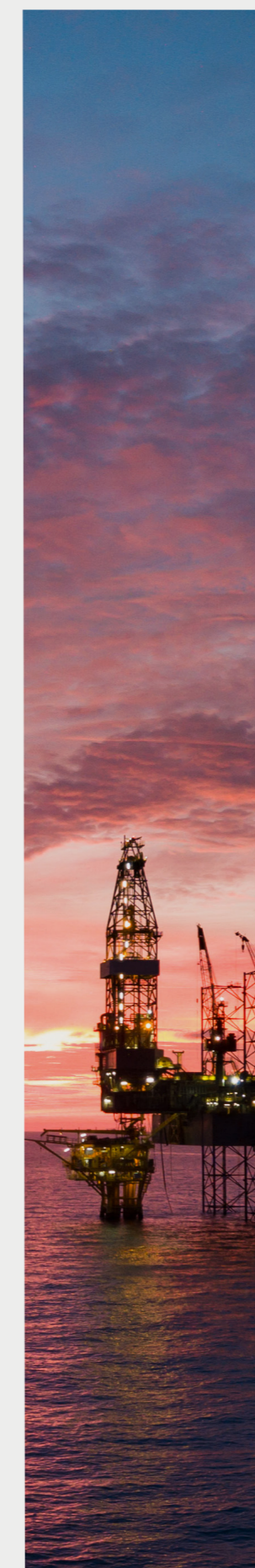
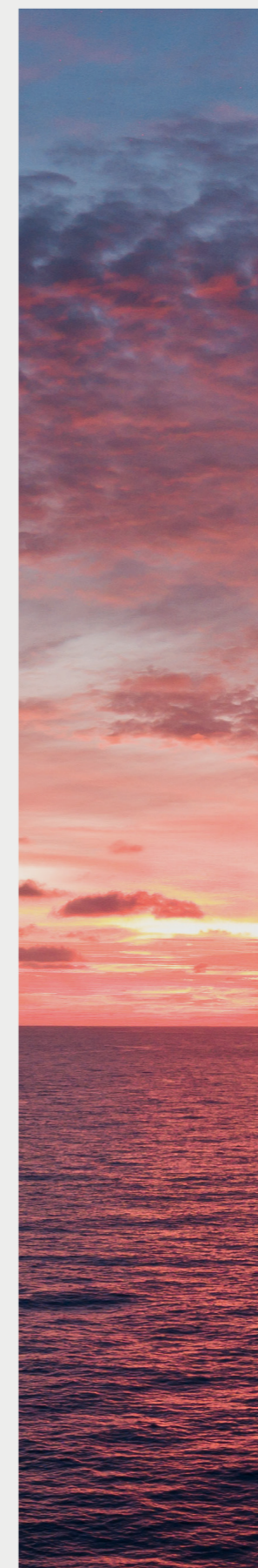
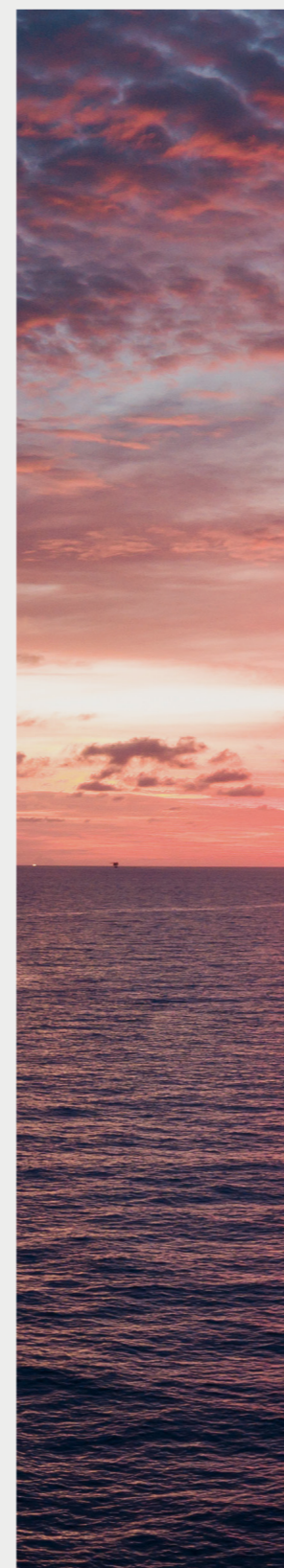


Case Study: **Security Hacking Incident**

In January, there was an incident where the Fugro Co. domain was compromised and used to send out malicious emails. Bundug's firewall system blocked these emails, preventing any access to Bundug's email data. Fugro's Cyber Security Team resecured the compromised account, resolving the issue on the same day.

Although 73 malicious emails were received by Bundug employees, the

combination of firewalls and email anti-virus protection effectively identified and blocked these threats, ensuring the employees' email accounts remained secure. The incident demonstrated the effectiveness of Bundug's internal security systems in mitigating cyber threats, without the need for recovery or corrective action, thereby safeguarding our operations and communication channels



“

At Bunduq, we set and hold high HSE standards to safeguard our people, assets and operations. We always seek ways to prioritize asset integrity, build a safety culture and prevent workplace and occupational injuries.

”

Khadija Al Ameri

CHAPTER 6

PROTECTING OUR PEOPLE & ASSETS

PROTECTING OUR PEOPLE & ASSETS

Bundug's commitment to asset integrity extends to compliance with industry standards and regulatory frameworks. We align our practices with internationally recognized standards to ensure that our assets meet or exceed the requirements for safety, environmental impact, and operational efficiency. We conduct thorough risk assessments to identify potential threats and regularly inspect, test, and monitor our assets.

We maintain the highest standards of health and safety across all our operations to ensure the well-being of our workforce and safeguarding our activities are. To promote a safety culture and reduce injuries, we consistently provide HSE training and awareness campaigns.

To strengthen our emergency response, we conduct regular preparedness activities ensuring effective handling of potential incidents. Our Grievance Policy, supported by encouraging a transparent and supportive work environment, ensures that health and safety concerns are promptly addressed.

We take proactive measures to promote employee health, including health camps at offshore locations for essential medical support, raise health awareness and encourage a healthy lifestyle among our team.

Highlights 2022



80%
OF SUPPLIERS
PASSED OUR HSE
EVALUATION



CONDUCTED
4
HSE AUDITS



Zero
LOST-TIME INJURY
FREQUENCY (LTIFR)
PER 1 MILLION
MAN-HOURS



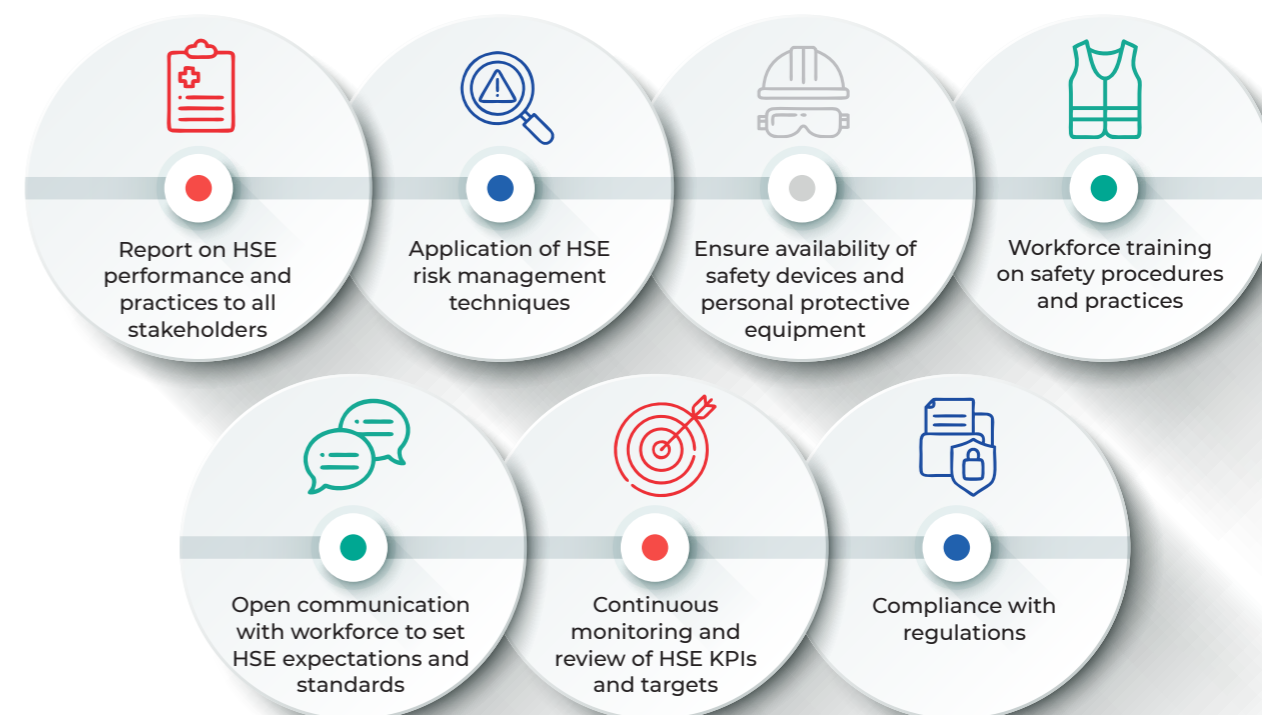
10%
INCREASE IN
WATCH
OBSERVATIONS

Occupational Health and Safety

Safeguarding the health, safety, and well-being of our employees is the fundamental principle guiding all our actions at Bundug. On a day-to-day basis, the HSE department takes accountability for identifying and mitigating Bundug's HSE risks. This involves

developing annual plans and communicating the responsibilities for each of Bundug's departments to achieve their HSE objectives.

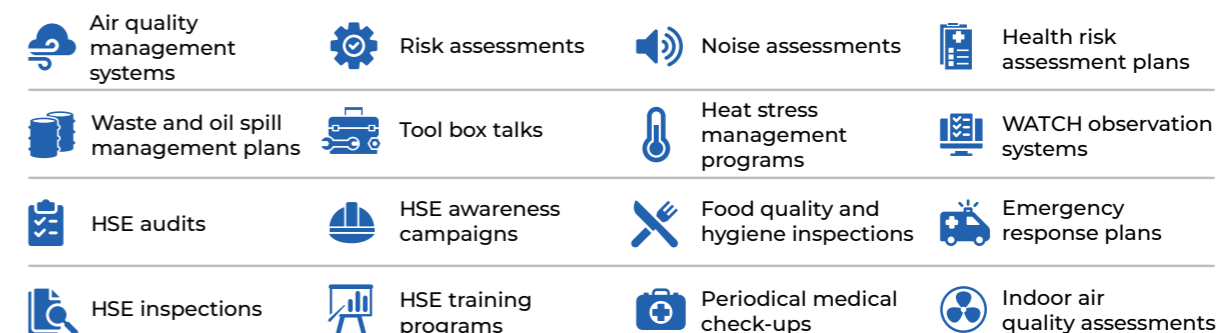
To provide a comprehensive understanding of our occupational health and safety approach, refer to the diagram below:



Occupational Health and Safety

We prioritize health and safety, through our HSE protocols and by nurturing an HSE culture. This culture is also supported by our HSE policy and specialized programs, both of which play a

significant role in raising employee awareness and facilitating ongoing enhancements in HSE performance. For an overview of our HSE programs please refer the diagram below.



HSE Policy

Bundug fosters a safety culture that revolves around our HSE policy which is complied with through various programs, initiatives, and campaigns, all aimed at building the HSE awareness and improving the performance of our employees.

Health, Safety, Environmental, & Sustainability Policy

The Bundug Oil Company recognises its responsibilities as a producer of oil and gas operating in the Gulf Region. As such, the Bundug Management is committed and strives to achieve No Harm to People, the Environment or to its Assets thus enabling the Company to operate in a safe, responsible and sustainable manner.

We will continuously improve our health, safety, environmental & sustainability [HSE&S] performance through finding safer and sustainable ways to produce hydrocarbons, in a profitable and cost-aware manner. To ensure this succeeds, we are committed to:

- ❖ Ensure compliance with all applicable law, regulation policies and procedure related to HSE
- ❖ Implement 100% HSE culture in organization that empowers employees and contractors to intervene and stop any unsafe act.
- ❖ Set and regularly review key performance indicators for HSE&S.
- ❖ Openly communicate with our staff, contractors, visitors and stakeholders about our policy and our performance standards and expectations.
- ❖ Improve energy efficiency continuously by implementing effective energy management system that supports all operations.
- ❖ Ensure emergency response, crisis management and business continuity measures in place
- ❖ Educate our staff, workers, contractors and visitors to ensure that our standards and policy are integrated into work practices.
- ❖ Protecting the environment and supporting UAE's commitments to address the global challenge of climate change
- ❖ Apply HSE risk management techniques; and implement measures that are in accordance with recognised and accepted standards and control hierarchies in order to prevent incident
- ❖ Honestly and openly report the status of HSE & Sustainability.
- ❖ Set out clear corporate objectives and commitments and ensure that these are regularly reviewed.
- ❖ Encourage its subcontractors to pursue HSE&S performance which is aligned to this policy

- ❖ Provide a forum for top management to regularly meet to review progress, HSE&S status and to close out incident reports.
- ❖ Provide all necessary training to relevant staff for full compliance of AMC 71 requirements
- ❖ Provide reward and recognition for outstanding achievements in HSE&S performance.

HSE Training

In 2022, our HSE section introduced a series of training programs and awareness campaigns aimed at improving HSE competence, and reducing the occurrence of injuries, with the goal of achieving 100% HSE integrity. To accomplish this, we offered HSE training to all employees and contractors to ensure they understand Bundug's adherence to safety protocols.

Throughout the year, we conducted 29 training sessions for both onshore and offshore employees, with a total of 233 participants. These sessions covered industry-recognized programs, educating individuals with essential health and safety knowledge. For more details, please refer to Chapter 'Contributing to Social Development' – Section 'Quality, Health, Safety, and Environment (QHSE) Training Programs.

“

Throughout the year, we conducted 29 training sessions for both onshore and offshore employees, with a total of 233 participants.

”

Health and Safety Performance

At Bundug we strive to maintain our safety record in both our offshore and onshore operations. In 2022, we achieved a Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Injury Rate (TRIR) of zero.

Since 2007 Bundug has maintained WATCH observations encouraging all employees to monitor and observe workplace activities, processes, and conditions to identify hazards, unsafe behaviors or situations that could lead to

accidents or injuries. In 2022, our staff reported a total of 3,028 WATCH observations, an 11.4% increase from 2021.

We thoroughly investigate all incidents, paying particular attention to key indicators like Fatality (FTL), Lost Time Injury (LTI), Medical Treatment Case (MTC), among others. These efforts resulted in significant improvements in safety, with most indicators showing a decline compared to the previous year.

HEALTH AND SAFETY PERFORMANCE	2019	2020	2021	2022
Total hours worked	1,445,996	857,724	1,342,904	1,095,880
Lost-time injury frequency (LTIFR) per 1 million man-hours	0	0	0	0
Total recordable injury rate (TRIR) per 1 million man-hours	2	0	1	0.9
Work-related fatalities	0	0	1	0
WATCH observations	2,138	2,469	2,718	3,028
Contractor HSE screening pass rate (%)	67%	79%	59%	80%

Asset Integrity

To ensure the safety of our operations and safeguard the integrity of our assets, we implement a comprehensive set of safety measures. These include employing reliable and secure engineering practices and following strict operation and maintenance standards.

We also employ a Risk Based Inspection (RBI) asset verification approach. This enables us to target the critical components of our assets and develop rehabilitation plans, mitigating the potential for process failures and minimizing the risks of accidents.



Case Study: Prevention of Hydrocarbon Leaks & Spills

Through proactive operational management, we prioritize preventing hydrocarbon leaks and spills by maintaining the integrity of our assets throughout their life cycle. Our approach includes strategies for prevention, preparedness, and efficient incident response. Keeping well pressure at optimal levels further prevents potential spills and protect the environment. By integrating these elements, we consistently mitigate spill risks, enabling us to operate responsibly and sustainably.

To sustain this success of maintaining zero spills over the past six years, we established an Asset Integrity Management System. This system places a high priority on monitoring, inspecting, and maintaining our facilities to effectively reduce the risks associated with oil spills.

■ **Monitoring:**

Our comprehensive monitoring program uses corrosion coupons and chemical analysis. Corrosion coupons strategically assess the

impact of corrosion on pipelines and equipment. Regular chemical analysis checks oil quality, identifying potential contaminants or impurities that could lead to spills.

■ **Inspection:**

We conduct regular monitoring and inspections to ensure the integrity of our pipelines and vessels. We use pigging, a technique involving the insertion of a cleaning device (a pig) into the pipeline, to remove debris and inspect for damage or corrosion. Ultrasonic Testing (UT) inspections are also carried out on vessels and pipes to detect flaws or weaknesses that could result in oil leaks or spills.

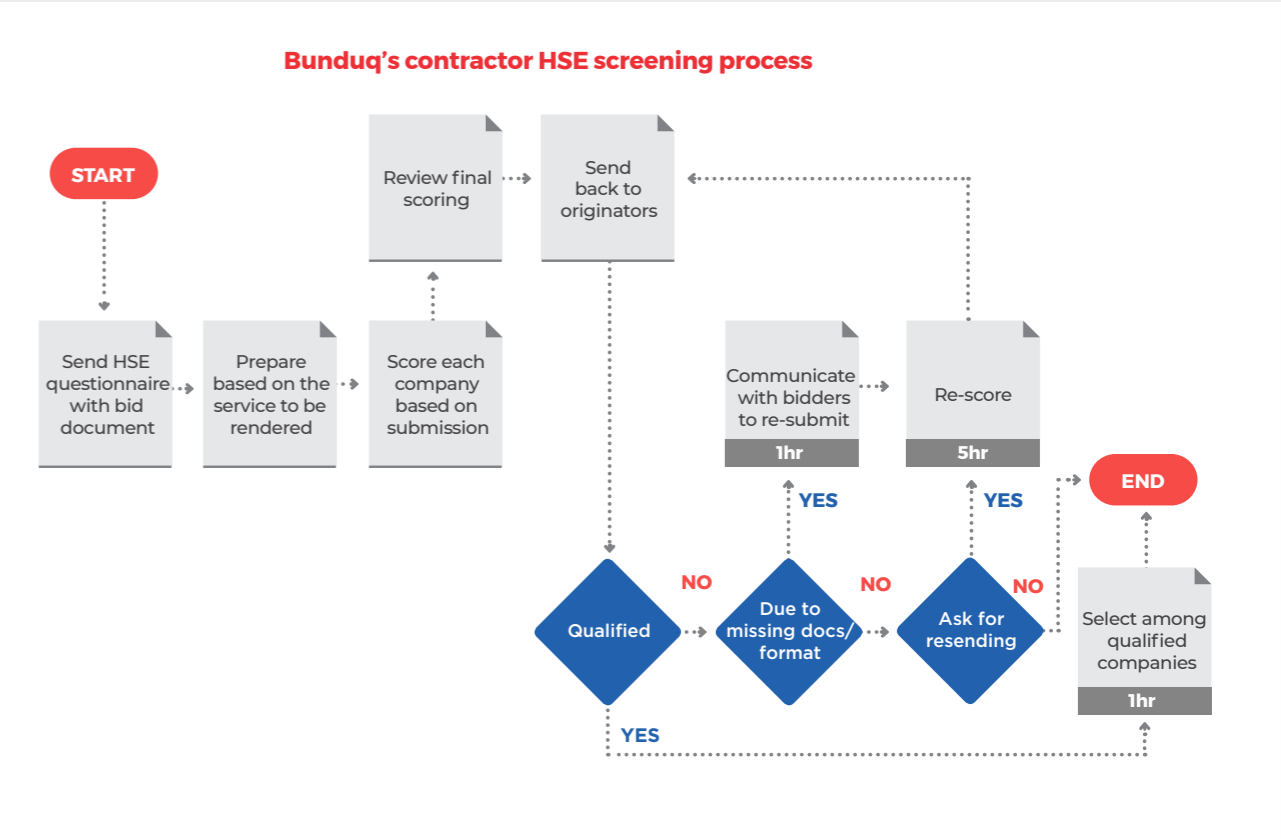
■ **Maintenance:**

Routine maintenance tasks, such as regular painting to prevent corrosion and restoration work on pipelines, vessels, and infrastructure components, are performed to ensure their proper functioning and integrity.

Contractor Health and Safety Management

We assess potential contractors based on a thorough set of health and safety performance criteria during our contractor selection process. The primary objective of this health and safety risk evaluation is to establish that any prospective contractor we engage with maintains HSE risks as low as reasonably possible.

Following the awarding of contracts, Bunduq conducts HSE inspections for all contractors, with subsequent actions taken to resolve any non-agreements with our contractual requirements. For an overall view of our contractor HSE screening process, refer to diagram below:



Our HSE scorecard is designed to assess contractors' performance post-project completion. This scorecard functions as a crucial analytical tool, allowing us to gain insights into contractors' safety management approaches, performance records, and inform future decision-making. It enables us to collaborate with contractors who have demonstrated operational excellence in health and safety.

Employee Health and Well-Being

At Bunduq, we put strong emphasis in our employee's health and well-being through various initiatives:

- **Offshore Health Campaign:** To prevent diseases and promote well-being, we organize health campaigns at our offshore locations. These campaigns include regular general health check-ups, allowing for early detection and intervention.
- **"Beat the Heat" Campaign:** In June 2022, we launched the "Beat the Heat" campaign to address heat-related risks. This initiative, supported by our offshore medical team, focuses on raising awareness about heat stress and distributing electrolytes to our offshore teams.

By implementing these initiatives, we ensure that our employees receive the support they need to maintain good health and achieve a positive work-life balance.

Emergency & Preparedness Response

Emergency response and crisis management are key pillars for safety management. We aim to prevent emergencies through close monitoring and preparation, ensuring that we are enabled to handle any situation by conducting regular emergency preparedness activities. We have updated our medical emergency plan to support r effective emergency response efforts and crisis management.

In 2022, Bunduq took measures to assess and enhance our safety practices, conducting 4 HSE audits. Throughout the year, we also received 52 HSE alerts, providing early warnings that enabled us to take early actions and preventative measures. Furthermore, to ensure the preparedness of all our employees in responding to safety scenarios, we conducted 12 HSE drills to reinforce employees's awareness of emergency response protocols and provide training to effectively handle potential challenges.

EMERGENCY RESPONSE ACTIVITIES	2019	2020	2021
HSE audits	4	5	4
HSE alerts	41	61	52
HSE drills	196	12	12

Note: HSE alerts are consistently received during operations, leading to a fluctuation in the annual count of these alerts.

Case Study: Heat Stress Campaign – “Beat the Heat”

In June 2022, in line with ADNOC’s “Beat the Heat” campaign, Bunduq took measures to prevent heat-related risks and ensure the well-being of its employees and contractors during offshore operations. These efforts included:

- **Heat Stress Awareness Sessions:**

Bunduq’s offshore medical team conducted sessions to educate staff and contractors on heat stress, including employees based on barges and vessels. These sessions focused on recognizing signs, symptoms, and preventive measures for heat-related illnesses.

- **Toolbox Talks (TBT):**

Regular Toolbox Talks emphasized the importance of heat safety protocols, ensuring that all personnel understood the precautions and procedures needed to prevent heat-related incidents.

- **Provision of Posters and Electrolytes:**

Bunduq distributed informative posters outlining heat safety guidelines and electrolytes to offshore and barge crews. These resources served as visual reminders and support to prevent dehydration in hot weather.

- **Mid-Day Break Implementation:**

In mid-June, Bunduq implemented a mid-day break in compliance with government regulations. This break allowed personnel to rest and seek shade during the hottest part of the day, reducing exposure to extreme heat.

- **TWL Monitoring System and Communication:**

Bunduq installed a Thermal Work Limit (TWL) monitoring system to continuously assess environmental conditions and ensure work activities stayed within safe temperature limits. Additionally, a paging system was used to efficiently communicate heat-related updates and alerts.

Despite these measures, one heat-related case was reported on August 10, 2022. However, this incident provided a valuable learning opportunity. Lessons learned were promptly shared with all staff to prevent its recurrence and reinforce the importance of adhering to heat safety protocols.

Quality, Health, Safety and Environment (QHSE) Training Programs

To emphasize effective risk control and management, Bunduq conducts regular HSE training. These training requirements include obtaining permits for hazardous tasks, promoting a thorough understanding of necessary precautions, and ensuring strict adherence to safety protocols. This approach enables us to create a safe working environment for all employees and minimizing potential accidents or incidents. In 2022, we conducted 29 training sessions with 233 attendees and a combined duration of 928 hours. These trainings were provided to both our onshore and offshore employees with some being conducted in-house as part of HSE contribution to cost optimization and some required more advanced facility or practical learning, and hence those were conducted at third party training centers. Some of the training programs included:

- **Permit To Work (PTW):**

A Digital program designed to educate individuals on the ‘Permit to Work’ system, emphasizing the importance of obtaining permits, understanding precautions, and adhering to safety protocols.

- **TBOSIET (OPITO Approved):**

An industry-recognized training course that equips individuals with the skills and knowledge to safely work offshore, focusing on survival techniques, firefighting, and first aid.

- **TFOET (OPITO Approved):**

program builds upon TBOSIET, providing additional knowledge and skills for individuals working in the offshore environment, including helicopter safety and emergency response.

- **H2S Training:**

A training is a specialized course that educates individuals about the hazards and safety measures associated with hydrogen sulfide gas, ensuring their preparedness to work in environments where this gas may be present.

“
Knowing our employees’ needs is crucial for creating a satisfying work experience. We strongly believe that a better future is built through their dedication and growth. Our commitment goes beyond just our employees; we actively invest in communities and engage in activities that contribute to societal development.
 ”
 Hyatt Alshihri

CHAPTER 7 COMMITMENT TO OUR PEOPLE



COMMITMENT TO OUR PEOPLE

Our employees are central to Bunduq's success, contributing their talent, diversity, and dedication to our long-term objectives. We're committed to nurturing a diverse workforce and an inclusive environment where differences are respected and valued. We prioritize investing in our employees' growth to attract and retain skilled and motivated professionals.

We recognize the need for continuous skill development to ensure all our employees adapt to an ever-changing business landscape. That's why we've implemented upskilling and reskilling programs to enhance our employees' abilities, benefiting both our organization and our workforce. Our culture of continuous learning empowers our employees to adapt to new opportunities by offering personal and professional growth opportunities.

In line with our social responsibility commitment, we actively participate in events that promote broader social development. Our aim is to enable our employees to give back to the communities where we operate, believing that people are the foundation for positive societal transformation. We foster a workplace culture that encourages community engagement and strengthens our ties with local communities.

Highlights 2022



540
OF EMPLOYEE
DEVELOPMENT
TRAINING HOURS
PROVIDED TO OUR
EMPLOYEES



Zero
GRIEVANCES AND
INCIDENTS OF
DISCRIMINATION
REPORTED



9
NEW HIRES
INCLUDING
2 NATIONAL
EMPLOYEES



12
DIFFERENT
NATIONALITIES
IN OUR DIVERSE
WORKFORCE



DIGITIZED FORMAL
PERFORMANCE
APPRAISAL AND
REVIEW PROCESS
THROUGH A
DEDICATED
SOFTWARE,
HALOGEN

Workforce Diversity

Our goal is to create an organization that attracts and retains talented and motivated individuals. Our Human Resources section's mission is to build a strong and capable team to drive our operations forward, while overseeing a diverse team of 139 full-time employees.

The majority of our workforce is based in our offshore complex, where the work environment and physical demands tend to attract young male employees. Despite this, we actively encourage and recruit women, especially for office-based roles. We provide them with opportunities to visit our offshore complex and warehouse and ensure equal access to training and development. Our efforts have resulted in a 5% increase in the number of female employees compared to the previous year.

At Bunduq, we understand that diversity goes beyond mere representation; it involves embracing the unique perspectives, ideas, and experiences that everyone brings. With 139 employees from 12 different nationalities, our diverse workforce creates a dynamic and inclusive work environment.

We are dedicated to upholding fairness and inclusivity in all aspects of employment. As part of this commitment, we offer comprehensive benefits and support to both male and female employees. In 2022, six employees, including two males and four females, took advantage of parental leave to prioritize their work-life balance while continuing their professional growth. We are pleased to report that all employees who took parental leave have successfully returned to the workplace.

WORKFORCE OVERVIEW	2019	2020	2021	2022
Employee Breakdown by Gender				
Male	135	130	123	118
Female	20	20	20	21
Employee Breakdown by Age Group				
Employees age under 30	16	17	14	10
Employees age 30-50	103	101	97	103
Employees age over 51	36	32	32	26
Employee Breakdown by Nationality				
Nationals	44	44	44	46
MENA	15	12	12	14
Rest of Asia	96	94	87	80
Employee Breakdown by Nationality				
Senior management employees	4	4	4	4
Middle management employees	10	10	10	10
Non-management employees	140	135	128	125
Total workforce (excluding trainees, students and outsourced staff)	113	107	105	101

Nationalization

Bundug is committed to the growth and development of the local workforce. Our ongoing efforts to meeting our goals of maintaining our Emiratization efforts, have provided positive results,

with zero turnover among our national employees in 2022. Bundug also successfully welcomed two new UAE nationals in 2022, achieving a workforce nationalization rate of 44%.

NATIONAL WORKFORCE	2019	2020	2021	2022
Nationalization rate	38%	40%	41%	44%

Employee Attraction and Retention

At Bundug, attracting and keeping top talent is our top priority. We use various strategies to achieve this:

1. Comprehensive Benefits:

We offer competitive salaries, health insurance, disability benefits, parental leave, study leave, and retirement support to our employees.

2. Career Growth:

We provide clear paths for career advancement, giving our employees ample opportunities to grow within the company.

3. Recognition and Rewards:

Our employee recognition and rewards programs create a positive and motivating work atmosphere.

4. Work-Life Balance:

We motivate individuals to balance their work and personal lives while continuing to grow professionally, fostering long-term talent retention.

Our commitment is to support our employees in every way possible, ensuring they thrive and contribute to our success.

EMPLOYEE ATTRACTION AND RETENTION	2019	2020	2021	2022
New hires	8	8	8	9
Turnover	24	12	12	12

Employee Performance Appraisal

Bundug has upgraded its performance management system by implementing 'SAP Success Factors' to enhance security and create a more efficient platform for managing employee performance.

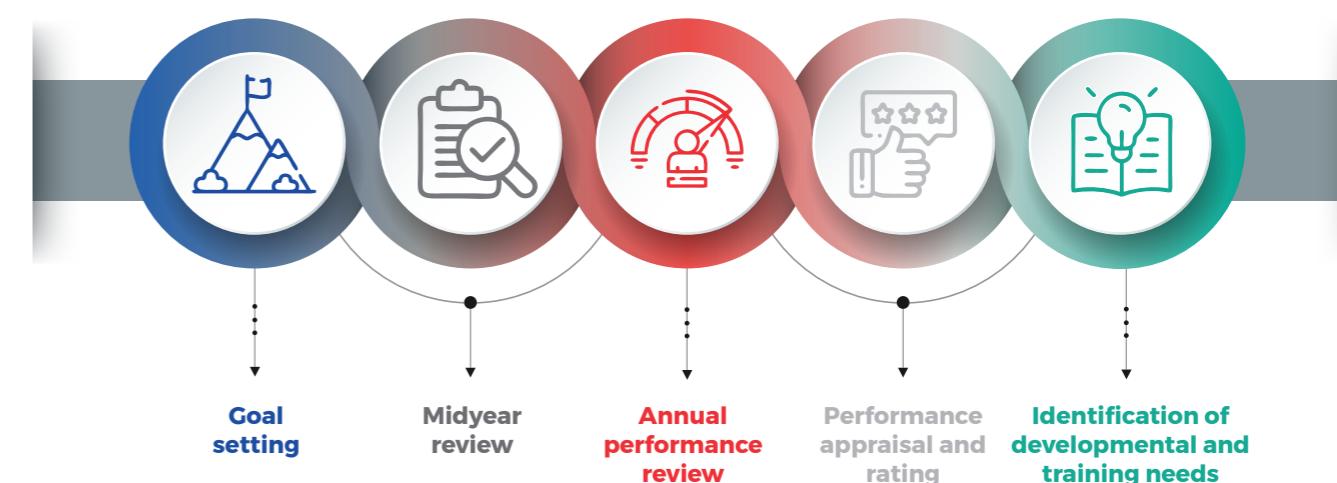
Through a collaborative process, employees undergo performance evaluations and are encouraged to set career objectives and SMART personal goals, providing a roadmap for their professional growth. Midway through each year, Bundug conducts evaluations, offering recommendations

for improvement and providing timely feedback and guidance to address any concerns.

Additionally, individual performance evaluations and ratings take place at the end of each year, offering a comprehensive overview of employees' accomplishments and identifying further growth opportunities.

The employee performance appraisal process is illustrated in the diagram below, summarizing the various stages involved.

Employee performance appraisal process



Training and Education

Bundug offers opportunities for individuals to reach their full potential and help us reach our strategic goals.

In 2022, we increased employees training offering, doubling the total training hours provided to 540 hours

compared to the previous year's 216 hours. Bundug implemented a variety of training programs tailored to address diverse needs and professional requirements. These programs cover areas such as safety, technical and non-technical skills, future skills like digital and sustainability, as well as leadership training.

Pilot Vocational Assessment Program

Bundug initiated a pilot vocational assessment program in 2022, involving three supervisor employees. Led by an external assessor from Australia, the program aimed to evaluate their transferable skills, qualifications, and interests. Its primary goal was to identify areas for performance improvement and create a roadmap for coaching and training. The program included competency

assessments, determining session needs, addressing concerns, and conducting coaching until the candidates reached full competence.

Next year, Bundug plans to expand this program, offering more employees the chance to develop the skills required for more challenging roles and responsibilities.

Sponsorship Program

Our focus on higher education has already shown impressive results, with two employees successfully graduating and rejoining our workforce and one employee currently pursuing further studies. A notable example is Rashed Al Nuaimi, an

Electromechanical Engineer, who completed the sponsorship program in July 2021 and has since demonstrated exceptional performance, progressing from the role of Assistant Engineer to that of Mechanical Foreman-Offshore.

“Bundug also successfully welcomed two new UAE nationals in 2022, achieving a workforce nationalization rate of 44%.”

Succession Plan

In 2022, Bunduq successfully carried out a ‘Succession Plan,’ leading to the appointment of two UAE nationals to key positions, including the ‘HR Senior Lead’ and the ‘Warehouse Supervisor.’ Both individuals have shown dedication and made contributions to their roles since their appointments.

We conduct thorough gap analyses for current employees and create enhancement plans for new hires. These initiatives are tailored to assess the skills of our existing staff and provide customized development opportunities to fill any identified gaps.

TRAINING AND EDUCATION	2019	2020	2021	2022
Total Training Delivered by Gender				
Male	10	7	10	25
Female	6	5	5	4
Total Training Delivered by Employment Category				
Senior management employees	1	1	0	1
Middle management employees	3	4	5	3
Non-management employees	12	7	10	25
Total number of training hours delivered	438	270	216	540
Total cost to deliver employee training programs (AED)	170,060	77,565	62,390	78,257

Grievance Mechanism

Bunduq has channels in place to support a safe work-environment where employees can freely voice their concerns in a confidential and safe manner. Our Grievance Policy outlines protocols for raising any concerns or issues with a direct supervisor. In cases where significant complaints need to be raised, there is a clear procedure to follow, involving the department manager or the administration

department using an Employee Grievance Report. In rare circumstances, if required, the final decision is made by the CEO.

In 2022, no major grievances were reported.

To provide a high-level overview of the escalation process, please refer to the diagram below:

Bunduq’s grievance escalation procedure



Employee Award Programs

Bunduq celebrates employees' achievements and reward excellent performance. Our rewards and recognition program promote positive behavior and accomplishments within our workforce. It reinforces and acknowledges significant contributions and achievements made by our employees.

In December 2022 we conducted our annual award ceremony. During this event, we celebrated and honored the remarkable efforts of our employees and their contributions towards Bunduq. The awards were distributed across four distinct categories, each highlighting specific aspects of excellence:

Bunduq HSE Awards
Recognizing outstanding achievements in health, safety, and environmental practices.

Long-Serving Employees Awards
Acknowledging the loyalty and dedication of team members who have been with us for an extended period.

WATCH High-Quality Submission Awards
Commending exceptional submissions that demonstrate a commitment to excellence.

Energy Savings Awards Celebrating
innovative approaches and contributions towards energy conservation.

Through these initiatives, we continually motivate and empower our employees to strive for excellence in their professional growth, fostering a culture of mutual support and achievement within our organization.

Community Wellbeing

Bunduq holds Corporate Social Responsibility (CSR) and the well-being of our local communities in the highest regard.

We actively encourage our employees to engage in voluntary activities and support charitable initiatives. Through promoting a culture of giving, our aim is to make a meaningful and enduring impact on the lives of those in our community.

While the pandemic presented challenges that temporarily hindered our ability to contribute fully, we are optimistic about resuming our community programs as restrictions ease, in alignment with government policies.



APPENDICES

A

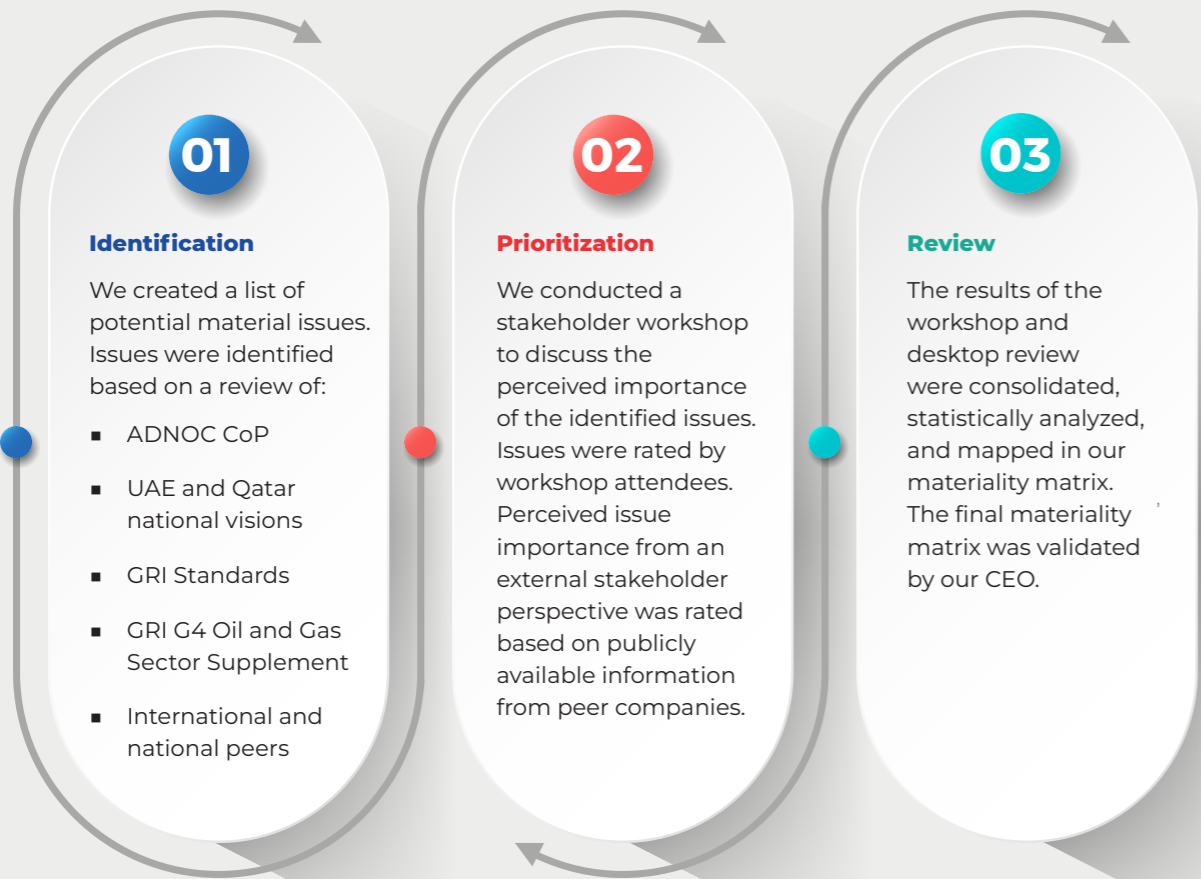
APPENDIX 1: MATERIALITY DEFINITIONS AND METHODOLOGY

Definitions of materiality

For the purposes of this report, we use the GRI definition of material topics: “those that reflect the organization’s significant economic, environmental and social impacts; or that substantively influence the assessments and decisions of stakeholders.”

Materiality process

Our most recent materiality analysis aligns with the GRI Standards, and followed three key steps:







Materiality Matrix

Reporting boundary: ■ (Bundug (entire organization) ■ (Bundug (offshore operations only)

Materiality Matrix	Rank	Material topics	Concerned stakeholders	Reporting boundary
Most material	1.	Health and safety	Employees, government, contractors	■
	2.	ESG Compliance	Shareholders	■
	3.	Cyber Security	Shareholders	■
	4.	Asset Integrity	Government, employees	■
	5.	Economic Performance	Shareholders, government, employees	■
	6.	Greenhouse Gas (GHG) Emissions	Government, local communities	■
Highly material	7.	Spills	Government, local communities	■
	8.	Energy	Government, shareholders	■
	9.	Waste	Government, employees, local communities	■
	10.	Training and Education	Employees	■
	11.	Sustainable Procurement	Suppliers, government	■
	12.	Code of Conduct	Shareholders	■
Material	13.	Employment	Shareholders, employees	■
	14.	Digitization	Shareholders	■
	15.	Community Wellbeing	Local communities	■
	16.	Water	Government	■
	17.	Biodiversity	Government, local communities	■

Stakeholder engagement

We value the relationships we have with our stakeholders and strive for ongoing and open dialogue. These interactions shape the way we run our business and how we report each year on our sustainability performance.

Stakeholder group	Why we engage them	How we engage them	Stakeholder concerns	Our response – see section
Government agencies in the UAE and Qatar 	To be updated with any new legislation or regulation that may impact our business and to shape future policy decisions	<ul style="list-style-type: none"> Direct meetings Working group meetings National events Mandatory reporting 	<ul style="list-style-type: none"> Business ethics and transparency Compliance with regulations Resource conservation Health and safety 	<ul style="list-style-type: none"> About Bunduq Our approach to sustainability Creating economic value Commitment to our people Protecting our people & assets Preserving the environment
Shareholders 	To share our annual performance updates transparently and to strengthen our relationship with them	<ul style="list-style-type: none"> Board Advisory Committee meetings TAC meetings Annual report 	<ul style="list-style-type: none"> Corporate governance Risk management Sustained revenues Business ethics and transparency 	<ul style="list-style-type: none"> About Bunduq Our approach to sustainability Creating economic value
Employees 	To involve employees in decisions that shape the future of Bunduq	<ul style="list-style-type: none"> Internal events Performance appraisals Training and development 	<ul style="list-style-type: none"> Employment packages Working conditions Career development Health and safety Local employment 	<ul style="list-style-type: none"> About Bunduq Our approach to sustainability Commitment to our people Protecting our people & assets
/Suppliers /vendors contractors 	To work together toward delivering safe and responsible operations	<ul style="list-style-type: none"> Procurement evaluation process Direct meetings Contracts 	<ul style="list-style-type: none"> Health and safety Transparent operations Clear procurement requirements 	<ul style="list-style-type: none"> Creating economic value Protecting our people & assets
Local communities and schools 	To understand our communities' expectations and needs to engage them in community building initiatives that cater to their needs	<ul style="list-style-type: none"> Environmental awareness at schools Donations Community investments 	<ul style="list-style-type: none"> Education Provide employment opportunities 	<ul style="list-style-type: none"> Creating economic value Commitment to our people Preserving the environment

APPENDIX 2: DATA PERFORMANCE TABLES

Human Resources

Grievances	Unit	2021	2022
Number of grievances filed in the reporting period	Number	0	0
Parental Leave	Unit	2021	2022
Number of employees that took parental leave	Number	1	6
Nationalisation	Unit	2021	2022
Nationalization rate	%	41%	44%
Workforce Overview	Unit	2021	2022
Employee breakdown by gender			
Male	Number	123	118
Female	Number	20	21
Employee breakdown by age group			
Employees age under 30	Number	14	10
Employees age 30-50		97	103
Employees age over 51	Number	32	26
Employee breakdown by nationality			
Nationals	Number	44	46
MENA	Number	12	14
Rest of Asia	Number	87	80
Employee breakdown by employment category			
Senior management employees	Number	4	4
Middle management employees	Number	10	10
Non-management employees	Number	128	125
Total workforce (excluding trainees, students and outsourced staff)	Number	105	101

Training and Education	Unit	2021	2022
Total training delivered by gender			
Male	Number	10	25
Female	Number	5	4
Total training delivered by employment category			
Senior management employees	Number	0	1
Middle management employees	Number	5	3
Non-management employees	Number	10	25
Total number of training hours delivered	Number	216	540
Total cost to deliver employee training programs (AED)	Number	62,390	XXX
Employee Attraction And Retention	Unit	2021	2022
New hires	Number	8	9
Turnover	Number	12	12
Local Procurement	Unit	2021	2022
Proportion of procurement expenditure on locally based suppliers (%)	%	94	96

Environmental Performance

Energy	Unit	2021	2022
Direct energy used (from stationary combustion and mobile sources e.g. vessels and helicopters)	GJ	1,371,610	1,359,982
Indirect energy used (purchased electricity)	GJ	3,964	2,387
Renewable energy	GJ	1	1
Total energy used	GJ	1,375,574	1,362,370
Energy intensity (GJ/ barrels of oil equivalent produced)	GJ	199,943	204,817
GHG Emissions	Unit	2021	2022
Scope 1	tCO2e	121,351.4	102,683
Scope 2	tCO2e	495.3	261.2
Total GHG Emissions	tCO2e	121,846.7	102,944.1
GHG Emissions Intensity Ratio	kilo tons/ million barrels of oil equivalent produced	33.25	15.518

Flared Gas	Unit	2021	2022
Volume of Continuously Flared Hydrocarbon (m3)	m3	3,256,437	724,911
Volume of hydrocarbon flared in relation to volume of oil and gas produced - m3/ million barrel of oil equivalent (MBOE)	mboe	1,758,555	956,314
Total Volume of Flared Hydrocarbon (m3)	m3	11,975,762	6,346,100.5
Flared gas volume (MMSFCD)	MMSFCD	1.16	0.614
Spills	Unit	2021	2022
No. of significant spills	Number	0	0
Volume of significant spills	Tonnes	0	0
Waste Generated	Unit	2021	2022
Total Hazardous Waste	mt	20.6	18.4
Total Non-Hazardous Waste	mt	389	410.7
Total Waste Generated	mt	409.6	429.1
Water Consumption	Unit	2021	2022
Seawater Withdrawal	m3	6,706,653	4,093,281

Economic Value

Creating Economic Value	Unit	2021	2022
Crude oil production volume	bbl	4,147,925	3,850,801
Cyber Security	Unit	2021	2022
Total number of identified leaks, thefts, or losses of customer data.	Number	0	0

Health and Safety

Health and safety performance	Unit	2021	2022
Total hours worked	Number	1,342,904	1,095,880
Lost-time injury frequency (LTIFR) per 1 million man-hours	Number	0	0
Total recordable injury rate (TRIR)1 per 1 million man-hours	Number	1	0.9
Work-related fatalities	Number	1	0
WATCH observations	Number	2,718	3,028
Contractor HSE screening pass rate (%)	%	59%	80%
Health and safety performance	Unit	2021	2022
HSE audits	Number	5	4
HSE alerts	Number	61	52
HSE drills	Number	12	12

APPENDIX 3: GRI INDEX TABLES

GRI Standard	Disclosure	Page number
Organizational Profile		
GRI 2: General Disclosures 2016	102-1 Name of the organization	12
	102-2 Activities, brands, products, and services	15
	102-3 Location of headquarters	12
	102-4 Location of operations	12
	102-5 Ownership and legal form	16
	102-6 Markets served	13
	102-7 Scale of the organization	12, 13
	102-8 Information on employees and other workers	59
	102-9 Supply chain	15
	102-10 Significant changes to the organization and its supply chain	No significant changes
	102-12 External initiatives	Not applicable
	102-13 Membership of associations	Not applicable
	2-14 Role of the highest governance body in sustainability reporting	Not applicable
	Strategy	
	102-14 Statement from senior decision-maker	8, 9
	Ethics and Integrity	
	102-16 Values, principles, standards, and norms of behavior	14
	Governance	
	102-18 Governance structure	16-19
	Stakeholder Engagement	
	102-40 List of stakeholder groups	68
	102-41 Collective bargaining agreements	Collective bargaining is illegal in the UAE and Qatar
	102-42 Identifying and selecting stakeholders	68
	102-43 Approach to stakeholder engagement	68
	102-44 Key topics and concerns raised	25

GRI Standard	Disclosure	Page number
Reporting practices		
General Disclosures	102-45 Entities included in the consolidated financial statements	Not applicable
	102-46 Defining report content and topic boundaries	3, 24
	102-47 List of material topics	25
	102-48 Restatements of information	No restatements
	102-49 Changes in reporting	No significant changes
	102-50 Reporting period	3
	102-51 Date of most recent report	2022
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	3
	102-54 Claims of reporting in accordance with the GRI Standards	3
	102-55 GRI content index	72
	102-56 External assurance	This report has not been assured by a third party
	ECONOMIC PERFORMANCE	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	38
	103-2 The management approach and its components	38-39
	103-3 Evaluation of the management approach	38-39
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Bundug does not publicly disclose financial data
MARKET PRESENCE		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	58
	103-2 The management approach and its components	58-63
	103-3 Evaluation of the management approach	58-63
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	59

GRI Standard	Disclosure	Page number
INDIRECT ECONOMIC IMPACTS		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	38-44
	103-2 The management approach and its components	38-44
	103-3 Evaluation of the management approach	38-44
GRI 202: Market Presence 2016	203-2 Significant indirect economic impacts	38-44
PROCUREMENT PRACTICES		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	41
	103-2 The management approach and its components	41
	103-3 Evaluation of the management approach	41
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	41
ANTI-CORRUPTION PRACTICES		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	16, 62
	103-2 The management approach and its components	16, 62
	103-3 Evaluation of the management approach	16, 62
	205-3 Confirmed incidents of corruption and actions taken	16, 62
INNOVATION		
GRI 301: Materials 2016	103-1 Explanation of the material topic and its boundary	31, 32, 39, 40
	103-2 The management approach and its components	31, 32, 39, 40
	103-3 Evaluation of the management approach	31, 32, 39, 40
ENERGY		
GRI 301: Materials 2016	103-1 Explanation of the material topic and its boundary	29
	103-2 The management approach and its components	29, 30
	103-3 Evaluation of the management approach	29, 30
GRI 302: Energy 2016	302-1 Energy consumption within the organization	30
WATER AND EFFLUENTS		
GRI 103: Management Approach 2018	103-1 Explanation of the material topic and its boundary	34
	103-2 The management approach and its components	34
	103-3 Evaluation of the management approach	34
	303-1 Interactions with water as a shared resource	34
	303-2 Management of water discharge-related impacts	34
GRI 303: Water & Effluents 2018	303-3 Water withdrawal	34

GRI Standard	Disclosure	Page number
EMISSIONS		
GRI 3: Material Topics 2021	103-1 Explanation of the material topic and its boundary	32, 33
	103-2 The management approach and its components	32, 33
	103-3 Evaluation of the management approach	32, 33
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	33
	305-2 Energy indirect (Scope 2) GHG emissions	33
EFFLUENTS AND WASTE		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	31
	103-2 The management approach and its components	31
	103-3 Evaluation of the management approach	31
GRI 306: Effluence and Waste 2016	306-2 Waste by type and disposal method	31
	306-3 Significant spills	31
BIODIVERSITY		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	34, 35
	103-2 The management approach and its components	34, 35
	103-3 Evaluation of the management approach	34, 35
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	34, 35
ENVIRONMENTAL COMPLIANCE		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	28-34
	103-2 The management approach and its components	28-34
	103-3 Evaluation of the management approach	28-34
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	28-34
EMPLOYMENT		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	58-61
	103-2 The management approach and its components	58-61
	103-3 Evaluation of the management approach	58-61
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	60

GRI Standard	Disclosure	Page number
TRAINING AND EDUCATION		
GRI 3: Material Topics 2021	3-3 Management of material topics	62
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	62
	404-2 Programs for upgrading employee skills and transition assistance programs	61, 63
	404-3 Percentage of employees receiving regular performance and career development reviews	60-61
OCCUPATIONAL HEALTH AND SAFETY		
GRI 103: Management Approach 2018	103-1 Explanation of the material topic and its boundary	48-55
	103-2 The management approach and its components	48-55
	103-3 Evaluation of the management approach	48-55
	403-1 Occupational health and safety management system	48-55
	403-2 Hazard identification, risk assessment, and incident investigation	48-55
	403-3 Occupational health services	48-55
	403-4 Worker participation, consultation, and communication on occupational health and safety	48-55
	403-5 Worker training on occupational health and safety	48-55
	403-6 Promotion of worker health	48-55
GRI 403: Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	48-55
	403-9 Work-related injuries	51
DIVERSITY AND EQUAL OPPORTUNITY		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	59
	103-2 The management approach and its components	59
	103-3 Evaluation of the management approach	59
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	59

GRI Standard	Disclosure	Page number
NON-DISCRIMINATION		
GRI 3: Material Topics 2021	103-1 Explanation of the material topic and its boundary	62
	103-2 The management approach and its components	62
	103-3 Evaluation of the management approach	62
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	62
SUPPLIER SOCIAL ASSESSMENT		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	41
	103-2 The management approach and its components	41
	103-3 Evaluation of the management approach	41
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	41
SOCIOECONOMIC COMPLIANCE		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	14,16, 63
	103-2 The management approach and its components	14,16, 63
	103-3 Evaluation of the management approach	14,16, 63
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Zero incidents reported in 2022

APPENDIX 4: LIST OF ABBREVIATIONS

ABBREVIATION	DETAILS
ADNOC	Abu Dhabi National Oil Company
BBL	Barrel
CEO	Chief Executive Officer
CH₄	Methane
CO₂	Carbon Dioxide
CoBC	Bundug's Code of Business Conduct
CoP	Code of Practice
CSR	Corporate Social Responsibility
DCS	Distributed Control System
DOS	Disk Operating System
EIA	Environmental Impact Assessment
EOR	Enhanced Oil Recovery
ESG	Environment, Social and Governance
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GRN	Goods Receipt Note
H₂_s	Hydrogen sulphide
HSE	Health, Safety and Environment
ISO	International Organization for Standardization
IT	Information Technology
KPI	Key Performance Indicators
LTIFR	Lost Time Injury Frequency Rate
M₃	Cubic Meters
MBOE	Million Barrel of Oil Equivalent
MENA	Middle East and North Africa
MMSCFD	Millions of Standard Cubic Feet Per Day
MPR	Material Purchase Request

ABBREVIATION	DETAILS
MSDS	Material Safety Data Sheets
N₂O	Nitrous Oxide
NORM	Naturally Occurring Radioactive Material
OEHC	Offshore Employee Health Committee
PEMS	Predictive Emissions Measurement System
PTW	Permit to Work
QHSE	Quality, Health, Safety and Environment
RBI	Risk Based Inspection
SAP	Systems, Applications & Products in Data Processing
SDG	Sustainable Development Goals
TAC	Technical Advisory Committee
TBOSIET	Tropical Basic Offshore Safety Induction and Emergency Training
TFOET	Tropical Further Offshore Emergency Training
TRIR	Total recordable injury rate
TWL	Thermal Work Limit
UAE	United Arab Emirates
UPD	United Petroleum Development
VSAT	Very Small Aperture Terminal



Bunduq Company Limited

PO Box 46015, Abu Dhabi, United Arab Emirates

T: +971 2 677 9922 | F: +971 2 677 9477 | www.bunduq.com

