



UEG
联合能源

2023

**ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT**

UNITED ENERGY GROUP LIMITED

(Incorporated in Cayman Islands
and continued in Bermuda with limited liability)

Stock Code: 0467



CONTENTS



01

Corporate Governance

ESG Governance	15
Business Ethics and Anti-Corruption	17
Stakeholder Engagement	19
Response to 2030 Sustainable Development Goals of the United Nations	22

02

Environment Protection

Addressing Climate Change	25
Continuing Development on Clean Energy	31
Environmental Management System	35
Energy Management	41
Ecological Protection	43

03

Occupational Health and Safety

Occupational Health and Safety Management	47
Occupational Safety	48
Occupational Health	57

04

Empowering Employees

Employee Interests and Rights	61
Training and Growth	65
Employee Care	67

05

Fulfil Corporate Responsibility

Supply Chain Management	71
Product Responsibility	74
Community Contribution	75

Abbreviations	85
Appendices	87
HKEx ESG Reporting Guide	89
Content Index	

About the Report

Reporting Period

From 1 January 2023 to 31 December 2023. The report may include information beyond the reporting period to keep the information consistent.

Scope of the Report

The scope of the report covers United Energy Group Limited (“the Company”) and its subsidiaries (collectively “UEG”, “the Group”, “we” or “us”). Please refer to the UEG 2023 Annual Report disclosed in conjunction with this report for details of the reporting entities.

Reporting Standard

This Environmental, Social and Governance report (“ESG report”) is prepared in accordance with the Environmental, Social and Governance Reporting Guide (“ESG Reporting Guide”) issued by the Hong Kong Stock Exchange (“HKEx”). The Addressing Climate Change section is also prepared with reference to the recommendations of the Task Force on Climate related Financial Disclosures (“TCFD”) and the Guidance on Climate Disclosures issued by the HKEx.

Data

The data in this ESG report is derived from UEG internal statistical reports, documents and reports, as well as stakeholder surveys and interviews. The Group’s emissions and energy use indicators are counted and calculated in accordance with national regulations or international standards.

Reporting Languages

Chinese and English (should there be any discrepancies, please refer to the English version).

Contact Information for Feedback

Any feedback on this ESG report is welcomed to enable us to make future improvements. Please feel free to send your comments or suggestions related to this ESG report by contacting us at the address below:

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 United Energy Group Limited
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Statement of the Board of Directors

The Board of Directors of United Energy Group Limited makes the following statements pursuant to the requirements set forth in the ESG Reporting Guide issued by the HKEx.

The UEG Board of Directors is the highest responsible and decision-making body for ESG matters and is committed to improving the governance policies, management processes and ESG information disclosure, to ensure that the Company has established an appropriate and effective ESG management system and working mechanism. The Board reviews the Company’s ESG management policies, strategies, risks regularly, reviews the information in the ESG report and confirms that the Company has complied with the disclosure requirements of the HKEx. This report is released after being reviewed and approved by the Board.

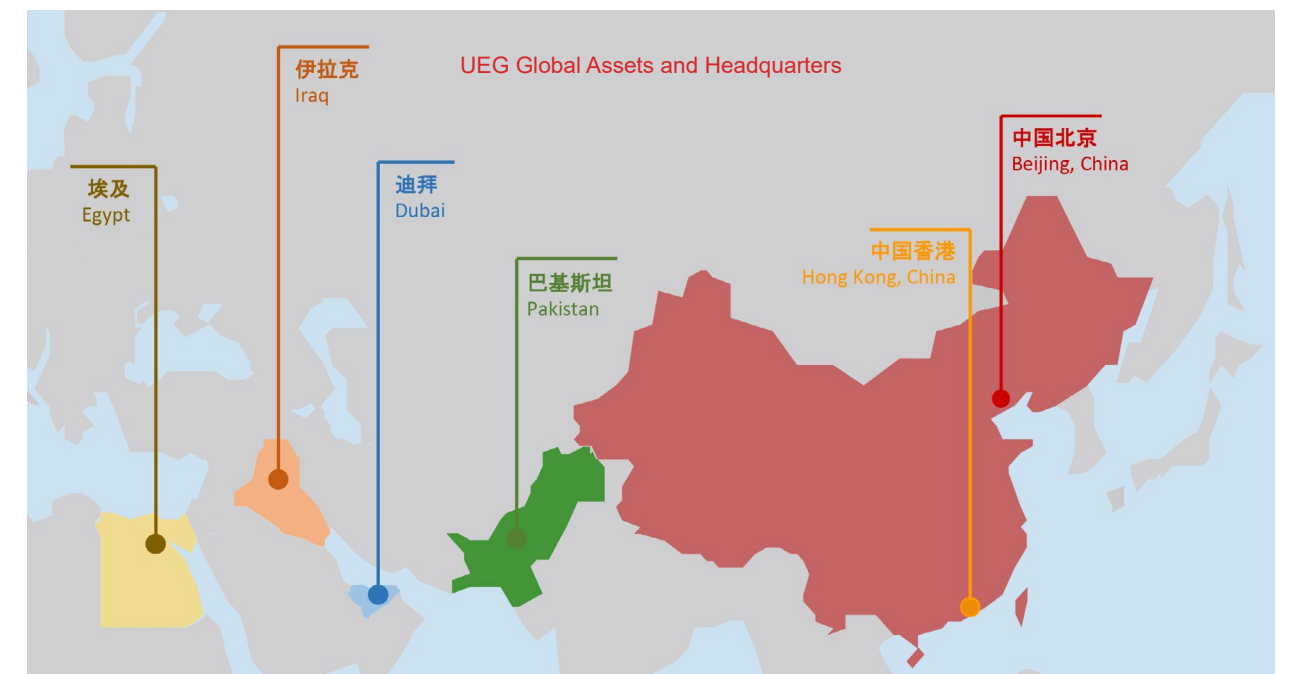
About Us

UEG Profile

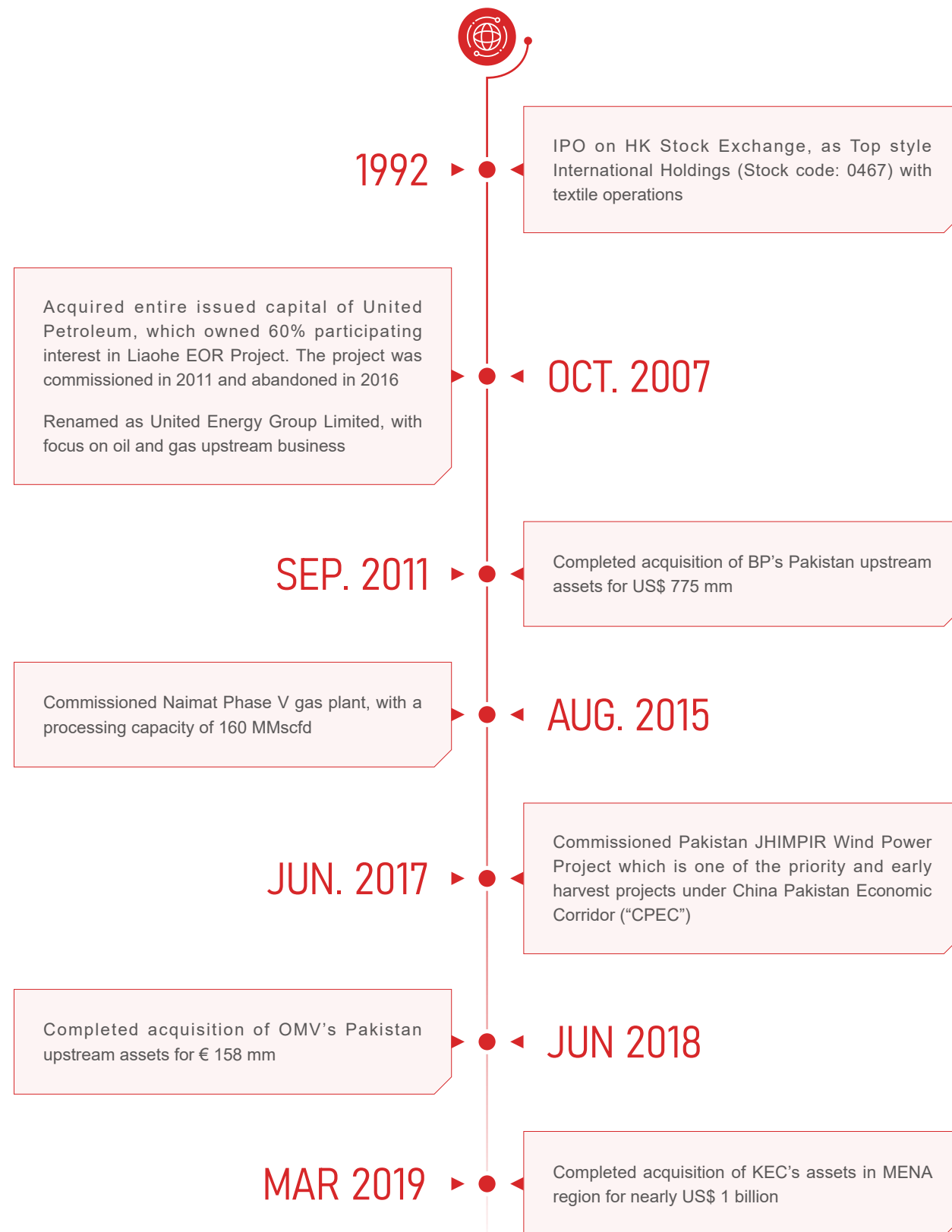
United Energy Group Limited is an independent oil and gas exploration and development company listed on the main Board of the Stock Exchange of Hong Kong (stock code: 0467), which is mainly engaged in the exploration, development, production and operation of upstream oil and natural gas, as well as new energy development businesses.

UEG is headquartered in Hong Kong and its operation and management headquarter is in Beijing. The company operates in China, UAE, Pakistan, Iraq, Egypt, and has more than 2,200 employees.

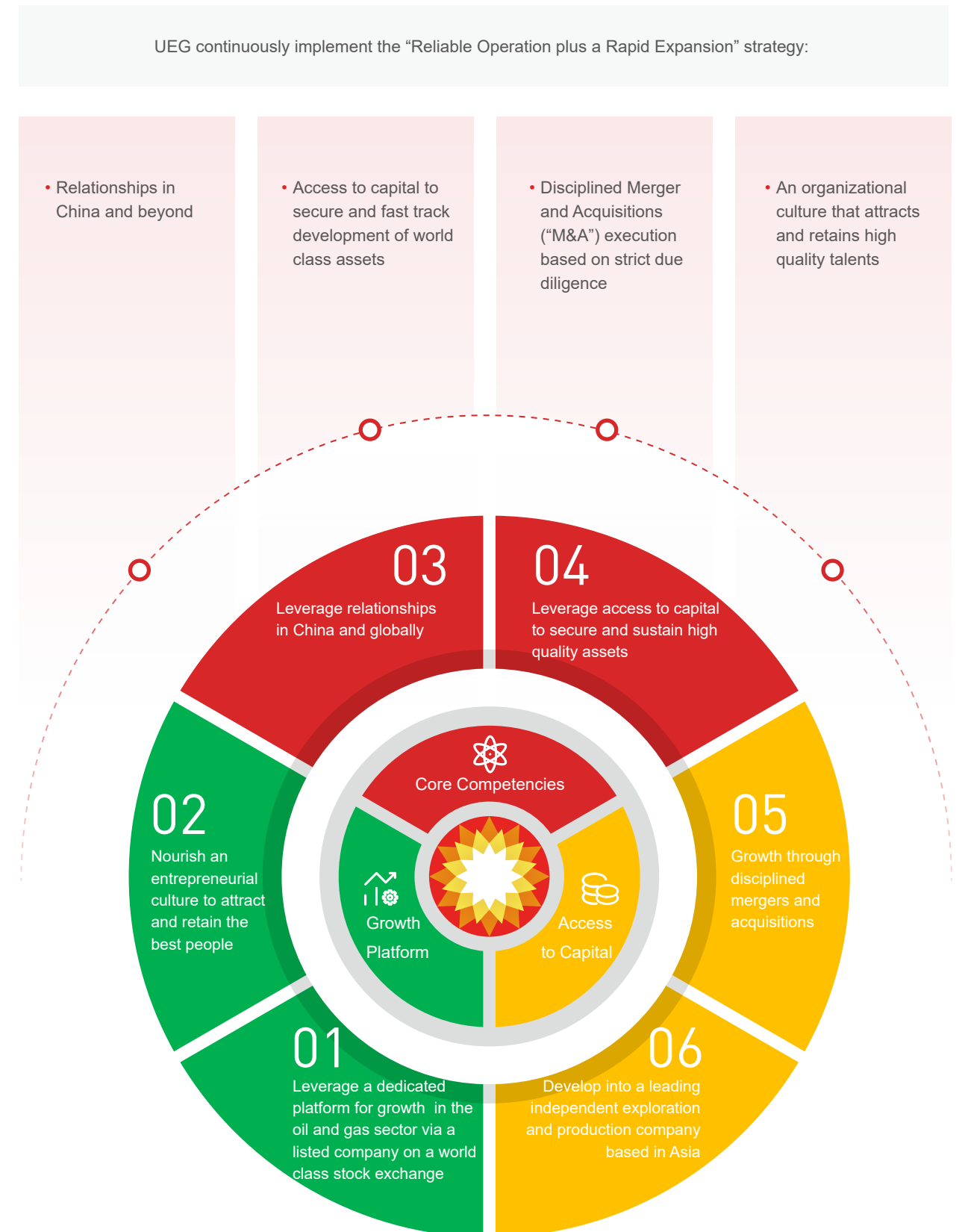
UEG actively explores overseas energy markets and strives to form an excellent business structure across multiple regions, and it has currently grown into an international medium-sized energy company which covering traditional oil and gas energy and new energy businesses. Our group will continue contributing to the sustainable development of the energy industry.



Company History



Development Strategy



🏆 Recognitions and Awards

On the way to becoming a top independent operator in the Chinese Oil & Gas sector, UEG has many achievements and won several prestigious awards. These honours for the Group include:

★ In November 2013 ★

recognized as a **"2013 Top 100 Hong Kong Listed Company"** and ranked in third place in the list of **"Top 10 Companies for Revenue Growth"**.

★ In January 2018 ★

recognized at the **"2017 China Financial Market Awards"** organized by **"China Financial Market"**, a well-regarded financial magazine in Hong Kong – at these awards, UEG received the **"Best Investment Value Award"** and the **"Best Investment Value Award in Shenzhen – Hong Kong Stock Connect"**.

★ In November 2018 ★

honoured at **"The Listed Enterprise Excellence Awards 2018 - Excellent Performance"** by **"Capital Weekly"**, a renowned financial magazine in Hong Kong.

★ In January 2019 ★

recognized for doubling its market value within a short span of one year, despite a bearish trend in most equity markets - **"Top Market Value among 500 Listed Companies in China"**, based on the market value data of 15 renowned stock exchanges including the Shanghai Exchange, Shenzhen Exchange, Hong Kong Exchange, New York Exchange etc.

★ In February 2019 ★

joined the **"Hang Seng Composite Large Cap & Mid Cap Index"**.

★ In May 2019 ★

awarded the **"No. 21 of Top 100 Comprehensive Ability"**, **"No. 4 of High Potential"** and **"No.1 of Top 10 ROI"** at the Top 100 Companies listed in HK Stock Exchange.

★ In June 2019 ★

awarded the **"Listed Company of Greatest Potential"** at the **"2019 China Financial Market Awards Ceremony"**.

★ In December 2023 ★

won the **"Most Promising Listed Enterprise"** award at the **"Annual Listed Enterprises 2023"** award ceremony of Bloomberg Businessweek/Chinese Edition.



Major Events in 2023

In 2023, UEG actively participated in international activities to enhance the reputation of the group:

In March 2023

UEG participated The Gas & Oil Technology Showcase and Conference (“GOTECH”). Through GOTECH, UEG bolstered its corporate image and reputation in the Middle East market and was recognized as a brand of great value.



In August 2023

Dr. Alcides Santos, State Secretary of Ministry, National Director of Petroleum in Angola, and a delegation from the Angolan National Agency for Petroleum, Gas and Biofuels (“ANPG”) visited UEG. Through this meeting, UEG strengthened its cooperation with Angola's Ministry of Mineral Resources, Oil and Gas.



In May 2023

Deputy Minister of Iraq's Ministry of Oil, visited the 23rd China International Petroleum and Petrochemical Technology and Equipment Exhibition (“CIPPE”) and UEG's Beijing Headquarter.



A Message from Our Chairman



After years of business expansion and innovation, UEG has grown into a reputed international energy group which is mainly engaged in the exploration, development, production and operation of upstream oil and natural gas, as well as new energy development businesses. At the same time, our management mechanism has gradually shifted from extensive to refined.

In 2023, despite that we still face varying degrees of difficulties and challenges, the group headquarters and operational assets in Pakistan, Iraq, Egypt, and other regions have excellently achieved the operational goals set at the beginning of the year while ensuring safe production and operation. By the end of 2023, the total assets of UEG are about HKD 25.8 billion, the annual cumulative working interest operating output is about 36.6 million boe, and the total turnover is about HKD 13.6 billion. Due to asset impairment, we ended with a net loss about HKD 1.7 billion.

UEG has been actively practicing sustainable development and striving to play its role in building the industry's future, advocating sustainable development, actively empowering and promoting cooperation, and responding to the changes in the energy landscape.

Hongwei Zhang
Chairman

Valuing health and safety:

Our unwavering commitment to the health and safety of our personnel is reflected in our ongoing efforts to advance safety standards across all our operations. In 2023, we implemented comprehensive rollout sessions across all our assets and Group, designed to deepen our team's comprehension of the newly published Operational and HSSE Management System Manual. This year, we continue to foster a strong safety culture within the company through rigorous training programs. Our dedication to the well-being of our people is further demonstrated by our provision of top-tier health practices and our assurance of a safe and healthy work environment. Additionally, we have extended our safety management practices to our contractors, implementing a stringent contractor management system and selecting partners carefully to ensure they have the robust HSSE systems that align with our standards. As a result of these diligent efforts, we are proud to have met our safety KPIs for the year and report no fatal accidents.

Our green and low-carbon development

As the world confronts the realities of climate change and environmental concerns, we recognize the critical importance of aligning our operations with the global shift towards clean energy solutions and enhancing our green management.

We have put an extensive Health, Safety and Environment ("HSSE") management system that emphasizes careful management of environmental aspects, including atmospheric contaminants and waste, to foster environmentally responsible behaviours throughout the organization.

As part of our long-term plans, from the perspective of decarbonization and sustainability, UEG aims to expand clean energy portfolio and invest over GWs clean energy projects in Europe, MENA and Central Asia. We have successfully implemented the 99 MW wind power project in Pakistan and installed Iraq's first state-of-the-art Solar Power Plant ("SPP") of 2.5 MWh capacity, showcasing our dedication to fostering a greener and more sustainable energy landscape. UEG advanced the renewable energy mission with the Daqing Block-9 Camp Oilfield Photovoltaic Power Station in Iraq. This project, starting in January 2023, will provide 350 MWh of clean power annually, cutting diesel use by 120 tons and reducing carbon dioxide emissions by 290 tons yearly. It will also meet half of the camp's electricity needs, delivering economic gains and promoting a sustainable energy future.

Empowering the community

To better practice the concept of building an open, win-win and mutually beneficial community, we actively collaborate with local partners and communities, taking the lead in initiatives that enhance the development of the local community. Through our Corporate Social Responsibility ("CSR") program, we allocate resources to strengthen the community's health systems, education, and infrastructure. We also provide training opportunities for young community members, which not only empower them with skills but also contribute to an increased local employment rate. Additionally, our Local Contractor Development Program prioritizes the hiring of local contractors, offering them the necessary training in job skills and knowledge to further foster local employment and economic growth.

In 2024, under the premise of continuous construction of HSSE and ESG, we will establish a development strategy of "asset management & asset operation" to rapidly improve operational efficiency indicators. Besides, we will continuously take full advantages of our outstanding operation and management improving ESG management and information disclosure to contribute to the sustainable development of the energy industry.



The background image shows an industrial facility with several large, white, cylindrical storage tanks. The tanks are connected by a network of red pipes and metal walkways with railings. The scene is illuminated by a bright sun in the upper left corner, creating a warm, orange glow and casting long shadows. The sky is a clear, light blue. In the foreground, there is a reddish-brown dirt area. A large, semi-transparent red shape is overlaid on the left side of the image, partially covering the tanks and the text.

01

Corporate Governance

- ESG Governance
- Business Ethics and Anti-Corruption
- Stakeholder Engagement
- Response to 2030 Sustainable Development Goals of the United Nations

ESG Governance

UEG strictly follows the regulatory requirements of HKEx and has established the three-tier ESG structure of "governance, management and implementation" among the Board of Directors, the ESG working group, and relevant departments at assets to ensure the successful implementation of ESG-related matters.

The Board of Directors (governance level)

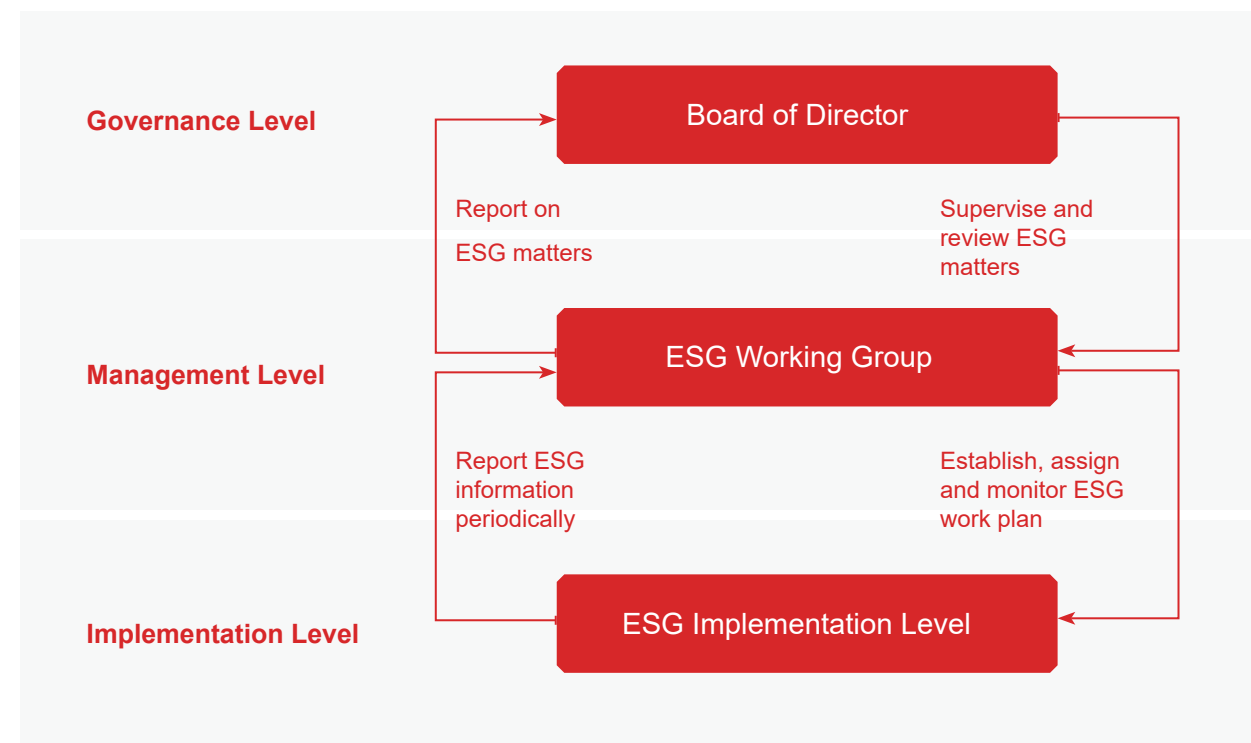
It is responsible for establishing ESG strategy, reviewing the group's ESG related work matters, and assuming full responsibility for the group's ESG governance;

The ESG working group (management level)

It is responsible for monitoring the performance of key ESG issues and reporting to the Board of Directors;

Relevant departments at assets (implementation level)

They are responsible for implementing ESG work based on the requirements from HQ and reporting ESG information regularly.



ESG Management Structure

The Internal Audit and Risk Control department ("IA&RC department") is the leading department of the ESG working group, which is responsible for the overall coordination of UEG ESG work. Other related departments of headquarter, such as HSSE, PR, HR, PSCM, Legal etc. are responsible for coordinating the work of the IA&RC department. The responsibilities of the ESG working group are as follow:



Business Ethics and Anti-Corruption

Business Ethics Policy

UEG strictly abides by the relevant policies and regulations of all countries where it operates to conduct its business. We have established UEG Compliance and Ethics Committees (“C&E Committee”) which is composed of Headquarter (“HQ”) and Assets’ C&E Committees, and continuously running the UEG *Code of Conduct* (“COC”) and UEG *Whistleblowing Policy* that apply to all global employees.

No legal cases regarding corruptions were brought against the Group or its employees during the reporting period. In 2023, our highlights of ESG work on business ethics are as below:



Training on Business Ethics

UEG attaches great importance to business ethics training and is committed to enhancing employees' awareness of anti-corruption and anti-bribery through different types of training courses. In 2023, we conducted 757 training sessions regarding the COC involving 58 directors and 1,158 employees, with a total duration of training of 791 and 6,081 hours respectively. The training courses were arranged appropriately by the responsibilities of the directors and employees, and the main contents of training sessions in this year covered the purpose and application scope of the UEG COC.



Whistleblowing Mechanism

UEG places a high value on integrity and self-discipline and prohibits any form of bribery or corruption. We continuously standardize our compliance and reporting mechanism and encourage employees to report violations. Our employees can raise their concerns through various channels: to Supervisor/Manager, Head of Function, HR Representative, the Compliance and Ethics Committees or directly to the Head of Internal Audit and Risk Control through email or phone. Also, we protect the privacy of any whistle-blowers to avoid any retaliation.

All whistleblowing cases will be taken seriously and assessed carefully by C&E Committees. If a formal investigation is required, the C&E Committees will nominate the investigation work group. The investigators are expected to handle all matters independently and impartially with high professionalism, confidentiality, punctuality. The investigation work group leader is responsible for reporting the investigation process and results to the C&E Committees. The C&E Committees should review the work from the investigation work group and inform the Board about the investigation results of serious whistleblowing cases.

There will be different procedures dealing with whistleblowing cases based on the level of employees involved.



Employees involved in the case	Responsible departments for case dealing
Below Asset Management	Asset C&E Committee
Asset Management and HQ Staff	HQ C&E Committee
HQ Management	the Board of Directors

Although we may initiate different investigation procedures based on the specific circumstances of the reported cases, all investigations will:

- Follow a fair process;
- Be conducted as quickly and efficiently as the circumstances permit;
- Find out reliable evidence to substantiate the matters reported;
- Be independent of the person(s) concerned with the allegations.

In case the whistleblower is not satisfied with the investigation results (including resolutions) and/or action(s) taken, the whistleblower is free to resubmit it to the HQ/Asset C&E Committee. We will preserve all detailed records of all reports and investigations to ensure traceability.









Stakeholder Engagement

UEG maintains regular communication with stakeholders and adopts a materiality analysis methodology to select the ESG issues that are matters of concern both internally and externally. We collect opinions and suggestions from stakeholders through diverse channels to identify the expectations of each stakeholder for the ESG work and determine the ESG priorities of UEG.

Figure below outlines key stakeholders that UEG manages on a regular basis and the table below shows the channels for engaging our stakeholders and the expectations from stakeholders.



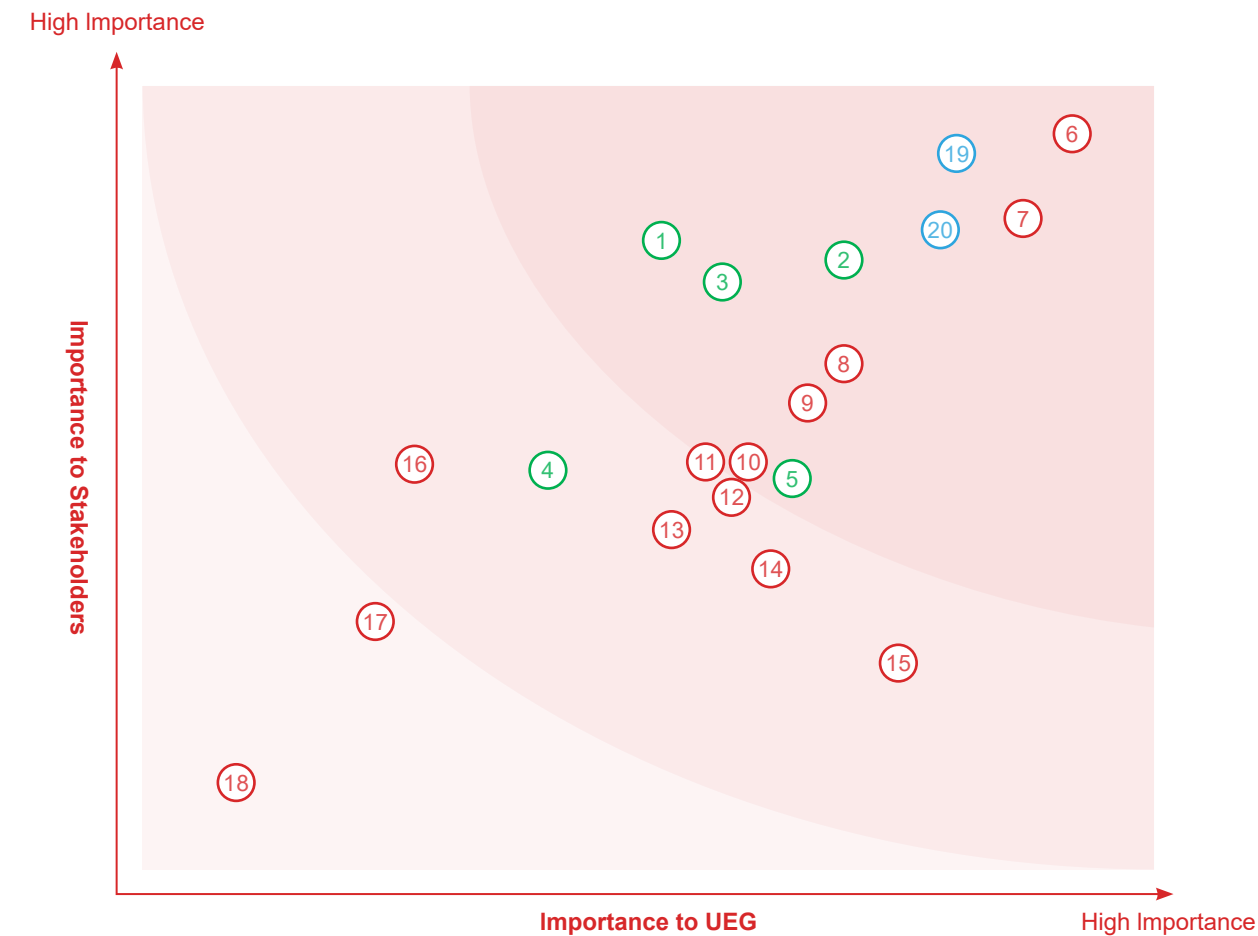
UEG Key Stakeholders

Stakeholders	Communication Channels	Expectations
 Communities	<ul style="list-style-type: none"> • Need assessment of communities • Coordination with governments • Project implementation on ground • Awareness sessions to share risks of living around oil and gas installations and road safety 	<ul style="list-style-type: none"> • Community services • Social responsibilities • Environmental protection
 Employees	<ul style="list-style-type: none"> • Daily communications • Employee surveys 	<ul style="list-style-type: none"> • Employee rights • Personal development • Health and safety • Employee care
 Governments and Regulators	<ul style="list-style-type: none"> • Daily communication and reporting • Interaction with government policymakers • Workshops, symposiums, evaluation sessions 	<ul style="list-style-type: none"> • Compliance operation • Safety production and emergency management • Technological innovation • Energy conservation and emission reduction
 Shareholders and Investors	<ul style="list-style-type: none"> • Shareholders and investors communication meetings • Periodic reports and announcements 	<ul style="list-style-type: none"> • Continuous and stable return on investment • Corporate governance
 Buyers/Customers	<ul style="list-style-type: none"> • Customer services • Customer activities • Customer satisfaction survey 	<ul style="list-style-type: none"> • Improvement on product quality • Customer rights
 Climate Change Interest Groups	<ul style="list-style-type: none"> • Seminar related to climate change 	<ul style="list-style-type: none"> • Response to climate change
 Suppliers and Contractors	<ul style="list-style-type: none"> • Business negotiations and transactions • Communications during the cooperation process 	<ul style="list-style-type: none"> • Improvement on supply chain management • Mutual benefits and long-term cooperation
 Environmental Approvers	<ul style="list-style-type: none"> • Obtaining No Objection Certificate ("NOC") • Communication with environmental protection organizations 	<ul style="list-style-type: none"> • Ecological environmental protection • Green operation

Materiality Analysis

UEG identifies ESG issues related to the company in accordance with the ESG Reporting Guide issued by the HKEx, with reference to international ESG initiatives and standards, as well as industry wide ESG issues.

In 2023, UEG conducted an annual stakeholder survey to collect the concerns and expectations of stakeholders in fields of ESG management via online questionnaire. This questionnaire was filled out by a total of 157 valid participants and the ESG materiality matrix was generated through analysis of questionnaire results.



- | | | | |
|--|-------------------------------------|---|--|
| ① Emission management | ⑥ Employee health and safety | ⑬ Stable energy supply | ⑰ Anti-corruption supervision and management mechanism |
| ② Environment and natural resources protection | ⑦ Production safety | ⑭ Support rural revitalization | ⑱ Anti-corruption warning education |
| ③ Climate change | ⑧ Equal and legal employment | ⑮ Participation in social welfare | |
| ④ Consumption and use of resources management | ⑨ Employee training and development | ⑯ Suppliers' environment and social risk management | |
| ⑤ Develop clean energy | ⑩ Fair purchase | ⑰ Research and innovation | |
| | ⑪ Employee salary and benefit | ⑱ Priority to purchase green product | |
| | ⑫ Ensure project quality | | |

2023 UEG Materiality Matrix

Response to 2030 Sustainable Development Goals of the United Nations

The Company strongly supported the achievement of the Sustainable Development Goals (“SDGs”) provided by UN’s 2030 Agenda for Sustainable Development, and continuously contributed to the improvement of social well-being, education, gender equality, energy conservation, resource conservation, and climate action. Following table outlines UEG ESG activities in 2023 regarding to UN’s SDGs.

Our Contributions to the SDGs	Chapters and Sections	Our Contributions to the SDGs	Chapters and Sections
	<ul style="list-style-type: none"> Employee Care Community Contribution Occupational Health 		<ul style="list-style-type: none"> Training and Growth Employee Care Community Contribution
	<ul style="list-style-type: none"> Training and Growth Community Contribution 		<ul style="list-style-type: none"> Addressing Climate Change Continuing Development on Clean Energy Green Management Community Contribution
	<ul style="list-style-type: none"> ESG Governance Employee Interests and Rights 		<ul style="list-style-type: none"> Supply Chain Management Product Responsibility
	<ul style="list-style-type: none"> Green Management 		<ul style="list-style-type: none"> Addressing Climate Change Continuing Development on Clean Energy
	<ul style="list-style-type: none"> Addressing Climate Change Continuing Development on Clean Energy 		<ul style="list-style-type: none"> Ecological Protection
	<ul style="list-style-type: none"> Employment Interests and Rights 		<ul style="list-style-type: none"> Business Ethics and Anti-Corruption Employment Policies
	<ul style="list-style-type: none"> Community Contribution 		<ul style="list-style-type: none"> Stakeholder Engagement Supply Chain Management Employee Care Community Contribution

02

Environment Protection

- Addressing Climate Change
- Continuing Development on Clean Energy
- Environmental Management System
- Energy Management
- Ecological Protection



Addressing Climate Change

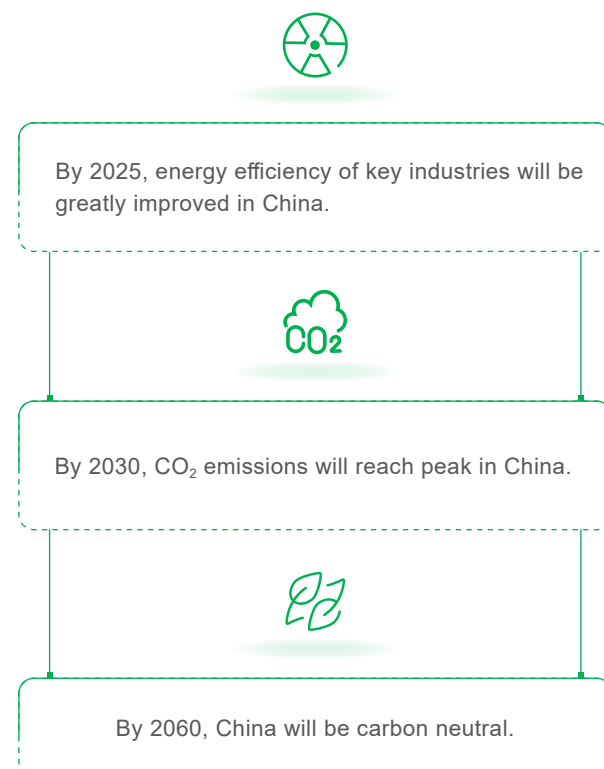
As a leading upstream oil and gas company, UEG is committed to actively shouldering its corporate responsibility for environmental protection. We achieve this through effective environment management, which is part of our HSSE Management System, and underpin it with HSSE policies and commitment to minimize greenhouse gas carbon emissions and enhance climate change resilience.

Climate Strategies and Action


UEG operates in regions with minimal impact on climate change, striving to minimize the influence of oil extraction activities on the local climate. Our commitment extends to strict adherence to climate-related laws, regulations, and standards in the locations of our facilities. Moreover, UEG is dedicated to preventing hydrocarbon spills, which are harmful to the environment and costly. We've established Process Safety and Operational Integrity programs to protect our assets and minimize spill risks. In the event of a spill, we are fully equipped with oil booms, vacuum trucks, and other spill containment materials to address the situation promptly. Additionally, regular spill response drills keep our teams prepared to handle any potential oil spill effectively. In 2023, we recorded 166.4 bbl oil spills.


UEG diligently complies with *the Working Guidance for Carbon Dioxide Peaking and Carbon Neutrality in Full and Faithful Implementation of the New Development Philosophy* released by Chinese government. In pursuit of sustainable and eco-friendly growth, we aim to reduce its direct emissions by 2025, supporting the achievement of China's commitment to low-carbon development and the transition to clean energy.


We strive to support the achievement of main objectives proposed by Chinese government





UEG has also implemented a range of initiatives across its assets located in countries such as Pakistan, Iraq, and Egypt, aimed at mitigating greenhouse gas emissions and promoting green transformation, including:

- 

Recover flared gas to reduce GHG emissions;
- 

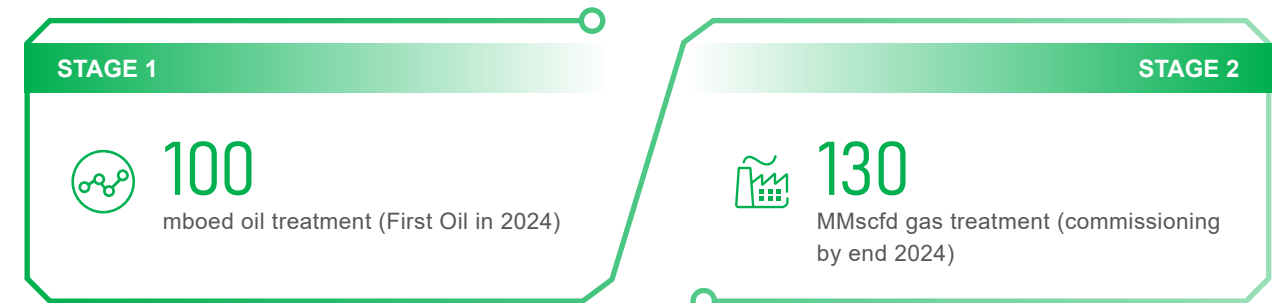
Solar power plant with a capacity of 2.5 MW which was installed in 2022, continued to provide power in KEBL camp throughout 2023, causing significant reduction in diesel consumption up to 1.1 million liters;
- 

Using purchased electricity from regional power grids (wind energy) instead of using diesel-based electricity generation to reduce GHG emissions and other pollutants;
- 

Initiatives have been undertaken to increase tree plantation at all our sites;
- 

Continue to reduce methane emissions from oil and gas production.

Notably, over 50% of UEG's GHG emissions in 2023 resulted from gas flaring at KEBL. As KEBL works towards full field development and gas transport network installation, once the plant is commissioned, flaring from KEBL sites will significantly reduce. KEBL works with relevant stakeholders and developed the following plans to mitigate gas flaring:



UEG At GOTECH 2023: Accelerating a Sustainable Energy Future



UEG showcased its commitment to sustainable development at the Gas & Oil Technology Showcase and Conference (“GOTECH”) in Dubai. As a Platinum Sponsor, UEG actively participated in over 30 technical sessions, contributing over 100 papers, with 24 selected for presentation. The conference, co-organized by Dragon Oil and the Society of Petroleum Engineers, offered a platform for UEG to highlight its climate strategy and goals.



UEG actively participated in over

30 technical sessions



contributing over

100 papers, with **24** selected for presentation



Colleagues from China, Pakistan, Iraq, and Egypt joined forces to delve into diverse topics, emphasizing UEG's dedication to exploration, development, production, engineering, HSSE, and training in the oil and gas sector. This strategic engagement bolstered UEG's corporate image in the Middle East, positioning it as a brand of great value.

Recognized by the local government and industry peers, UEG not only explored potential partnerships but also affirmed its commitment to sustainable practices. Looking ahead, UEG aims to contribute to global energy sustainability by ensuring stable and secure oil and gas supplies, while actively pursuing opportunities in renewable energy, decarbonization, and carbon emission credit trading.

Climate-related Risk Management

Due to UEG's operations in climate-sensitive regions such as the Middle East, North Africa, and South Asia, our oil and gas production activities are exposed to climate risks that impact the overall business operations and development.

In addressing these challenges, we have adopted the methodology recommended by the Task Force on Climate-related Financial Disclosures (“TCFD”). This involves a comprehensive analysis of both physical and transitional climate risks faced by the company. By leveraging TCFD guidelines, we have developed governance frameworks and management strategies tailored to mitigate these risks and capitalize on opportunities associated with climate change. We are committed to taking proactive measures to navigate climate-related challenges and embrace sustainable practices that align with our environmental protection goals.

Type of Risks	Risk Factors	Measures
Physical risks		
Acute and chronic risk	<ul style="list-style-type: none"> The frequency of extreme weather disasters such as rainstorms, floods, and typhoons increase, which may lead to operation interruption and even damage to production and operation facilities, resulting in the decline of the Company's production capacity; and may cause secondary disasters, resulting in endangering personal safety, environmental pollution, and other issues. 	<ul style="list-style-type: none"> UEG subsidiaries take steps to address impacts of extreme weather disasters, create emergency response plans, conduct emergency drills and so on in order to avoid disruption of production to possible extent, continuing supply of energy to our customers.



Type of Risks	Risk Factors	Measures
Transitional risks		
Policy and legal risk	<ul style="list-style-type: none"> The Chinese government has set carbon peaking and carbon neutrality targets. Additionally, as stricter climate action measures and greenhouse gas emission restrictions came out faster globally in recent years, the cost of carbon emission compliance of the Company may increase. 	<ul style="list-style-type: none"> Work closely with legal advisors in each country where we operate to assess current regulations and the resulting. Track and review the emerging carbon emission pricing instruments in different countries. Continue supporting efforts to scale up energy efficiency and clean energy and reduce the degree of dependency on natural resources.
Technology risk	<ul style="list-style-type: none"> Technological innovation in the process of transiting towards a low-carbon and energy-saving economy will increase the Company's Research and Development ("R&D") investment and investment expenditures in clean energy, new energy, emission reduction technology, and other fields. 	<ul style="list-style-type: none"> Carry out R&D to improve energy efficiency of its operation and invest in low carbon fuels.
Market preference risk	<ul style="list-style-type: none"> Consumers' attention to climate change and sustainability may encourage consumers to choose low-carbon products, thus reducing the demand for traditional energy products with high carbon emission intensity and increasing the demand for renewable energy. 	<ul style="list-style-type: none"> Continue the transition to renewable power generation. Constantly track and assess market trends. The increasing demand for clean energy is taken as a strategic opportunity to drive business growth.
Reputational damage risk	<ul style="list-style-type: none"> Stakeholders pay closer attention to the Company's response to climate change and energy transformation. If the outcomes do not meet expectations, it may negatively impact the Company's image. 	<ul style="list-style-type: none"> Actively pursue green and low-carbon development initiatives and focus on stakeholder concerns.

Indicators and Targets

UEG has set targets to enhance our climate-related performance, and closely tracking the progress towards achieving these targets.



The following table illustrates our GHG emissions during the reporting period:

Indicators	Unit	2023	2022	2021
GHG emissions from direct sources (Scope 1)	tons CO ₂ e	3,571,383	3,654,577	3,381,907
GHG emissions from indirect sources (Scope 2)	tons CO ₂ e	2,679	1,393	2,871
Total GHG emissions	tons CO ₂ e	3,574,062	3,655,970	3,384,778
Total GHG intensity	tons CO ₂ e/mboe	58	63	60

Notes:

2021 and 2022 data have been revised due to the update and optimization of GHG accounting methodology and data collection process.



Continuing Development on Clean Energy

UEG places a paramount emphasis on the development and utilization of clean energy sources as a cornerstone of its sustainable practices. We are actively committed to a green and clean development strategy, prioritizing energy efficiency as a key focus for business and growth.

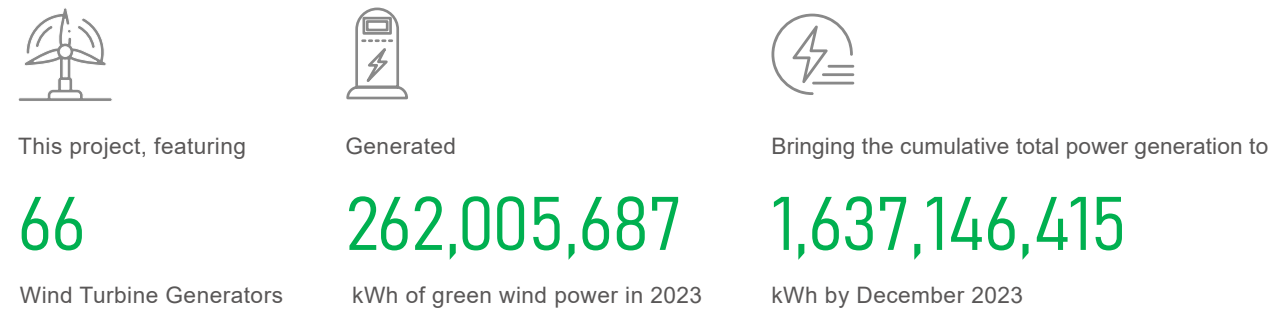
UEG is strategically investing in sustainable projects across various domains, including wind and solar power, sustaining efforts in scaling up clean energy projects underscore our dedication to fostering a greener and more sustainable energy landscape.

Onshore Wind

UEG has made significant strides in sustainable energy with the successful implementation of the 99 MW wind power project, one of the top 14 priority projects under the *China-Pakistan Economic Corridor Agreement*, by UEP Wind Power (Private) Limited in Jhimpir, Sindh, Pakistan.

This project, featuring 66 Wind Turbine Generators, generated 262,005,687 kWh of green wind power in 2023, bringing the cumulative total power generation to 1,637,146,415 kWh by December 2023. This success is attributed to UEG's high-quality project management, ensuring a remarkable 99.82% Plant Availability in 2023.

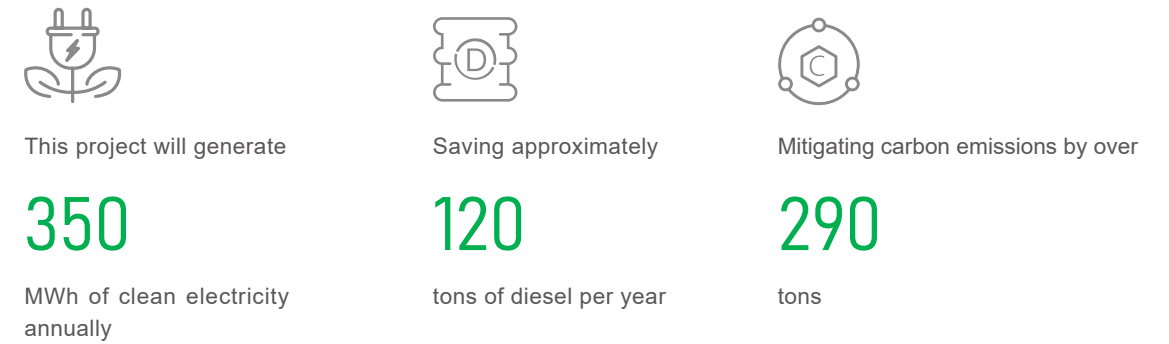
In the future, UEG will remain steadfast in its dedication to providing Pakistan with green and clean electricity, demonstrating a proactive approach to sustainable energy solutions.



UEG 99 MW Wind Power Project

Solar

UEG has strategically invested in solar energy projects, including The Daqing KEBL Camp ("the Camp") Oilfield Photovoltaic Power Station project in Iraq. Commencing construction in January 2023, this project will generate 350MWh of clean electricity annually, resulting in saving approximately 120 tons of diesel per year and mitigating carbon dioxide emissions by over 290 tons and promoting a more sustainable energy future. Furthermore, the solar station will satisfy more than 50% of the electricity demand at the Camp, delivering significant economic benefits while markedly reducing diesel consumption for power generation.



KEBL Camp Oilfield Photovoltaic Power Station Project

UEG - 2.5 MWh Lithium-ion battery-based Energy Storage System



UEG constructed in a 2.5MW off-grid solar power plant, achieving commercial operation in 2022, in Al-Faihaa Oil field, Block-9, Basra, Iraq. The plant has been operational since May 2022 and has supplied 1,909 MWh of electricity over the course of 2023, and reduced carbon dioxide emissions by approximately 1,527 metric tons.



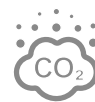
The Solar Power Plant at KEBL



This project has supplied

1,909

MWh during the last year 2023



reduced carbon dioxide emissions by approximately

1,527

Metric tons

UEP - Naimat Point of Delivery Solar Project



A Solar project was commissioned at Naimat Point of Delivery ("POD") in April 2023, and since then the power supply is provided solely by the solar system releasing the fuel gas generators from the location. The capacity is 51KW of solar power system with continuous load of 7.5KW, and over 24-hour battery backup. By serving as a dependable source of green energy, it contributed to the replacement of a 28KVA capacity standby diesel generator at Naimat POD. This transition resulted in enhanced operational efficiency due to reduced maintenance requirements and substantial cost savings. Additionally, it reduced the frequency of maintenance team interventions on the road.



Naimat POD Solar Project

UEG Clean Energy Future Picture

UEG is poised to intensify its technological and project investments in various clean energy sectors globally. Leveraging the synergy with existing oil and gas assets, we will enhance clean energy investments in countries where these assets are located. Simultaneously, we are proactively expanding our footprint in Southeast Europe, MENA, and Southeast Asia, focusing on the development of solar power, wind power, green hydrogen, and green sea water extraction projects.

Our strategic approach, outlined below, highlights our dedication to promoting sustainable energy solutions and expanding our portfolio to secure a greener future.



Environmental Management System

UEG steadfastly upholds environmental protection and sustainable development as core principles. UEG Assets in Pakistan and Egypt have already certified their Environmental Management System (“EMS”) through an external certification body. Compliance with local environmental laws is one key area under this program. During the reporting period, no environment-related litigation, lawsuit, or penalty was noted for UEG.

The following two tables illustrate our air emissions and waste disposal during the reporting period:



Emission indicators	Unit	2023	2022
SOx emissions	tons	39.365	46.158
NOx emissions	tons	3,173.470	3,116.716
PM emissions	tons	59.835	70.160
Hazardous waste disposal ¹	tons	1,137.915	716.178
Non-hazardous waste disposal ²	tons	5,490.446	4,759.632

Intensity indicators	Unit	2023	2022
SOx intensity	tons/mboe	0.001	0.001
NOx intensity	tons/mboe	0.052	0.054
PM intensity	tons/mboe	0.001	0.001
Hazardous waste intensity	tons/mboe	0.019	0.012
Non-hazardous waste intensity	tons/mboe	0.090	0.082

Notes:

1. Hazardous waste disposal quantities increase reported as tank cleaning job was carried out in 2023. Tank cleaning is not a routine activity and hence increase in waste generation is associated to this special activity.
2. Non-hazardous was increased due to major project works in Block-9 and increased man-power (KEBL and contractors).



Atmospheric Pollutants

In terms of atmospheric pollutants, UEG not only ensures regulatory compliance but also has a proactive approach to protecting air quality. Following are key areas related to air pollution control.

Air Quality Management Procedures:

UEG Assets have developed Air Quality Management Procedures to comprehensively manage emissions to the air. These procedures cover various emission sources, including flaring, internal combustion engines, heaters, venting, and fugitive sources.

Environment Impact Assessment:

Before starting new projects, it is a mandatory requirement for UEG to conduct Environment Impact Assessment studies to forecast and assess air emissions, providing valuable insights into potential environmental impacts.

Air Dispersion Modelling Systems:

Air dispersion modelling is conducted, as part of EIA process, to ensure emissions from UEG operations does not affect nearby communities. Based on these studies, approvals for plant installations are obtained from local environmental departments.

Hazardous and Non-hazardous Waste Management

UEG aims to guarantee the responsible collection, transportation, and disposal of 100% of hazardous and non-hazardous wastes, aligning its efforts with responsible practices and stringent standards:



Waste Management Procedure:

UEG has developed and implemented a Waste Management Procedure, a structured framework governing all waste management activities, which covers the proper handling, categorization, recording, minimization, recycling, and disposal of all types of waste generated across UEG's assets. By implementing this procedure, we endeavour to ensure regulatory compliance and foster a culture of responsible waste management within our subsidiaries.



Waste regular audits:



UEG conducts regular audits on its operating sites and contractors to ensure strict compliance with waste management expectations. The selection of contractors is meticulous, with a focus on approved entities possessing valid licenses and a competent workforce adhering to local regulations.

UEE - Innovating Non-Hazardous Waste Management



UEE has been implemented the initiative with a focus on employee awareness and training, empowering staff to identify opportunities for waste reduction and proper handling.

One key strategy involves reuse of available wood and metal waste, specifically solid non-hazardous waste, in various applications across UEE sites. This includes fabricating and erecting site fences, pipe protection, entrance gates, cellar barricades, handrails, accommodation areas, and location identification signs. By creatively repurposing these materials, UEE reduces the volume of non-hazardous waste and contributes to the construction of essential infrastructure within the asset.

Reuse the available wood and metal waste



Water Consumption and Discharge

Water serves as a critical resource for both our operational needs and the surrounding communities in which UEG operates. Our commitment is centred on enhancing water-use efficiency within our operations while concurrently preserving water resources. We aim to increase water efficiency in our operations and safeguard water resources where we operate.

Water regular monitor and test:

To operationalize these goals, UEG has implemented a structured water regular monitor and test. These checks are conducted to ensure that no untreated wastewater leaves our sites, safeguarding the local environment and upholding our environmental responsibility.

Replace freshwater by wastewater:

As part of our water conservation strategy, we reduce reliance on fresh water by repurposing treated domestic wastewater for gardening purposes within residential camps.

The following data illustrates our water consumption during the reporting period:

Indicators	Unit	2023	2022
Water consumption ¹	m ³	1,453,439	1,604,877
Water efficiency	m ³ /mboe	23.727	27.749

Notes:

1. Water consumption decreased and its efficiency increased in 2023 compared to 2022 due to the fact that less wells were drilled in UEP.

KEIL – Water treatment plant



The use of a water treatment package unit ensures the treatment of water sourced from the Shat Al-Arab river for operations. Within the camp, a reverse osmosis water unit further refines water quality. Notably, water from the Central Processing Facilities (“CPF”) stormwater basin is repurposed for irrigation, showcasing a commitment to sustainability. Additionally, treated recycled wastewater is utilized for irrigating the green belt.



Water treatment plant in KEIL

Packaging Material

Our products and services do not use packaging materials. UEG is involved in the production of crude oil, condensate, natural gas and liquefied petroleum gas (“LPG”) and none of these products are packaged. Natural gas is sold to customers via gas flowlines or pipelines. Crude oil and condensate are transported via bowsers or transmission pipelines to the refineries and export terminal. LPG is sold to the LPG marketing companies via bowsers.



Energy Management

UEG engages in various energy-intensive activities such as seismic acquisition, drilling, production operations, and transportation. Our overarching goal is to enhance energy efficiency, recognizing its dual economic and environmental benefits.

To achieve this objective, we are implementing strategic measures, focusing on optimizing energy consumption throughout our operations. UEG is committed to planning and promoting the development of the natural gas business at strategic level, coordinating natural gas resources and markets, promoting the development of the full-scale industrial chain system of natural gas, and striving to help increase natural gas's share in domestic primary energy consumption.

The following data illustrates our energy consumption during the reporting period:

Indicators	Unit	2023	2022
Fuel gas and diesel consumption	tons	297,847	274,897
Fuel gas and diesel efficiency	tons/mboe	5.212	4.753
Purchased electricity	MWh	2,976	3,227
Renewable energy (Self-generated)	MWh	2,026	1,769
Electricity consumption in total	MWh	5,003	4,996
Electricity efficiency	MWh/mboe	0.082	0.086



KEBL - Sustainable Energy Transition



The operational facilities in Block-9 rely on a blend of diesel and solar power generation, eliminating dependence on the national electricity grid. Following the commissioning of the Central Processing Facility (“CPF”) in 2024, electricity generation will transition to gas turbine generators in a rental power plant with a capacity of 60MW. In 2026, a permanent power plant will be commissioned, featuring four sets of 30MW Gas Turbine Generators (3 duty + 1 standby). This installation will provide a total power output of 90MW, with an installed capacity of 120MW under site ambient conditions.

This strategic transition aligns with KEBL's commitment to sustainability, meeting the power requirements of Block-9 Yamama Reservoir (Phase-1). Notably, two sets of Dual-fuel Turbine Generators will facilitate black start capabilities for the power plant and CPF.



Rental Power Plant in KEBL

KEIL - Efficient Power Transmission Upgrade



KEIL is planning the construction of a permanent power transmission network to enhance operational efficiency and reduce maintenance costs. Currently, power in the field is supplied through temporary and solar sources to remote facilities. The proposed project aims to establish a permanent MV/LV power supply from a centralized source to multiple locations, utilizing existing power sources as backups. This strategic upgrade aligns with KEIL's commitment to sustainable and reliable energy solutions, ensuring uninterrupted power supply to key operational areas.



Power Plant in KEIL

Ecological Protection

UEG is unwavering in its commitment to environmental sustainability, actively pursuing initiatives to prevent environmental degradation. Our continuous efforts are focused on implementing strategic plans that go beyond mere compliance with regulations.

UEP - Fostering Environmental Awareness and Action



In 2023, UEP took significant strides in cultivating environmental consciousness among its workforce. Initiatives included a Ramadan campaign, urging staff to adopt eco-friendly practices during the holy month, aligning with the SDGs.

On World Environment Day, a themed event, "Beat Plastic Pollution", featured a field walk and an enlightening session led by a local environmental regulator. The regulator underscored global and local challenges arising from excessive plastic usage, commending UEP for its environmental efforts.



World Environment Day "Beat Plastic Pollution" Event

Furthering their commitment, UEP's HSSE team conducted tailored sessions with field staff, addressing environmental risks tied to UEP activities. These sessions empowered teams to devise practical solutions for issues like GHG emissions, spills, resource conservation, and waste management.



Employee voluntary tree planting

Biodiversity Protection

Committed to sustainable development, UEG is dedicated to safeguarding the biodiversity of the areas in which we operate, mitigating any adverse impacts. By employing environmental technologies and adopting sustainable business practices, UEG actively works towards minimizing the negative effects of our production activities on the surrounding biodiversity.

KEBL has developed a Biodiversity Management Plan ("BMP"), cooperating with professional environment company, for the Block-9 project, focusing on safeguarding priority species and habitats. Aligned with global best practices, such as UN Global Compact, the BMP consolidates diverse measures, providing a central hub for biodiversity actions. It assures regulators and stakeholders of effective risk management while serving as a foundation for planning and tracking progress within the project's Environmental and Social Management and Monitoring Plan.

BMP outlines the specific initiatives, commitments, and responsibilities related to biodiversity management for the development projects in Block-9. The primary goal of the BMP is to protect and enhance the viability of key species and their habitats within the concession area of Block-9. It establishes a structured approach for implementing biodiversity mitigation and management strategies throughout the pre-construction, construction, and operational stages, which will be strictly adhered to by KEBL and subcontractors. Additionally, the BMP includes a preliminary biodiversity monitoring and evaluation strategy designed to assess the effectiveness of the management measures and to facilitate any necessary adjustment.



03

Occupational Health and Safety

- Occupational Safety
- Occupational Health



Occupational Health and Safety

UEG is committed to creating a safe and healthy environment for all our employees and contractor personnel in support of our operations. We continuously strive to enhance our practices and procedures to prevent accidents and protect the well-being of our people through implementing UEG's Operations and HSSE Management System and its requirements.

We adhere to strict compliance with relevant local and international health and safety regulations. In Pakistan, we abide by requirements such as, the *Petroleum Act (1934)*, *Petroleum Rules (1937)*, *OGRA Ordinance (2002)*, the *Mineral and Industrial Gases Safety Rules (2010)*, the *Oil and Gas (Safety in Drilling and Production) Regulations (1974)*, *Sindh Occupational Safety & Health Act (2017)* and *Sindh Occupational Safety & Health Rules (2019)*. In Iraq, we comply with the *Public Health Law No.89 of 1981*, *Instruction No. 4 of 1989 Safety in Storing and Handling Chemical Materials*, etc. In Egypt, we comply with *Egyptian Labor law (Occupational Health and Safety section 12/2003)*, the *Mineral Resources (145/2019)* and so on.

UEG's safety performance in 2023 highlights:

- A zero-fatality year
- Achieving all HSSE targets by a good margin and well in line with industry average
- Developed and started the implementation of HSSE and Operational Management System
- Rolled out Personal and Process Safety Management Systems
- Risk Management Process is now well embedded in the organization



Occupational Safety

A long aspiration came true and UEG is proud to have its Operational and HSSE Management System developed and approved. Roll out sessions were conducted in all Assets and Group offices. Further to it, a formal gap assessment was conducted that led to the identification of gaps in the management system which will gradually be implemented.

The Management System was developed based on a comprehensive benchmarking exercise with industry peers and recognized OMS Management system frameworks.

By addressing each expectation, we can help achieving UEG's commitment to be an independent mid-size integrated energy company on regional and global scale. Following this approach, we define and set direction for key HSSE processes, forecast and allocate resources, and consistently deliver improved HSSE and operational performance.



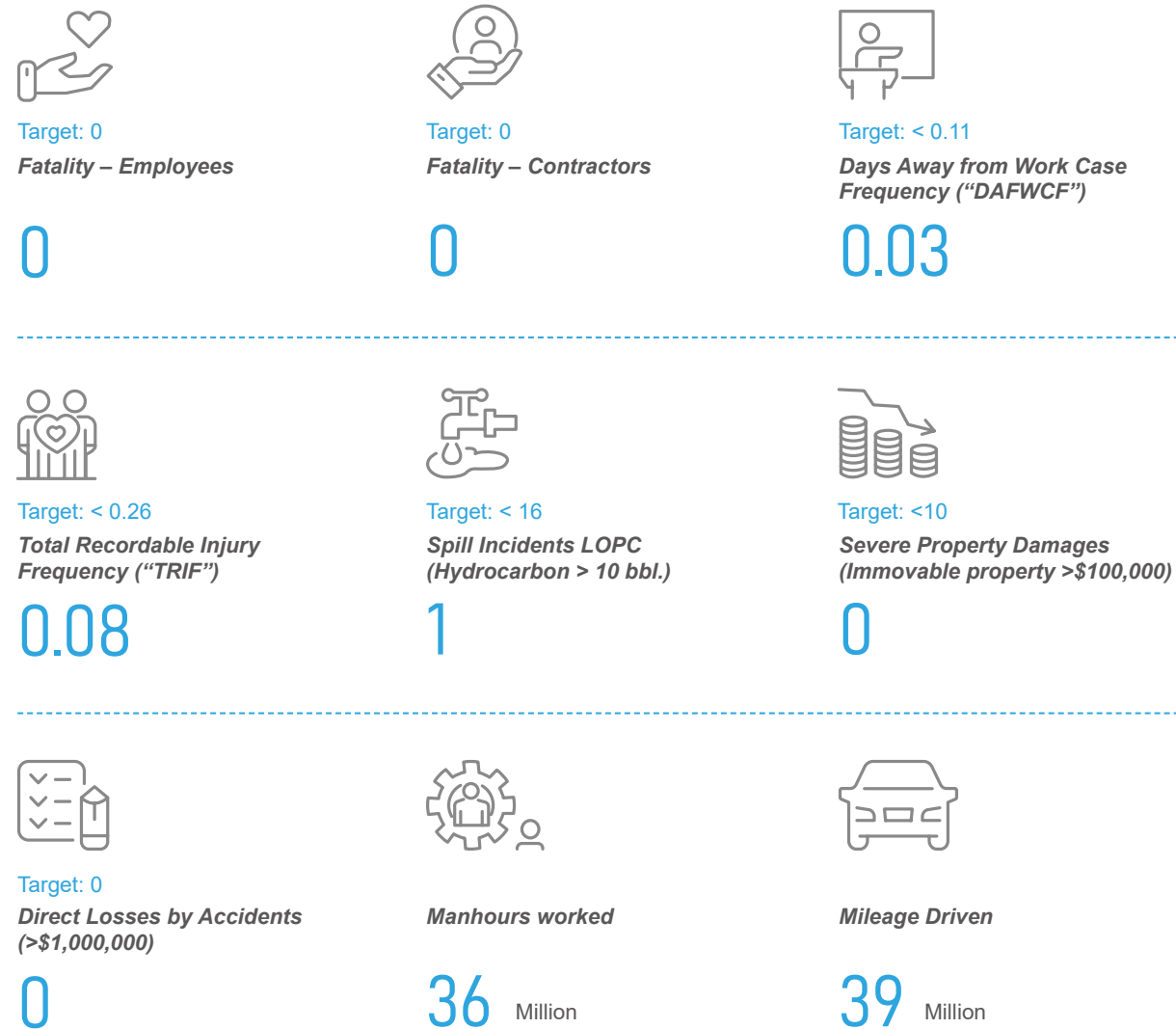
Safety management system is built up on HSSE Management System that integrates activities, services, operations and subject to upgrading based on Plan-Do-Act-Check principle. 3-Tier system verification process is established that includes self-assessments by the line function, assurances of major risk activities by HSSE Team and 3rd party audit of ISO 45001 Management System. Pakistan and Egypt, two of our major subsidiaries, are continuously maintaining certification of ISO 45001 (Occupational Health and Safety Management System).



Stringent Safety KPIs

We set leading and lagging KPIs includes personal safety & process safety/integrity management KPIs to enhance safety management work. Progress on KPIs is monitored at top and functional level. During 2023, UEG maintained its focus on personal and process safety risks and performed positively across all seven Safety KPIs amidst high activity set.

Safety performance on the 7 Safety KPIs



Strong Safety Governance and Supervision

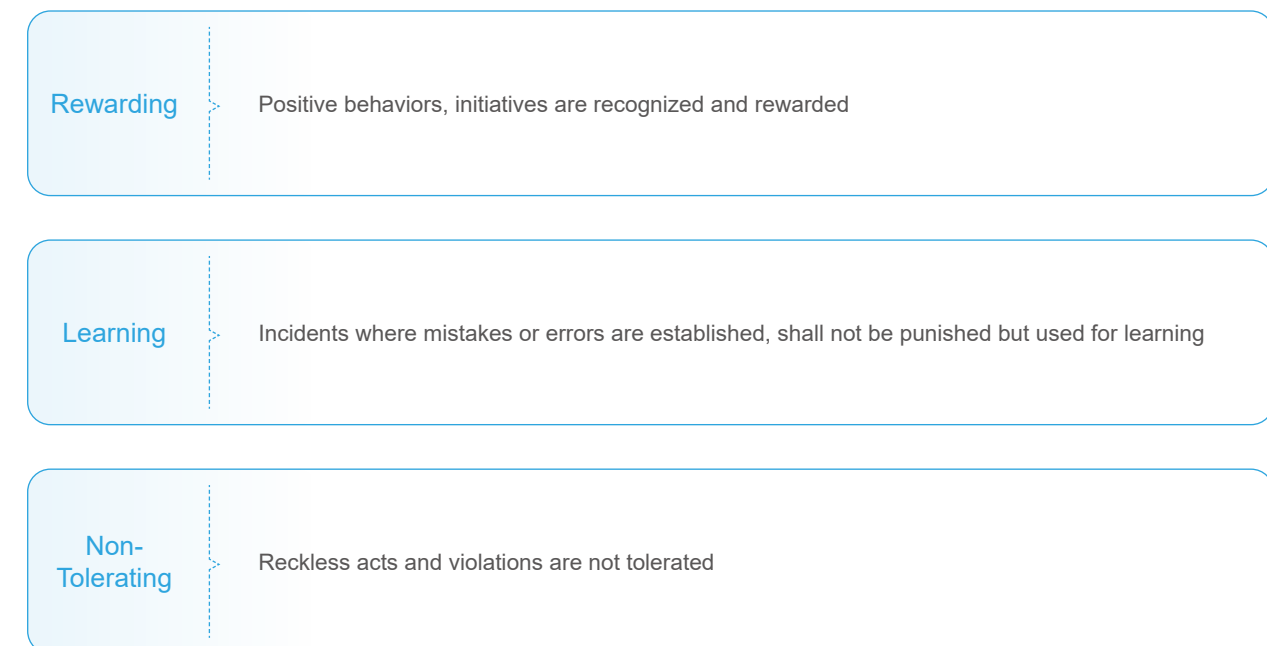
In the year 2023, the UEG HSSE Committee, which serves as the organization's principal body for HSSE policy issues, continued to take a proactive role in guiding and supervising the HSSE agenda, ensuring a top priority within UEG. Chaired by the Executive President and comprising all Asset Presidents along with key members of UEG's leadership, the Committee was essential in establishing HSSE as a top business priority across the entire Group.

The Head of HSSE is responsible for ensuring that the associated policies, procedures, and standards in the management system are up to date with the industry practices and updated at a predefined frequency of 2 years as applicable, which is monitored by the document control team from the president office.

In the daily operation, Permit to Work (“PTW”) meeting is held on a daily basis to handle and mitigate the risks that employees face on the day, and risks are then tracked ensuring all the resources are available for safe execution.

Proactive Safety Culture

Safety culture and training encompasses a shared commitment among all employees to prioritize safety in every aspect of our activities. Our “Just Culture” fosters an environment where people can trust each other and there is no fear of consequence when it comes to incident reporting or highlighting risky behaviours or conditions. In this context, UEG has developed Group standard which follows international guidelines aiming to guide leaders throughout the organization on how to manage issues of serious violations and delineate these with errors and mistakes. At the same time, we make training plan and conduct HSSE training with diverse safety topics to equip our people with proper safety knowledge.



Safety Culture Survey in United Energy Pakistan



The Safety Culture Survey of UEP asset was organized in 2023, in line with the Hearts and Minds standard guidelines as developed by Energy Institute UK. With the extensive response rate of more than 94%, the organizational standing was 4.05, i.e. Pro-active level of Safety culture. Departmental workshops were arranged to develop the action plan, to attain the aspiration of Generative Safety culture at UEP.

Health and Safety training and Awareness in Egypt



UEE provided several trainings to promote health and safety awareness:

- Identified and communicated required HSSE training for UEE employees with the HR department
- Conducted HAZID/HAZOP workshop for UEE concerned persons by OGS company
- Promoting positive health and safety culture at the field by effective and regular audits, training all personnel and effective communications, regular drills and STOP/HAZID card
- Conducting on-site practical training for the Area-A staff on the use of the newly added portable firefighting unit installed on the new rapid intervention vehicle is a crucial step in ensuring effective emergency response capabilities



Safety Measures Adopted

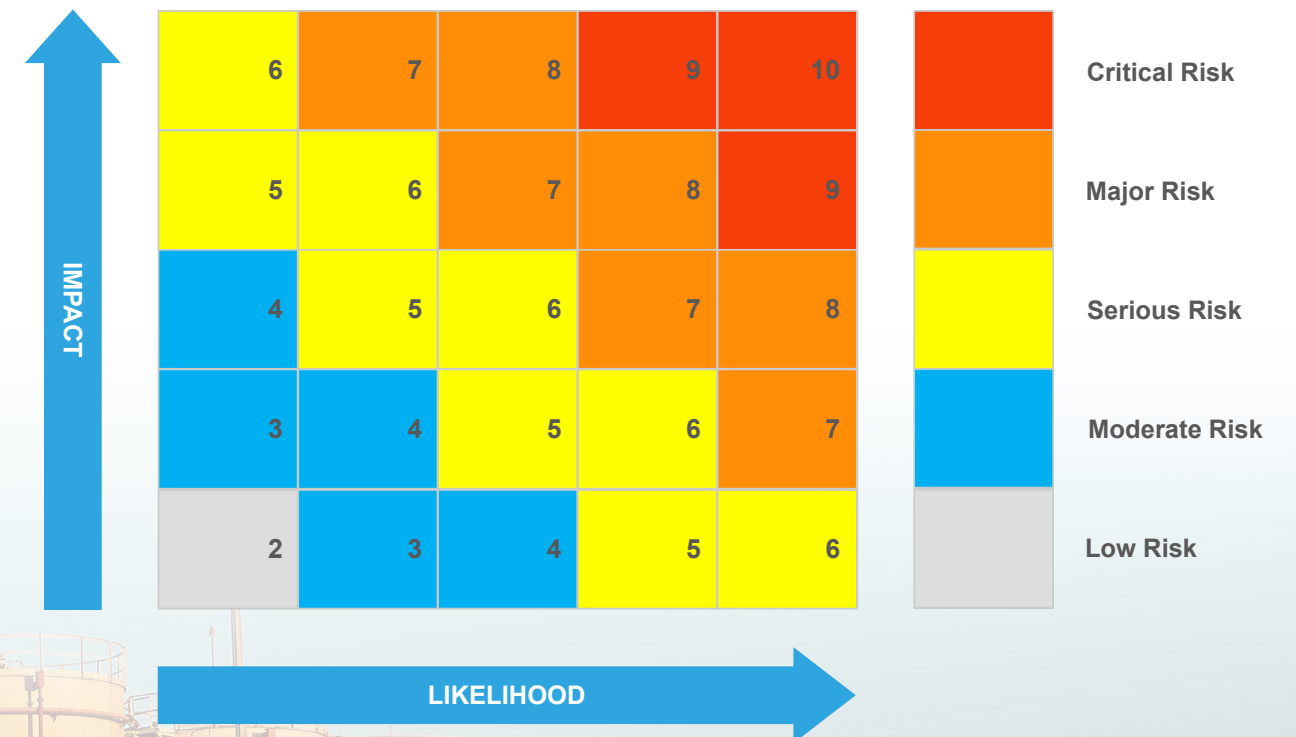


Process Safety

UEG places a high priority on process safety, adhering to a strict compliance with laws and regulations. We follow the American Petroleum Institute ("API") and International Association of Oil and Gas Producers' ("IOGP") guidance definition of process safety and manage the integrity of our facilities through good design, operations, and maintenance. Our Process Safety or Operational Safety framework is a critical system aimed at safeguarding our operations from potential major accidents, including but not limited to leaks, fires, explosions, and blowouts. In 2023, we have taken proactive steps to enhance our safety protocols by developing procedures and holding process safety forums to mitigate operational risks effectively on monthly basis.

Risk Management

Process safety risks are evaluated through recognized industry methods, including hazard identification, hazard and operability studies, technical safety assessments (such as layers of protection analysis, safety integrity level analysis, and fire and explosion risk assessments), job safety analysis, and task-based risk assessments. Operating functions define critical elements and implement appropriate procedures for operation, testing, and maintenance for all critical systems. Safety critical elements were reviewed and areas for improvement identified, and written schemes of examination were updated accordingly.



Personal Safety

UEG ensures our employees' protection from accidents, injuries and exposure to hazards through multiple methods including employee safety and awareness training, crisis management and emergency response, as well as security management.

Training

UEG considers HSSE training a crucial element for safety. Our employees are required to participate in training in firefighting, first aid, and defensive driving at their respective work sites. Additionally, the operation teams have incorporated process safety management training into their HSSE program. We continue to monitor staff training documentation to ensure they are equipped with the essential skills for enhanced job performance.

Crisis Management and Emergency Response

UEG is committed to the prevention of incidents and maintaining readiness to address emergencies, ensure business continuity, and manage crisis situations as needed. UEG Operations and HSSE Management System addresses emergency preparedness and is operational within the Group Management System. Implementation of preparedness expectations is achieved via Group and subsidiary procedures and regular drills has been conducted.

UEG has crafted a Three-tiered Crisis Management Framework, which led to the formation of Emergency Response Teams at site and asset level, Crisis Management Team at the Group level is established as well.

The Framework has been implemented, and a tabletop exercise has been conducted for UEG Crisis Management Team. A major exercise was carried out in 2023, involving the UEG Crisis Management Team and emergency response infrastructure to test effectiveness of processes at all levels.

Security Management

UEG operates in Pakistan, Iraq, and Egypt, where most of its assets are in areas with medium to high security risks. To ensure the safety of its personnel and assets, UEG has put security measures that include organizational, procedural and hardware controls. These measures are part of a comprehensive security plan that extends to remote well and rig locations, as well as the movement of personnel and materials. The plans are based on thorough risk and threat assessments, developed in collaboration with regulatory bodies and key stakeholders, and are continuously monitored and updated. Regular security drills are conducted to prepare teams for potential security incidents.

The company's commitment to safety is further demonstrated through extensive training for staff and ensuring that contractors adhere to safety standards. UEG has also implemented the IOGP Life Saving Rules across all its sites, contributing to the best safety performance in the reporting year.

Transport Safety in UEG

Case

Transport related incidents are the single biggest cause of fatalities in the oil and gas industry. UEG applies guidance issued by the IOGP to reduce risks in this critical area.

In 2023, UEG vehicles drove more than 39 million kilometers across its operations and no major accident was reported. UEG subsidiaries continued to strengthen HSSE management of its logistics service providers, requiring its carriers to improve their management capabilities. One key area is driver safety training which is inclusive to all company and contractor drivers.

▶ Who is Friend of Driver ("FOD")

FOD is a passenger who travels with the driver at front seat. His support is vital as driver may get distracted, or sleep. FOD process is unique and developed based on the risk profile of drivers, particularly when driving long distances.

▶ Pre Journey-Support

- Conduct discussions with driver on the route, duration, road hazards, speed limit & seasonal/temporary hazards
- Check driving license, Defensive Driving Course ("DDC") permit, pre-trip inspection checklist, load securing and dashcam functionality including audio & video recording
- Fill in Journey Risk Management ("JRM") checklist after due verification

▶ Mid Journey Support

- Remain alert and support in hazard identification, observation while negotiating blind spots and high-risk zones
- Keep vehicle cabin distraction free by minimal use of cell phone and chat with passengers
- Observe driving behavior and intervene/advice appropriately when required

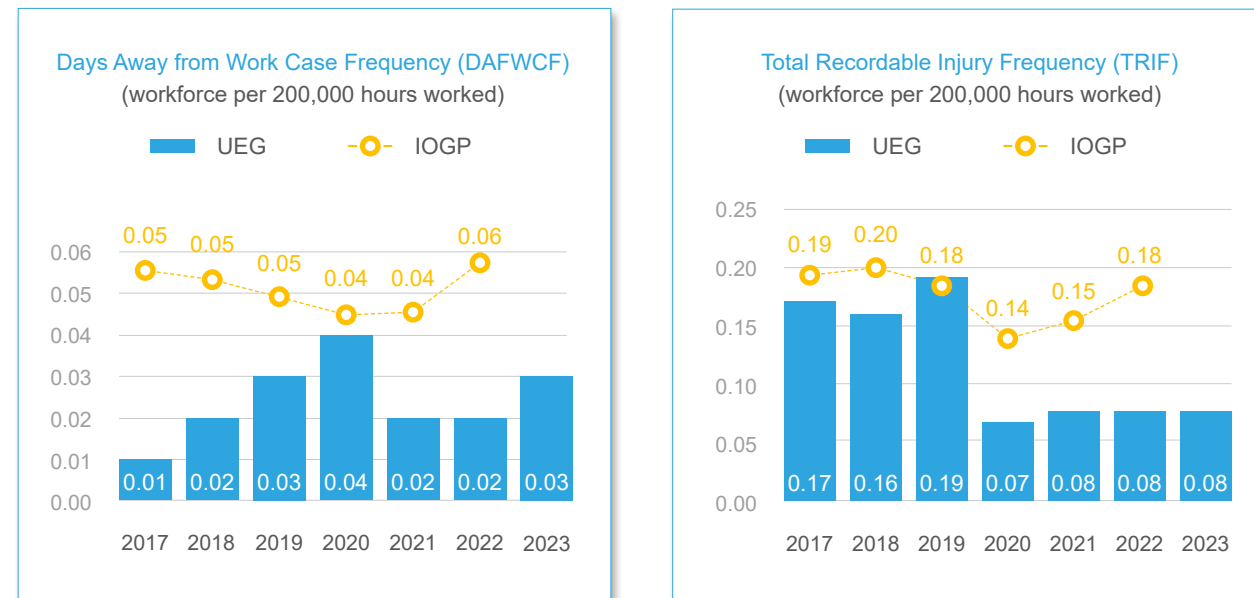
▶ End Journey Support

- Appreciates the driver and provides feedback on good driving practices and areas of improvement related to driving behaviors & skills



We continue to benchmark UEG's HSSE performance with major international companies, other peer organizations and industry average (eg. IOGP). Our benchmarking study highlights that UEG's HSSE performance based on standard KPIs is comparative and even outperformed industry average.

Benchmark UEG's HSSE performance



The following table illustrates our health and safety performance in the past three years:

Indicators	2023	2022	2021
Number of work-related fatalities			
employee	—	—	—
contractor	—	—	—
Rate of work-related fatalities			
employee (per 200,000 hours worked)	—	—	—
contractor (per 200,000 hours worked)	—	—	—
Lost days to work injury	36	13	75

Note: *A rate based on 200,000 hours worked indicates the number of work-related fatalities per 100 full-time workers over a one-year timeframe, based on the assumption that one full-time worker works 2,000 hours per year.

Contractor Safety

UEG depends significantly on contractors for the vast majority of its labor. To ensure their safety, we have put in place a thorough contractor safety management process. In 2023, UEG concentrated on improving its contractor onboarding, particularly in KEBL, a site with substantial construction activities. UEG's contractor management system includes prequalification, selection, monitoring, and performance evaluation processes, with additional focus on those working in high-risk areas. Contractors are evaluated during selection for their HSSE systems to align with UEG's standards through reviews and assessments of their HSSE programs, performance, regulatory compliance, and sustainability. Bid evaluations are integrating commercial and technical assessments. UEG also engages in ongoing monitoring of its and contractors' systems and prioritizes communication and engagement with contractor senior management to maintain safety performance.

People, Plant, Process and Performance - (4Ps) of HSSE

Case

United Energy in Pakistan has adopted 4P process which is deeply embedded and part of Contractor Safety Management System. It is imperative to assess contractor safety against all of these Ps at every contracting stage.

People

- Competent people with required qualification and experience are employed.
- Trained on company specific safety procedures.
- In case of people change, the replacement persons shall be of equal or better competence.

Process

- All medium and large-scale contractors are expected to have their own HSSE Management System including requisite processes to manage hazards. These must be bridged with UEG procedures to ensure complete alignment of the expectations.
- Where contractors do not have adequate HSSE Management Procedures, such contractors can adopt UEG processes and procedures without any liability to UEG.

Plant

- All "plant" and machinery shall comply with UEG as well as per local & industry standards.
- UEG will not accept any "plant" which is not fit for the purpose and has potential of causing or contributing to accidents.
- All "plant" must first be inspected before use, and then periodically inspected. Equipment such as cranes, vehicles, and lifting gears etc. must be certified by UEG recognized and approved third party inspection companies.

Performance

UEG expects each of its contractors have:

- Processes in place to measure performance against their KPIs and key contractual requirements.
- Targets are set and achieved to demonstrate continuous performance improvement.
- Performance reviews are conducted with UEG to share the continuous improvement cycle.

Occupational Health

For ensuring occupational health and safety, UEG implements policies and procedures to guide employees / contractors to perform work safely. UEG requires all workers to undergo mandatory pre-employment medical examinations to assess their physical ability for the positions they are hired for, and regular check-ups are conducted after hiring to maintain employees' well-being.

Furthermore, assessment programs are implemented to detect any possible hazard factors and monitor employees' fitness for work. A series emergency protocols and actions are developed for better managing emergency cases.

Health Promotion Campaign in United Energy Pakistan



Health promotion initiatives were carried out across all operational areas. These initiatives encompassed health screenings for 1,174 UEP personnel and contractors, as well as the administration of flu vaccines to 950 individuals. The workforce positively responded to these activities, expressing gratitude for the organization's commitment to their health and welfare at work.

Furthermore, UEP organized educational sessions at various field locations, inviting medical experts to discuss topics such as maintaining a healthy heart, managing stress, and addressing obesity and weight loss. These sessions were attended by 154 staff members and contractors, highlighting the company's dedication to promoting a healthier workplace and increasing awareness of key health issues.



Policies and Protocols

- Health policies are in place to ensure the health and wellbeing of our employees, contractors and visitor
- Health and safety protocols are there guiding employees through the safe performance of a given workplace procedure
- Under the health policies, promoting health and wellbeing has been integrated into all managers and supervisors' daily duties
- Fitness for Task Health Assessment Procedure defines medical requirements and case management protocols for various occupational health groups

Medical Examination

- Pre-employment medical examinations are provided
- Annual check-ups for all employees
- Follow up program has been introduced to monitor the health conditions of employees who suffer from occupational health issues

Assessment

- Health risk assessments are performed regularly to detect possible risks that will cause health issues. The assessment is for different hazard factors such chemical, physical, noise, or radiation hazards, etc.
- Noise exposure is monitored in line with hearing conservation procedure
- Fitness for task health assessments of field and office-based staff

Emergency Management

- Documents for management emergency situation: Occupational Rehabilitation and Case Management procedure, Medical Emergency Management procedure
- Liaison has been maintained with hospitals and medical service providers in the vicinity of our camps and facilities for emergency care and injury/illness case management
- Internal SOS is established with on-site clinic and ambulance for medical emergency
- Medical Emergency Response Plan (MERP) is in place as a framework for managing all medical emergencies with local or international medical evacuation capabilities
- Implementation of Life Saving Rules

04

Empowering Employees

- Employee Interests and Rights
- Training and Growth
- Employee Care



Employee Interests and Rights

Employment

Talent is a valuable asset that makes UEG resilient in the changing world. We are committed offering equitable opportunities to all eligible candidates. As clearly stipulated in UEG's COC, child and forced and/or compulsory labor are strict prohibited in UEG. All new hires are trained on the COC and are obligated to comply with it. Additionally, employees are encouraged to report any instances of operational misconduct, whether within the company or in relation to our business activities. This policy also extends to our subcontractors as well as contract security providers, ensuring a uniform standard of ethical conduct across our entire operations.

Our employees' rights and benefits are respected in UEG and we strictly comply with applicable laws and regulations wherever we operate, such as *Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Employment Ordinance and the Mandatory Provident Fund Schemes Ordinance of Hong Kong, Iraq's Labor Law No. 37 of 2015, Pakistan's Sindh Terms of Employment (Standing Orders) Act 2015*, etc. Moreover, UEG is dedicated to promoting a culture of respect, equality, diversity and the protection of human rights within UEG, which is underscored by our *Human Resources Management Policy*.

We have put in place a robust HR Management system that comprises of several policies, processes and workflows covering all aspects of the Human Resource Management to further guarantee employees' rights and benefits. All HR policies have been formulated in compliance with the applicable local labor and Social Security laws.

Multi-Culture Integration in KEBL

Case

KEBL HR Department conducted multiple sessions on "Intercultural Communication at Workplace" which was attended by both local and expat employees. The focus of the session was to enhance participants' awareness and skills in the dimensions of intercultural competence to help them adapt their communication to meet the intercultural collaboration.



Under the Human Resources Management, we have made a series of policies including but not limited to:

- Recruitment Procedure and Guideline
- Resignation & Termination Procedure
- Performance Management Procedure
- Compensation and Award Procedures
- Code of Conduct and Disciplinary Action Procedures
- Probationary Period Evaluation Procedure
- Contractual Period Evaluation Procedure

Salary and Benefits

We offer employees competitive compensation package that is higher than statutory minimum standards and equal to the industry average. Employees' compensation packages are commensurate with their capabilities, duration of service and education. UEG also provides variable bonus pay linked to performance. Our employees not only enjoy the basic social security, but also medical insurance helping them with medical contingencies. The medical insurance also applies to their eligible dependents.

We prioritize the well-being of our employees by ensuring they maintain appropriate working hours, supported by an *Overtime Policy* that offers additional compensation for overtime work. This policy is specifically designed for exceptional work demands and unforeseen circumstances that are necessary to meet operational requirements, while also adhering to budget constraints and local regulations.

Additionally, UEG provides various benefits to support the work-life balance of our employees. These include paid vacation, sick leave, annual wellness or medical examinations, and other benefits aimed at promoting their overall well-being. Furthermore, we offer Pilgrimage & Ashura leave to enable our employees to observe and participate in important religious events.

UEE's "We Value Program-Beyond Happiness"

Case

United Energy Egypt's "WE Value-Beyond Happiness" program is a strategic initiative aimed at enhancing employee well-being and productivity. By offering creative welfare activities, the program seeks to appreciate and value employees, fostering a positive and healthy work environment. This commitment to staff welfare reflects the company's understanding that a happy workforce is a key driver of business success. UEE has started several program activities under "WE Value-Beyond Happiness".

1. **BeFit Program:** "Be Fit Program" is a 3-month initiative promoting healthier lifestyles and weight management through nutrition guidance, personalized plans, healthy meals, life coaching, and group activities.
 
2. **Come early and get it "Early Bird Competition":** "Early Bird Award Secret Contest", part of the "We Value" initiative, rewards punctuality and dedication. It emphasizes the importance of arriving early for work, which maintains project timelines, demonstrates commitment to company success, and boosts productivity.
 
3. **Employees Mental Health and Wellness Session "D-Stress Capsule":** United Energy Egypt has conducted mental health and wellness session to help employees coping with physical and emotional effects of everyday life pressure.
 



Diversity and Equality

We strive to foster an inclusive and diverse work environment, where all employees are treated with respect and valued for their contribution in every facet of our operations. Our employees are recruited, selected, developed and promoted on the basis of merit, without regard to race, colour, religion, gender, age, marital status or disability. This principle is incorporated into the UEG COC. It is also our responsibility to provide a workplace that is free from harassment, violence, and discrimination of any kind.

We attach great importance on protecting female employees' rights and empowering female not only in UEG, but also in the community that we operate. Female employees receive same compensation package, promotion opportunities, training and so on. We also celebrate Women's Day and Mother's Day to honor the achievements and contributions of women and raise awareness of gender equality.

Promoting Diversity in Women Championship 2023



UEE, in partnership with 360 Experiential Solutions, actively supported and celebrated the international Women's Month and Egyptian Women's Day by hosting a collaborative event that included a Zumba session and team-building activities. Teams from various companies, including United Energy Egypt, participated in the day-long competition, with Kuwait Energy Egypt's team securing third place. The company is proud to have contributed to this event, which fosters a more inclusive and equitable workplace, and congratulates all participants on their achievements.



The following table illustrates our employment status during the reporting period:

Indicator	2023	2022
Total number of employees	2,300	2,183
Number of full-time employees	2,300	2,183
Number of part-time employees	-	-
Number of employees aged 20 and under	-	-
Number of employees aged 20-24	78	80
Number of employees aged 25-34	617	618
Number of employees aged 35-44	875	808
Number of employees aged 45-54	547	507
Number of employees aged 55 and over	183	170
Number of employees in PRC (include Hong Kong)	157	153
Number of employees in Pakistan	1,034	1,043
Number of employees in Iraq	928	808
Number of employees in UAE	12	11
Number of employees in Egypt	167	168
Number of employees in Singapore	2	-
Number of female employees	210	180
Number of male employees	2,090	2,003
Number of employees with a master's degree and higher	539	464
Number of employees with a bachelor's degree	1,099	1,049
Number of employees with associate degree or below	662	670
Employee turnover rate	6.43%	5.31%
Turnover rate of employees aged 20 and under	-	-
Turnover rate of employees aged 20-24	7.69%	-
Turnover rate of employees aged 25-34	5.35%	5.34%
Turnover rate of employees aged 35-44	5.49%	4.21%
Turnover rate of employees aged 45-54	4.20%	4.34%
Turnover rate of employees aged 55 and over	20.77%	15.88%
Turnover rate of employees in PRC (include Hong Kong)	7.59%	6.54%
Turnover rate of employees in Pakistan	6.43%	5.18%
Turnover rate of employees in Iraq	6.77%	6.06%
Turnover rate of employees in UAE (United Arab Emirates)	-	-
Turnover rate of employees in Egypt	4.19%	1.79%
Female employee turnover rate	8.57%	10.00%
Male employee turnover rate	6.22%	4.89%

Training and Growth

We recognize that talent growth is a critical part in the journey of development, therefore we put effort and invest on employee training in order to facilitate their growth and development. In 2023, 51,180.3 training hours were conducted.

We employ this comprehensive talent training system that encompasses the identification of training needs, the development of plans, and regular reviews. Through this system, our operational assets have initiated a variety of programs, enlisting external experts to pinpoint employee training requirements. This ensures that our staff receive the essential training to foster their personal development and contribute to UEG's growth.

Employee Training

Training needs identification

Competency Management System ("CMS"), supported by the third-party professional experts, is commonly used in our assets to identify needs of training and development area by analyzing individual's skill gaps.

Talent training plan development

Based on the CMS analysis, business strategy and individual appraisals, we design personal training plan to close skill gaps and enhance employees' performances in their work. For example, in UEE, Individual Development Plan ("IDP") is usually developed by line managers and employees together to clarify learning and developing goals, as well as trainings and courses that are needed for the employee to achieve his / her KPI goals.

Plan review

The plans will be reviewed regularly to make sure they suit for staff's development path.

Training System at UEG

01

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03



The comprehensive talent management approach, showcased through initiatives like competency management systems, language training, and specialized vocational programs, is specifically tailored to harness and elevate the skills of Iraqi professionals. This focus not only contributes to the economic and social development of the local community but also enriches our organizational culture with diverse perspectives and skills.

KEIL provides mandatory training includes industry compliance and International Well Control Forum ("IWCF") training for drilling engineers. KEIL also encourages in-house knowledge sharing by monetarily rewarding employees for each training they provide. In-house training conducted during the year included communication skills, coaching, and mentoring.

UEP's talent development approach focuses on three key areas: technical competence, leadership ability, and cultural relativism. The company assesses technical skills through a competency management system and provides learning opportunities, while line managers suggest additional development strategies like stretch assignments and job rotations. Leadership skills are evaluated using various tools, including Personal Profile Analysis ("PPA"), General Intelligence Assessment ("GIA"), assessment centers, and 360-degree feedback, with the results informing discussions at the Talent Review Forum.

UEE is committed to creating an environment that encourages ongoing learning, advancement, and the pursuit of individual goals among its staff. This vision is contingent upon the employees' proactive involvement and eagerness to participate in various developmental activities, including but not limited to training programs, mentorship, in-role learning, and participation in professional events.

The following table illustrates the training data during the reporting period:

Indicators	2023	2022
Number of staff trained	1,463	1,085
Percentage of trained staff	63.61%	50%
Percentage of manager above trained (including manager)	8.07%	6.79%
Average training hours per manager above (including manager)	38.00	24.40
Percentage of staff trained at other levels	91.93%	93.21%
Average training hours for other levels of staff	34.72	36.42
Percentage of male employees trained	88.86%	87.19%
Average training hours for male employees	34.27	36.99
Percentage of female employees trained	12.71%	12.81%
Average training hours for female employees	33.35	26.99

Employee Care

Inspired by UEG's core value of "Unite", every employee is considered an integral part of the UEG family. Our aim is for all staff to thrive in a supportive and nurturing atmosphere. To foster employee engagement, we arrange a variety of events every year.

Sport Activities in KEIL



On a regular basis, KEIL brings together all its staff and contractor staff who are working onsite to an evening of team bonding games and activities. These activities reinforce the spirit of oneness and help us work together smoothly.

KEIL has a fully functional gym and a football court, where staff get together during their free time. KEIL organized a football match during 2023, and cross-function and cross-organization teams made up of both KEIL and contractor staff participated the match.

Our recreation room has facilities for indoor sports such as table tennis, snooker and foosball where staff can spend time and relax. KEIL permanent accommodation camp has tracks for running and jogging.



United Energy Egypt's Family Day Out: A Memorable Celebration of Togetherness



October is a pivotal month for UEE, as it hosts the annual Family Day Out - a tradition that has grown to be deeply valued by employees and their families. This year, the event took the form of a three-night getaway to the Xanadu hotel in Hurghada, where staff and their loved ones shared in a variety of memorable experiences. These included visits to the aquapark and beach, as well as team-building exercises designed to foster bonds within the UEE community. The Family Festival was tailored to entertain children of all ages, ensuring that every child could partake in the joy of the event. The festivities concluded with a captivating show headlined by a remarkable singer, capping off an unforgettable experience for all.



05

Fulfil Corporate Responsibility

- Supply Chain Management
- Product Responsibility
- Community Contribution

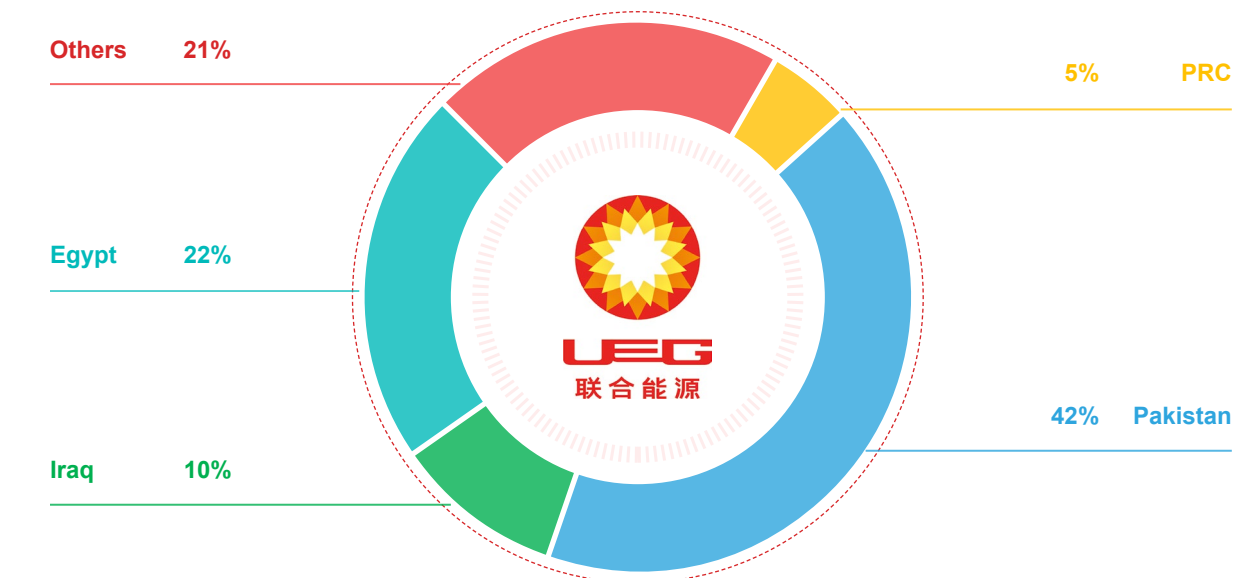
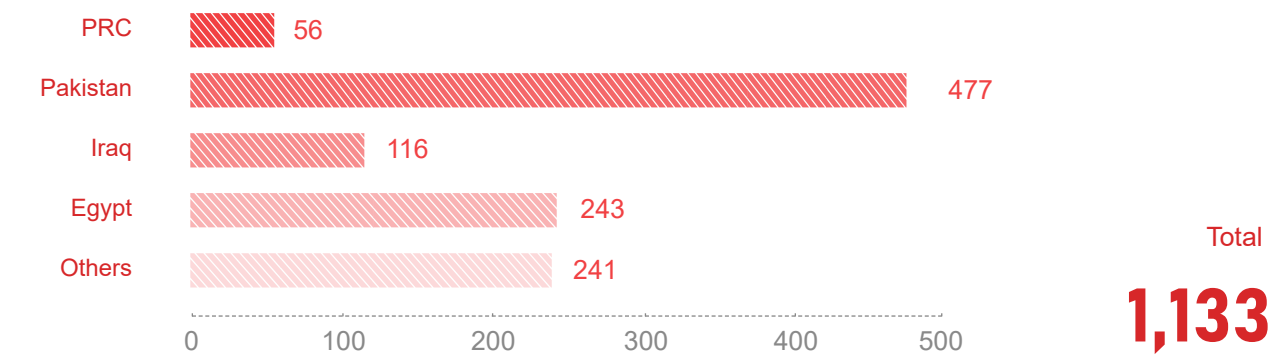
Supply Chain Management

Management System

UEG actively enforces and implements fair and impartial procurement and supply chain management. We formulate company values, policies and procedures to guide the Procurement and Supply Chain Management (PSCM) function. In 2019, UEG developed the *Supplier Management Procedure* to provide the guiding principles of supplier management for each asset.

Centralized management of the supplier library conducive to improve the management efficiency of subsidiaries and unify market searching method. Suppliers of all UEG subsidiaries are required to follow the common procedures and rules set by the Group. In addition, we provide opportunities to develop local contractors that meet the technical specifications, availability, prices and delivery time.

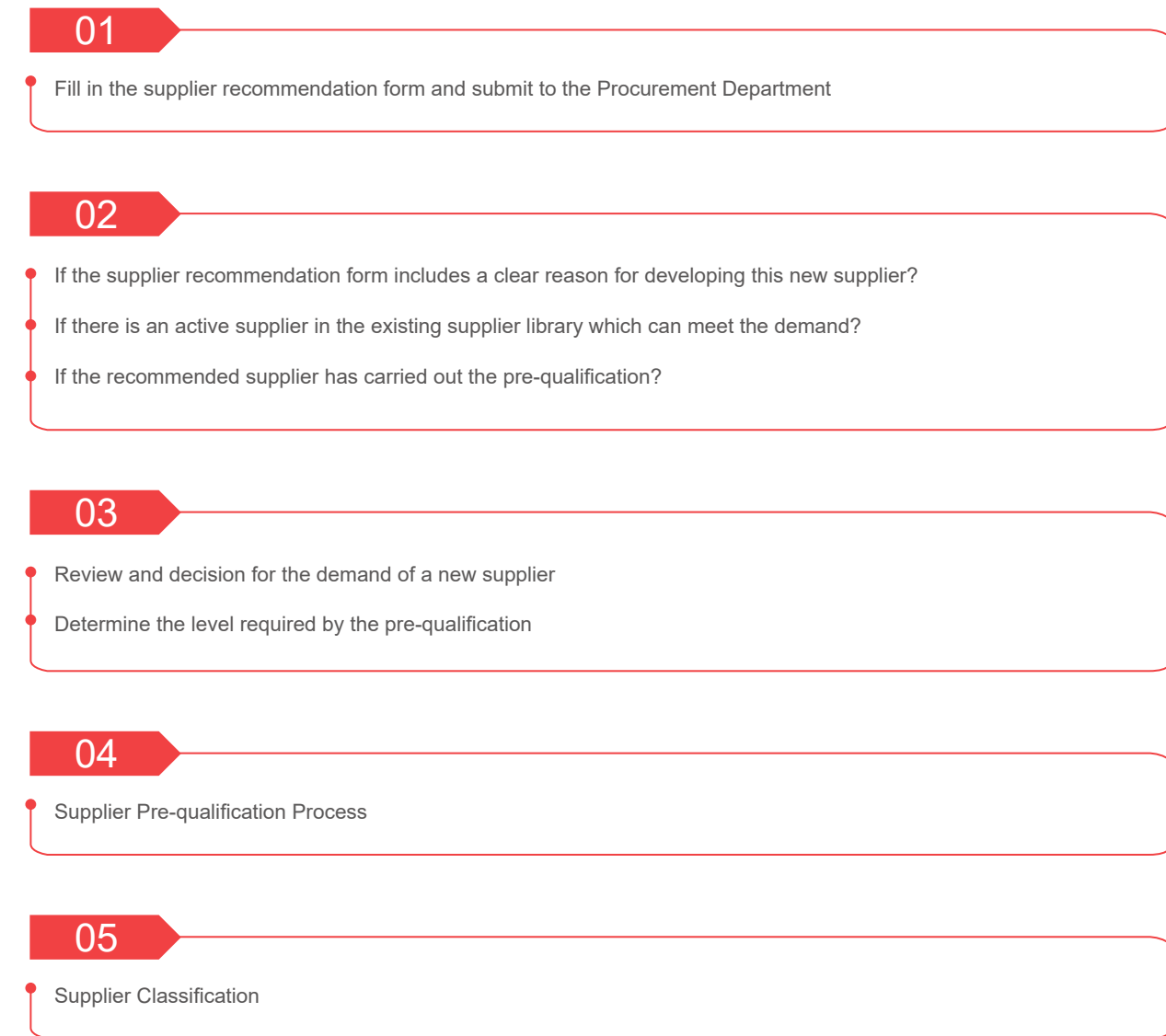
Number of Suppliers by Geographical Region 2023



Supplier Screening

UEG implements strict supplier access procedure and monitors all the modifications and maintenance for the supplier library. Suppliers shall abide by the laws and business ethics, undertake corporate social responsibilities, and comply with anti-commercial bribery and anti-corruption policies and regulations to ensure the fairness of bidding.

Approval Process of Suppliers



ESG Supplier ESG Risk Assessment

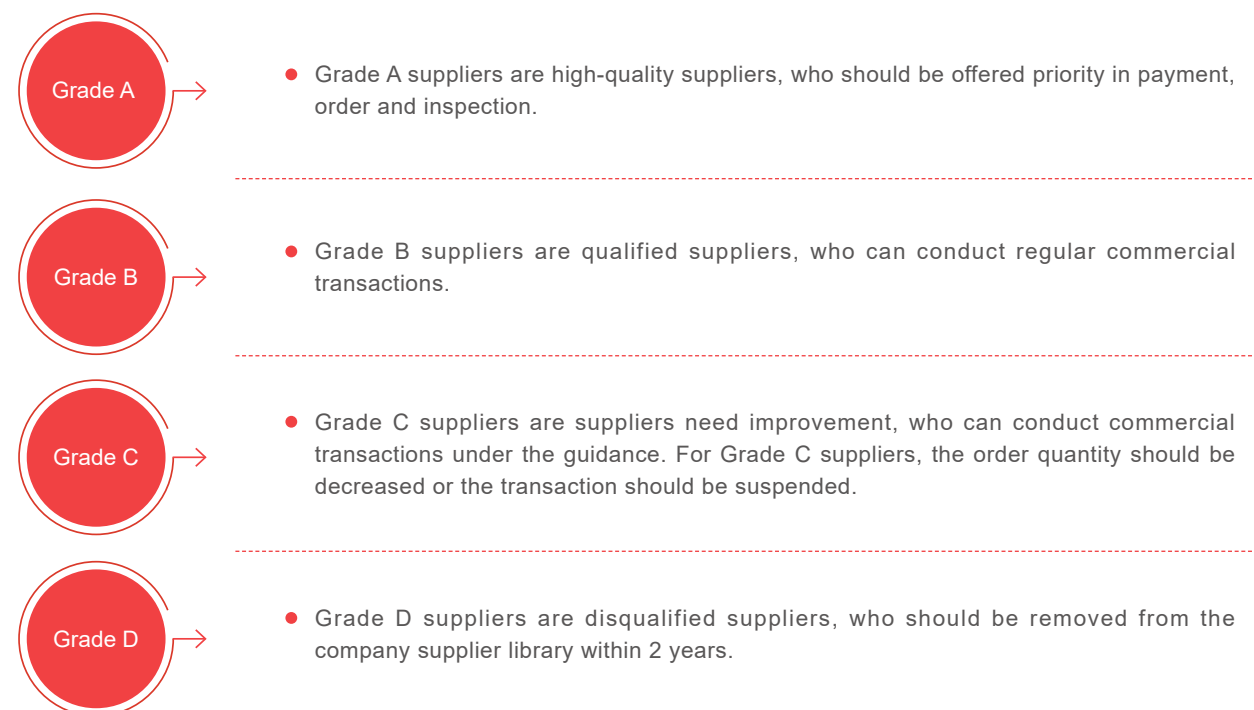
We continue to identify, control and monitor ESG risks in the company's supply chain to promote the performance improvement of suppliers. Environmental and social risks associated with suppliers are identified and considered when business requirements raised. Before qualified suppliers are finally selected for the work, we assess potential supplier's technical capabilities, competency, HSSE policies and management system, financial standing etc. to ensure that the suppliers have the capability to meet our business requirements.

We require suppliers to comply with appropriate environment protection frameworks and include environmental protection measures throughout the performance of contracts. In case of HSSE, Suppliers must ensure that safety standards applied to their operations are not less than the generally accepted international standards. The Group ensures that suppliers foster initiatives to protect natural resources and biodiversity, and also promote greater environmental responsibility. UEG sets specific clauses in contracts to protect the environment by taking appropriate actions to protect air, water, animal, and plant life from adverse effects of the suppliers' activities, and to minimise any nuisance which may arise from such operations.

Supplier Supervision

UEG regularly evaluates the historical performance of suppliers having business transactions with the Group. Through implementing supplier evaluation, we identify advantages and disadvantages of the suppliers and proactively adopt necessary measure for the suppliers according to the evaluation result. The procurement department leads to complete the supplier evaluation procedure and focus on commercial evaluation, while relevant departments are invited to attend the evaluation of suppliers' technology. Joint evaluation is adopted when necessary. Based on the evaluation results, suppliers are divided into grade A, B, C and D.

Supplier Hierarchical Management System



Product Responsibility

Product Quality Assurance

UEG abides by the *Law of the People's Republic of China on Product Quality Management* and other laws and regulations, and executes in accordance with domestic and foreign quality management standards. We comply with quality standards agreed in contracts and continue to improve product and service quality. In order to guarantee product quality, the Group has established proper production process and standards to guide the design, construction operation and maintenance of the whole plant of each asset. UEG ensures that the oil and gas quality meet the appropriate standards and the customers' requirements before the delivery of the product.

Our Company is committed to a customer-centric approach and constantly improves our service awareness. We strictly follow the provisions of international general standards and national standards on the quality of crude oil, natural gas and by-products, and actively communicate with customers. In 2023, we received no customer complaints regarding the quality of crude oil and natural gas products.

Technological Innovation

Staying committed to empowering the company through innovation, UEG continues to deepen technological innovation through optimizing allocation of innovation resources, maintaining a dynamic and open innovation ecology, and building strategic scientific and technological knowledge.

We strongly promote technology research and development and have established a Technical Support Center (TSC) as a strategic and advisory institution. The function of TSC is to conduct scientific research on oil and gas exploration, development and production, and to provide technical support and service for the Group. The TSC team is composed of senior experts, experienced technicians, and energetic young scholars from the geology, geophysical prospecting, oil reservoir and well logging professions. At UEG, our performance-based appraisal and incentive system generates enthusiasm among scientific and technical personnel for innovation.



Community Contribution

Through responsible operations, we aim to positively impact community development by creating jobs, and offering business opportunities to local suppliers and contractors. We also strive to minimize the environmental and social impact of our activities, protect the human rights of community residents, and empower local self-improvement efforts.



Attending local Expos to dig out potential local bidders

We conduct an Environmental and Social Impact Assessment (“ESIA”) to identify and mitigate potential environmental and social impacts throughout the various phases of the project, including construction, installation, pre-commissioning, commissioning, operation, and future decommissioning of the infrastructure within the asset. Furthermore, we engage in proactive communication with the community stakeholders to ensure their voices are heard via various platforms. Additionally, the implementation of a Grievance Mechanism streamlines the complaints process, ensuring that any issues raised can be addressed effectively.

UEG implements its CSR programs in the following three main areas, which has benefited local communities.

- »»

Health
- »»

Education, especially aiming at improving women's education level
- »»

Community construction for sustainable development and income generation

Each asset carries out its own community public welfare actions as follows:

In Pakistan

UEP aims at enhancing the well-being of communities touched various facets of societal development and continues its commitment to social responsibility through a series of impactful projects funded by the CSR and Social Welfare funds. UEP invests in CSR projects focusing on healthcare, education and awareness raise, and water supply for local communities.

Education and Awareness Raise

- Constructed government schools which serve as centers of learning and catalysts for empowerment and community development.
- Initiated primary education program which sponsored girls in Miano area completing their college education (12th Grade) from Pakistan Rangers.
- Remained Road Safety Awareness campaign in middle Indus and Mehar region, which included awareness sessions in 47 schools and other institutes covering 8,656 students, drivers, shopkeepers, etc.
- Carried out tree plantation activity in The Citizens Foundation (“TCF”) schools in which 750 plants were distributed to promote students’ awareness on importance of trees in human lives and overall environment.

Healthcare

- Established dispensaries to provide essential medical services, contributing to the overall health and well-being of the local populace.
- Built Hepatitis B Screening & Vaccination Camps in which total 686 persons, include all local employees, were facilitated in vaccination and screening process.
- Helped 10 positive cases of Hepatitis C and 2 positive cases of Hepatitis B get free of cost treatment from hospitals.
- Organized 20 medical camps in flood affected areas, nearby villages in which 10,000 patients were provided with necessary consultation and medication.

Water Supply

- Successfully installed 18 Reverse Osmosis (“RO”) plants to provide access to clean drinking water for the local communities.
- Conducted drainage system projects which aim at mitigating the impact of waterlogging and fostering cleaner living environments.
- Implemented strategic water supply schemes and initiatives to address the growing demand for water and promote sustainable usage, especially in regions facing water scarcity.
- Ensured community water supply in Miano through bowsers and pipelines, which benefited to more than 500 households.
- Undertook the construction of drainage systems and concrete cement blocks to facilitate efficient rainwater management.

Conducted hepatitis prevention and treatment campaign



The hepatitis prevention and treatment campaign was initiated at Sawan, Kadawnari and Mehar plant with the support of government health department. UEP built Hepatitis B Screening & Vaccination Camps in which total 686 persons, include all local employees, were facilitated in vaccination and screening process. Besides, UEP helped 10 positive cases of Hepatitis C and 2 positive cases of Hepatitis B get free of cost treatment from concerned hospitals.



Provided access to clean drinking water to local communities



UEP continuously constructs Reverse Osmosis (“RO”) plants and so far 47 RO Plants are commissioned in 6 districts of Sindh Province including Badin, Jamshoro, Hyderabad, Sanghar, Tanndo Allahyar, and Khairpur. In 2023, UEP successfully installed 18 RO plants to provide access to clean drinking water for the local communities. Out of these, 13 RO plants were from the discretionary budget and 5 from the obligatory program. Plants installed at village Bukhshan Khan Shambani and Lund Mohalla Choondiko have benefited more than 2,000 households for provision of clean drinking water.

Mr. Muhammad Saleh Waryah, our esteemed landowner and local community representative, expresses his profound gratitude for the RO Plant installed by UEP in his village. He emphasizes that the treated water has not only supported work and life need but also prioritized the health and well-being of the local communities.



In Block-9, Iraq

At KEBL, commitment to CSR is deeply rooted in our dedication to making a positive impact on society within the area of operations and the Basra Governate. KEBL's CSR projects are dedicated to improving the living conditions for residents near Block-9 area of responsibility, while Social Welfare activities aim at satisfying the communities' immediate needs.

CSR projects and Social Welfare activities undertaken by KEBL, located in the local communities near Block-9 Oil Field and the Basra Governate, cover a wide variety of sectors such as health, education, infrastructure, etc. Summary of CSR projects and Social Welfare activities carried out in 2023 is detailed in the below table.

CSR Projects:

Project Description	Location	Sector
Construction of Al Zurajji Health Center	Al Zurajji Area -Shat Al Arab District	Health
Construction of 18 Classrooms 3 Story School Building	Al Nashwa Area – Al Dier District	Education
Construction of General Roads in Al Nashwa	Al Nashwa Area – Al Dier District	Infrastructure
Construction of 18 Classrooms 3 Story School Building	Al Zurajji Area -Shat Al Arab District	Education
Supply of 6,666 School Desks	Basra Governate	Education
Construction of Roads (10 Km) in Al Nashwa	Al Nashwa Area - Al Dier District	Infrastructure
Construction of Medical Center in Al Houta Area	Shat Al Arab District	Health
Construction of 18 Classrooms 3 Story School Building	Shat Al Arab District	Education
Renovation of Al-Abbas School	Basra Governate	Education
Construction of Al Zahra Kindergarten in Al Jumhuriya Area	Basra Governate	Education
Supply and Renovation of Al Surrou School	Basra Governate	Education



Construction Of General Roads in al Nashwa



Construction of Al Zurajji Health Center

Social Welfare Donations and Initiatives:

Project Description	Location	Sector
Sub-base material (400 Trucks) to Al Hartha and Al Deir Districts	Al Hartha and al Deir Districts	Infrastructure
Goods/items to Basra Education Directorate	Basra Governate – Al Jamiyat Area	Education
Donation of 1,000 ramadan food baskets	Al Nashwa Sub-district, Al Zuraiji Area, Shat Al Arab and Basra City	Public Assistance
Donation of 2,860 meals to the Children Blood Diseases Hospital	Basra City	Health
Supply of street projectors	Al Zuraiji Area	Infrastructure
Goods/Items to Al Hashid Al Shabee Martyrs and Al Mustafa Schools	Al Zuraiji – Shat Al Arab	Education
200 trucks of sub-base material to Al-Hartha District	Al Hartha District	Infrastructure
Supply of street lights	Al Zuraiji Area	Infrastructure
Goods/items to Al Mustafa and Al Jawadain Schools	Al Zuraiji – Shat Al Arab	Infrastructure
5,730 sets of Student School Stationary	Al Zuriji Area – Shat Al Arab and Al Nashwa Districts	Education
Medical equipment, goods and items to Health Center	Al Zuraiji – Shat Al Arab	Health
(120 L) Plastic trash bins to community families	Shat Al Arab Districts	Infrastructure
Support to Syrian people	Basra – Al Rubat Area	Public Assistance
(770 L) Metal trash bins to community	Shat Al Arab Districts	Infrastructure



Ramadan Food Baskets for distribution



Al Mustafa and Al Jawadain Schools

 In Siba, Iraq

CSR (cost recoverable) projects and Community Welfare (non-cost recoverable) activities are on top of KEIL's Siba Asset priorities. As per the requirements of Basrah Local Government / Basrah Oil Company, the annual obligatory funds of US\$ 5 million are utilized by KEIL and its paying partners to execute CSR projects for Al Fao & Abu Alkhaseeb districts, around the Siba Gas Field. Community Welfare Activities are conducted to aid the local communities and families of the communities in the 3 districts around the Siba Gas Field. The specific project / activity information is shown in the following table.

CSR Projects:

Project Description	Location	Sector
Supply, testing and executing materials for improvement and development of the power grid in Siba area	Siba Community	Infrastructure
Annex Building Construction Project for Siba Agriculture Department	Siba Community	Infrastructure
Annex Building Construction Project for National ID building	Siba Community	Infrastructure
Construction, installation and operating garbage bags factory Project	Siba Community	Infrastructure
Modern Market Construction Project	Al Faw Community	Infrastructure
Abu-Alkhaseeb Passports Building Construction Project	Abu Alkhaseeb Community	Infrastructure



Community Welfare Activities:

Project Description	Location	Sector
25 th Gulf Championship Support	Basra City	Public Assistance
Support and donation to people with food and blankets as per BOC requirements	Basra City	Public Assistance
1,500 Ramadan food packages for families	Siba, Al Faw, and Abu Alkhaseeb Community	Public Assistance
Sport Equipment for BOC football club	Basra City	Public Assistance
500 Gergeaan gifts to children during Ramadan	Siba and Abu Alkhaseeb community	Public Assistance
IT equipment for Basrah Police Department	Siba community	Public Assistance
English training for intermediate school students	Siba Community	Education
Support to police stations	Siba and Al Faw Community	Public Assistance
Rewards for 167 outstanding students	Siba, Al Faw, and Abu Alkhaseeb community	Education
Supply of furniture and electrical devices to Al Etimad School	Abu Alkhaseeb	Education
2,050 School bags with stationary for primary school students	Siba Community	Education
Awareness sessions for traffic safety	Siba Community	Public Assistance
Supply of electrical and furniture items to the government owned international school	Siba Community	Education
1,000 School bags with stationary for school students	Al Faw Community	Education

Funded the construction of a modern fish market in Basra's Al Faw district



KEIL has funded the construction of a fish market in Basra's Al Faw district. The new fish market includes a marina to provide direct access to fishing boats, allowing fishermen to bring their catch directly to the market. The fish market has parking facilities, an administrative block and ten shops. The sale of fish is up with the modern market, attracting diverse customers, including wholesalers, retailers and individual consumers. It has created new jobs for people in the area who help take care of the market.



In Egypt

UEE is committed to social investment and community development as a responsible corporate citizen. UEE's social mission includes adding value to the business including shareholder and to the community in an ethically and socially responsible way, energizing the lives of the local community and support the inclusive culture, etc.

UEE develops progress, supports sustainable development, and maps its impact activities and opportunities under the UN SDGs framework and Egypt Vision of 2030. UEE has identified the key SDGs where UEE could have the greatest impact based on country-specific operations and local needs and adapted these SDGs through which UEE drives positive impact while creates added value. UEE invests in social welfare projects focusing on women empowerment, health, income generation, education, and environmental issues.

Women Empowerment

- Celebrated the graduation of 100 graduates completing the Management and Entrepreneurship program from SHE CAN Scholarship at AUC - School of Continuing Education.
- Sponsored Carerha Summit 2023, which featured a series of workshops and panel discussions aimed at promoting gender equality.

Healthcare

- Hosted an insightful Breast Cancer Awareness Session in collaboration with the Breast Cancer Foundation of Egypt.
- Participated in and sponsored Initiators Congress Edition 2, the annual exhibition and congress for persons with disabilities.

Income Generation

- Inaugurated the Phase II of Tamkeen Community Learning Center, which focuses on providing comprehensive training in various handicrafts for women and youth at Ras Gharib, to empower local individuals to start their small businesses, create employment opportunities, and foster sustainable economic growth within Ras Gharib.

Education and Awareness Raise

- Sponsored the Energy Education Workshop Energy4me, at American University in Cairo, to educate high school students and teachers on the petroleum industry.
- Inaugurated Omar Ibn Al-Khattab Primary School after intensive construction and rehabilitation.
- Sponsored Process Safety Capacity Building Program Wave 2, which is a comprehensive framework designed to prevent accidents, protect the environment, and ensure the efficient operation of oil and gas facilities.
- Renovated community schools at Fouka and Sama Samalouth villages with modern educational devices and tools and provided quality and equal educational opportunities to 87 children to eliminate dropout from education, early marriage for girls and lack of education for girls.

Environmental Issues

- Sponsored the Science Fair Exhibition at Suez University as a platform for students and teachers to showcase their research projects, investigations, and scientific experiments.
- Sponsored awareness campaigns at Suez University, addressing critical issues such as recycling, through engaging topics and workshops.
- Sponsored the Recycling Exhibition organized by SPE Suez, which serves as a platform to educate attendees on the significance of recycling.

Worked with the Tamkeen Community Center to achieve economic growth



The Tamkeen Community Center in Ras Gharib aims to empower over 300 women and local young people. The center has had a notable impact, producing over 3,600 products, including textiles and items made from recycled tires. This initiative has created more than 25 employment opportunities, and 33 graduates from the center have successfully ventured into independent work. In 2023, UEE inaugurated the phase II of the Tamkeen Community Center, in partnership with Button Up social enterprise and in coordination with Nahdet Baladna Foundation. The center continues to focus on providing comprehensive training in various handicrafts for women and youth in Ras Gharib aiming to empower local individuals to have the capability to start their small businesses, create employment opportunities, and foster sustainable economic growth within Ras Gharib.



Producing over

3,600 products



This initiative has created more than

25 employment opportunities



From the center have successfully ventured into independent work

33 graduates

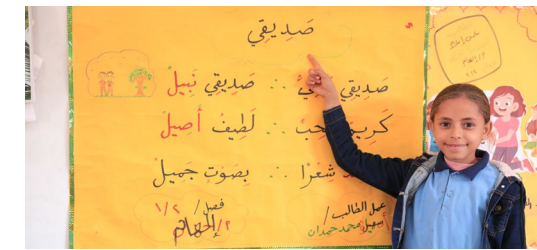


Inaugurated Omar Ibn Al-Khattab Primary School



UEE has inaugurated Omar Ibn Al-Khattab Primary School, with 12 classrooms and a total enrolment of 504 pupils in Ras Gharib, Red Sea Governorate in partnership with Misr El-Kheir Foundation after construction and refurbishment. The school is equipped with inclusive general equipment and educational instruments and has a sport playground and playing area for the students.

To ensure sustainability, a set of training and development programs were executed to raise the capabilities of the board of trustees, parents, and teachers. A range of teaching-learning techniques were implemented, and comprehensive learning materials were provided to the teachers. A set of activities were also implemented to develop the capacities and values of the students through practical activities and fun labs.



Abbreviations

ANPG	Angolan National Agency for Petroleum, Gas and Biofuels
bbl	Barrel
BOC	Basra Oil Company
C&E Committee	Compliance and Ethics Committee
CIPPE	China International Petrochemical Technology and Equipment Exhibition
CMS	Competency Management System
COC	Code of Conduct
CO₂e	Carbon dioxide equivalent
CPF	Central Processing Facilities
CSR	Corporate Social Responsibility
DDC	Defensive Driving Course
EEAA	Egyptian Environmental Affairs Agency
EIA	Environmental Impact Assessment
EMS	Environmental Management System
ESIA	Environmental and Social Impact Assessment
FOD	Friend of Driver
GHG	Greenhouse gas
GIA	General Intelligence Assessment
GOTECH	Gas & Oil Technology Showcase and Conference
GW	Gigawatt
HAZID	Hazard Identification
HAZOP	Hazard and Operability Study
HQ	Headquarter
HKE	Hong Kong Stock Exchange
HSSE	Health, Safety, Security & Environment
IDP	Individual Development Plan

IOGP	International Association of Oil and Gas Producers
IWCF	International Well Control Forum
JRM	Journey Risk Management
KEBL	Kuwait Energy Basra Limited
KEIL	Kuwait Energy Iraq Limited
kWh	kiloWatt-hour
LPG	Liquefied petroleum gas
M&A	Merger and Acquisitions
mboe	Thousand barrels of oil equivalent
MENA	Middle East and North Africa
mm	Millimetres
MMscfd	Million standard cubic feet of gas per day
MW	Megawatt
MWh	Megawatt-hour
NO_x	Nitrogen oxides
PM	Particulate matter
PSCM	Procurement and Supply Chain Management
PV	Photovoltaic
RO	Reverse Osmosis
SO_x	Sulphur oxides
SPP	Solar Power Plant
TCF	The Citizens Foundation
TCFD	Task Force on Climate-Related Financial Disclosures
TSC	Technical Support Center
UAE	United Arab Emirates
UEG	United Energy Group
UEP	United Energy Pakistan
UEE	United Energy Egypt

Appendices

List of major environmental laws, regulations, and internal policies

Location	Title
Pakistani laws and regulations	1. Sindh Environment Protection Act, 2014 and Regulations Made thereunder
	2. Petroleum Act (1934)
	3. Petroleum Rules (1937)
	4. OGRA Ordinance (2002)
	5. Mineral and Industrial Gases Safety Rules (2010)
	6. Oil and Gas (Safety in Drilling and Production) Regulations (1974)
	7. Sindh Occupational Safety & Health Act (2017)
	8. Sindh Occupational Safety & Health Rules (2019)
	9. Sindh Terms of Employment (Standing Orders) Act 2015
Iraqi laws and regulations	1. Ministry of Environment Law No. 37 of 2008, Law No. 27 of 2009 for Protection and Improvement of Environment and Regulatory Policies
	2. Environmental Instructions for the Industrial Projects
	3. Instruction No. (4) of 1989 Safety in Storing and Handling Chemical Materials
	4. The Professional Health Instructions to Protect Workers from Vibrations
	5. Instructions No. (2) of 1984 (Chemical Carcinogens)
	6. The Hydrocarbon Preservation Law (No. 84 of 1985)
	7. Iraqi Regulation for the Preservation of Water Sources (Act No. B (2)-2001 Amendment)
	8. Instruction No. 7 for the Year 1993 on the Lighting in the Work Environment
	9. Law No. (27) Of 2009 Protection and Improvement of the Environment
	10. Annex (1) Maximum Allowable Emission Limits of Air Pollutants Emitted from Stationary Sources
	11. ANNEXES Circular on Target Values and Intervention Values for Soil Remediation (from Dutch Ministry)
	12. Adopted of Ambient Air Quality Standards (from US EPA)
	13. Specification of Sanitary Landfill of Wastes
	14. Iraqi Legislation No. (417)-2001 Standard Specification for Drinking water
	15. Iraqi on the Control of the Use of Radioactive Sources 2006 Number 1
	16. Public Health Law No.89 of 1981
	17. Labor Law No. 37 of 2015

Location	Title
Egyptian laws and regulations	1. Regulatory Policies Enacted by Egyptian Environmental Affairs Agency (“EEAA”), for example, Law No. 4/1994 for Protection of Environment Amended by Law 9/2009
	2. Egyptian Labor Law (Occupational Health and Safety Section 12/2003)
	3. Mineral Resources (145/2019)
UEP policies and regulations	Environment Management System certified with ISO 14001-2015
KEBL policies and regulations	1. Waste Management Plan
	2. EIA Studies for Seismic, Construction and Operation
	3. Spill Response Plan
KEIL policies and regulations	1. Waste Management Plan
	2. Environmental Policy
	3. EIA Study Procedure
	4. Spill Prevention & Control Procedure
	5. Map of Hazardous Waste Container
	6. Sludge Management
	7. Environmental Drilling Requirements
	8. Environmental Breaches
UEEL policies and regulations	Environment Management System certified with ISO 14001-2015

HKEx ESG Reporting Guide Content Index

Aspects	General Disclosures and KPIs	Locations in the Report
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	2.3 Emissions Management
	A1.1 The types of emissions and respective emissions data.	2.3 Emissions Management
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2.3 Emissions Management
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2.3 Emissions Management
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2.3 Emissions Management
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	2.3 Emissions Management
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	2.3 Emissions Management

Aspects	General Disclosures and KPIs	Locations in the Report
A2 Use of Resource	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Energy: 2.4 Energy Management Others: 2.5 Ecological Protection
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	2.4 Energy Management
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	2.5 Ecological Protection
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	2.4 Energy Management
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	2.5 Ecological Protection
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Company's nature of business indicates that there are no packaging materials involved. Stated in 2.5 Ecological Protection
A3 The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	2.5 Ecological Protection
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	2.5 Ecological Protection

Aspects	General Disclosures and KPIs	Locations in the Report
A4 Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	2.1 Addressing Climate Change
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	2.1 Addressing Climate Change 2.2 Continuing Development on Clean Energy
B. Social		
Employment and Labour Practices		
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	4.1 Employee Interests and Rights
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	4.1 Employee Interests and Rights
	B1.2 Employee turnover rate by gender, age group and geographical region.	4.1 Employee Interests and Rights
B2 Health and safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	3.1 Occupational Health and Safety Management

Aspects	General Disclosures and KPIs	Locations in the Report
B2 Health and safety	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.2 Occupational Safety
	B2.2 Lost days due to work injury.	3.2 Occupational Safety
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	3.2 Occupational Safety 3.3 Occupational Health
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	4.2 Training and Growth
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	4.2 Training and Growth
	B3.2 The average training hours completed per employee by gender and employee category.	4.2 Training and Growth
B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	4.1 Employee Interests and Rights
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	4.1 Employee Interests and Rights
	B4.2 Description of steps taken to eliminate such practices when discovered.	The Company has a low risk of child labour employment and forced labour. Therefore, there is no need to develop remedial measures in response to violations

Aspects	General Disclosures and KPIs	Locations in the Report
Operating Practices		
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	5.1 Supply Chain Management
	B5.1 Number of suppliers by geographical region.	5.1 Supply Chain Management
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	5.1 Supply Chain Management
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	5.1 Supply Chain Management
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	5.1 Supply Chain Management
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	5.2 Product Responsibility
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Company's nature of business indicates that there is no recall for safety and health reasons
	B6.2 Number of products and service related complaints received and how they are dealt with.	5.2 Product Responsibility
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	The Company's nature of business indicates that there is no intellectual property related contents

Aspects	General Disclosures and KPIs	Locations in the Report
B6 Product Responsibility	B6.4 Description of quality assurance process and recall procedures.	5.2 Product Responsibility
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	The Company's nature of business indicates that there is no consumer data related contents
B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.2 Business Ethics and Anti-Corruption
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.2 Business Ethics and Anti-Corruption
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.2 Business Ethics and Anti-Corruption
	B7.3 Description of anti-corruption training provided to directors and staff.	1.2 Business Ethics and Anti-Corruption

Community		
B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	5.3 Community Contribution
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	5.3 Community Contribution
	B8.2 Resources contributed (e.g. money or time) to the focus area.	5.3 Community Contribution



UEG

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