



Energy to drive sustainability

SUSTAINABILITY REPORT 2021



A socially responsible contributor
to the global energy mix





below industry average
equity-based Scope 1 and
2 carbon intensity of

16 kg CO₂e/bbl



\$352,256

invested in social and community projects in 2021

34%

of workforce is female

250

social and community
investments over the
past twenty years



0

waste to landfill from
Sarta operations



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Welcome to Genel Energy's 2021 Sustainability Report

On behalf of everyone at Genel, I welcome you to our 2021 Sustainability Report. This represents the third edition of our sustainability report and provides not only an indication of the progress we made in the year, but also outlines our ambitions in addressing the challenges of the energy transition as a responsible business.

As we respond to a gradual easing of pandemic restrictions, we welcomed this opportunity to increase engagement with our host communities once again. This has always been - and will continue to be - a critical element of our business. Sustainability practices remain at the foundation of our wider strategy and looking to the year ahead, with us now operating Sarta and preparing to increase our activities in Somaliland, this foundation and our commitment to sustainability will remain as resolute as ever.

DAVID MCMANUS CHAIRMAN

A message from the CEO



Our focus remains on the carbon reduction efforts that are critical for a sustainable future



The events of the past two years presented us all with a number of challenges that could not have been anticipated, and with repercussions that may have seen some of us review our pre-established priorities.

Throughout this period, we at Genel have kept our sustainability agenda firmly as a top priority. Moreover, in a year when Glasgow hosted the UN Climate Change Conference, COP26, the attention of the world was focused more than ever on the critical actions that are required for a sustainable future. 2021 provided another year of meaningful progress for Genel on this front, and I look forward to you learning more about these developments within the pages of this report.

The challenges presented by the COVID-19 pandemic in 2021 continued to require agility in our responses and I am proud of what has been achieved this past year, particularly with regard to the safety and wellbeing of our workforce. Our strong governance structure enabled us to respond promptly and provide essential resources to our staff in the field - which was reflected in a 97% vaccination uptake in the KRI - and our combined responses throughout this challenging period have enabled continued safe and uninterrupted operations.

Our focus remains on the carbon reduction efforts that are critical for a sustainable future and, as we confront the challenges posed by the necessary global energy transition, we see our low-carbon and low-cost asset strategy as being the right one for this phase of the transition. I was pleased with the progress we continued to make during 2021 with advancements made on Sarta gas management initiatives, and commencement of a feasibility study into renewable options for our Sarta operations; the combined efforts of which were reflected in an improved CDP Climate score from D in 2020 to C in 2021.

2021 also saw a return to pre-pandemic levels of community engagement, as restrictions were gradually eased. This was critically important to both me and to our in-country teams, as making a positive difference and supporting the communities in which we operate has always been a primary focus for Genel. Community engagement is fundamental to our business, as we not only aim for a portfolio of assets that align with a future of fewer and better natural resources projects, but we also focus on directly benefitting society through local employment and enabling wider economic opportunities.

In navigating the challenges of the energy transition as a responsible business, we remain aligned to international commitments; notably the UN Sustainable Development Goals ('SDGs') and UN Global Compact's 10 Principles on human rights, labour standards, environment, and anti-corruption. Through adherence to these standards and through our membership of Transparency International UK and Trace, we aim to have high ethical standards driving our business practices and supporting our management of environmental and social concerns. An important step was made this year as we undertook an independent human rights assessment. This exercise has provided Genel with a roadmap and areas of focus that will keep Genel on top of this very important topic.

2022 promises to be a landmark year for Genel, as we will celebrate 20 years since signing our first PSC in the KRI and we will mark this milestone with an increase in our community and social activities in the KRI under our Genel20 banner. The year will also see an increase in our activities in Somaliland, as we work towards drilling a well in 2023. Unifying these significant milestones in these two regions of operation, will be our continued focus on supporting local community needs through alignment with our chosen UN SDGs of Good Health and Well-Being, Decent Work and Economic Growth, Quality Education, and Life on Land. This combination of future-fit assets and continued social investment is key to our success as a business, as we strive to be a socially responsible contributor to the global energy mix.

BILL HIGGS CHIEF EXECUTIVE OFFICER

ABOUT THIS REPORT

The intention of this report is to provide information on Genel's sustainability activities from 2021, primarily to demonstrate the progress we have made during the year, but also to provide details of the ambitions of our sustainability strategy going forward. We value our commitment to the United Nations Global Compact and this report provides Genel the means of communicating our progress on this commitment.

This report has been developed in accordance with the Global Reporting Initiative: core option, though we have additionally included reference to the applicable SASB standards. To help navigate this report these indices are provided in pages 50-55, along with the TCFD index.

Sustainability highlights

Renewable energy feasibility study at Sarta

below industry average equity-based Scope 1 and 2 carbon intensity of **16 kgCO₂e/bbl**

Improvement in CDP Climate score

Zero Tier 1 or Tier 2 Process Safety Events

Sarta waste management: **zero waste** to landfill **92% recycled** and **8% incinerated**

Zero exceedances recorded from Sarta air quality monitoring

11 social investment and community projects funded and delivered

225 employees from the KRI working for Genel in the region

Independent human rights compliance assessment of our performance against the UN Guiding Principles on Business and Human Rights ('UNGPs')

Launch of **Genel Wellness**

Who we are

Genel aims to be a socially responsible contributor to the global energy mix, with low-cost and low-carbon production. Our ambition is to become a world-class creator of shareholder value and a company that has a positive impact by stimulating economic growth and supporting the communities in which we operate.

We are one of the largest independent oil producers on the London Stock Exchange, with high-margin production that allows investment in growth and the payment of a material and progressive dividend.



Our values

At the foundation of our organisation and guiding the manner in which we conduct our business, are Genel's core values.



Integrity

Working in an honest and transparent manner allows us to build trust with our stakeholders and ultimately drive investor support and maintain our social licence to operate.



Respect

Respect of our people and our host communities helps build relationships that support sustainable operations. Respect of diversity and of a range of opinions helps us build trust with our stakeholders. Respect of the environment in which we operate helps us build trust of our host communities and continue our operations.



Accountability

A culture of accountability throughout Genel provides a voice to all employees but also fosters a culture of responsibility which drives the standards expected of safety and quality.



Collaboration

Collaboration between all stakeholders allows for an inclusive environment which incorporates a range of diverse opinions to drive the business.



Ingenuity

Ingenuity remains as a key differentiator at Genel. Encouraging a curious and open-minded inquisitive workforce allows convention to be challenged and new opportunities to be realised.

What we do

Genel is a socially responsible oil producer with cash generative production that funds growth, the payment of a material dividend, and investment into our sustainability strategy.

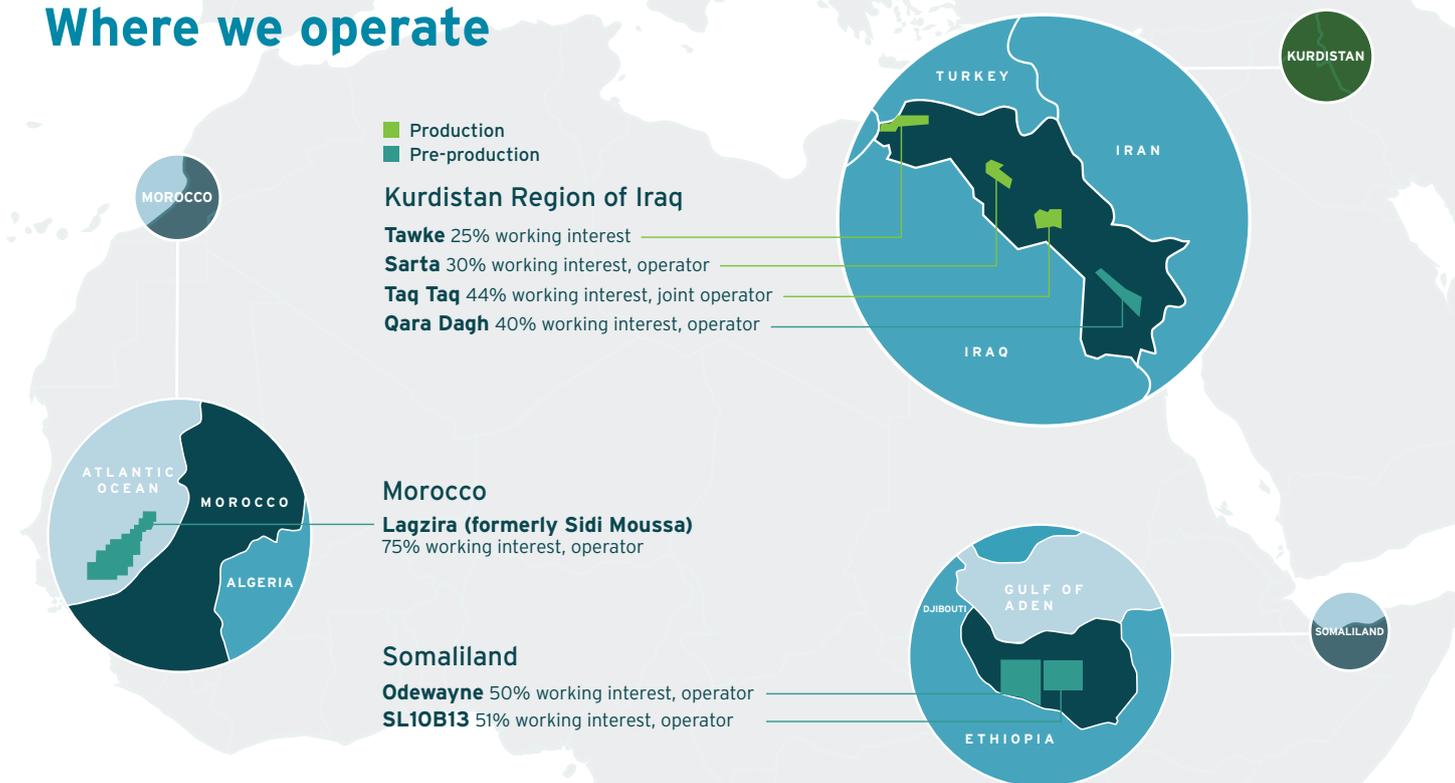
Genel's strategy



GENERATING VALUE FOR



Where we operate



Genel's sustainability strategy

Genel is committed to producing low carbon barrels that fit this phase of the energy transition, and we aim to do so as a socially responsible business.

OUR SUSTAINABILITY VISION

Genel aims to be a leading creator of shareholder value as a socially responsible producer of oil and gas, contributing to the global energy mix. We aim to fulfil this vision by structuring our sustainability strategy in the following way:

ENERGY TRANSITION

Genel is acutely aware of the global energy transition required in the decades to come and we are pleased to be part of that transition with low-cost and low-carbon production. In doing so, it is Genel's intention to remain as an attractive investment during this phase of the transition.

BEING A RESPONSIBLE BUSINESS

As we navigate the energy transition, we will do so as a responsible organisation, acknowledging the responsibilities we carry to the following:

- The health, safety and wellbeing of our workforce
- Our people
- Our host communities
- The natural environment in which we operate
- Our business ethics

This report is structured in such a way to present the progress made during 2021 on these two areas of our sustainability strategy and detail our actions looking forward.

GUIDED BY SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals are a collection of 17 global goals established by the United Nations General Assembly and which are designed to provide a 'blueprint to achieve a better and more sustainable future for all'.

Genel values the guidance provided by the UN SDGs and we see our alignment with these as a means of making a tangible difference to the lives of people in communities in which we operate. Further distilling these goals to those considered most relevant to our business and to our host communities has enabled us to concentrate our efforts on delivering in the most targeted and impactful way possible.

Education and health initiatives have long been a priority for our social investment programmes and both channels have been identified as a key need for local communities. Additionally, our operations aim to maximise community employment, build local supply chains, and foster broader economic activity. As a natural resources company, we are also acutely aware of our environmental footprint, and managing our potential impact is core to our development of sites.

Accordingly, the below four UN SDG's are the goals which we consider be the focus of our attention.



Materiality: what matters most to Genel?

Engagement with our stakeholders is key to understanding the materiality of our business. Understanding the materiality of our business is the key to shaping our sustainability strategy.

Our materiality assessment aims to produce a set of topics that are considered most significant to Genel’s stakeholders and that are considered to have most significant impact on Genel’s business.

In order to determine which sustainability topics to prioritize, a materiality assessment was completed in 2020 in accordance with GRI guidelines. As part of this materiality assessment, we sought to emphasise stakeholder inclusiveness by selecting content that reflects stakeholder interests, frame our disclosures within the wider context of sustainability issues, and provide complete information relevant to these issues. Our assessment embraced risk-based analysis and discussion on the context of our operations, notably exploration and extraction in the KRI and Somaliland.

No formal stakeholder engagement was commissioned in 2021 though our assessment was reviewed internally with due regard for proxy stakeholder inputs. Our Investor Relations team provided feedback on ESG priorities from investors’ perspectives during 2021, our procurement teams provided no alerts of new or significant impacts up the value chain, and our community engagement teams similarly provided assurance that no new impacts emerged during their management of community development impact assessments, community projects, and outreach programmes in 2021.

The established materiality matrix, provided below, was reviewed in 2021 and given that no material changes to our operations were noted in this period, we required no material changes to the outcomes of that assessment. Furthermore, the table that follows maps the management and reporting boundary of Genel’s sustainability topics against GRI standard 103, providing insight into where our impacts occur for each material topic.

GENEL’S MATERIALITY MATRIX

IMPORTANCE TO GENEL'S EXTERNAL STAKEHOLDERS	Very high		Human Rights & Modern Slavery	Local value generation and distribution Governance and business ethics	Process safety and asset integrity Social investments Anti-bribery and corruption
	High		Water	Emergency preparedness Health and safety Responsible supply chain	Energy transition Socio-economic compliance
	Medium		Biodiversity Air quality Waste management	Environmental regulatory compliance Employee relations	
	Low				
	Remote				
		Slight	Minor	Moderate	Major
IMPACT ON GENEL'S BUSINESS SUCCESS					

MANAGEMENT AND REPORTING BOUNDARY OF MATERIAL TOPICS

Sustainability topic	Management and reporting boundary				
	Internal		Non-operated assets	External	
	Exploratory and drilling activity	Operated assets		Operational supply chain	Stakeholder collaboration
Process safety and asset integrity	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY
Social investments	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY	WITHIN BOUNDARY
Anti-bribery and corruption	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY
Energy transition and climate change	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY
Socio-economic and environmental regulatory compliance	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY
Employee relations	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY
Responsible supply chain	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY
Health and safety	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY
Emergency preparedness	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY
Governance and business ethics	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY
Local value generation and distribution	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY
Human Rights & Modern Slavery	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	WITHIN BOUNDARY	WITHIN BOUNDARY
Water	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY
Biodiversity	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY
Air quality	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY	OUTSIDE BOUNDARY
Waste management	WITHIN BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY	WITHIN BOUNDARY	OUTSIDE BOUNDARY

■ WITHIN BOUNDARY
■ OUTSIDE BOUNDARY



Climate risk and the energy transition

Genel acknowledges the risks represented by climate change and the challenges represented by the necessary energy transition. We are also conscious of the critical role that oil and gas will continue to play throughout this transition, and we believe that our low carbon intensity and high net margin business can be a vital component of this phase of the transition.

2021 focused the attention of the world more acutely than ever on the risks represented by climate change during the discussions held at the UN conference in Glasgow, and we remain committed to the actions required to mitigate these risks. Within the following pages of this report we indicate Genel's key climate-related risks and our approach to addressing them. We detail the progression made on our GHG Emissions Management Standard, provide details on the work being done in pursuit of renewable options for our own energy requirements, and provide an update on how we are improving our transparency on these topics through our climate-related disclosures.

2021 Highlights:



below industry average
equity-based Scope 1 and
2 carbon intensity of

16 kg CO₂e/bbl



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Renewable energy
feasibility study at
Sarta

Disclosure of
scope 1, 2 and 3
emissions



Improved CDP
climate score of



**Sarta gas
management
study**

Sarta: building an asset fit for the future

Gas Management

Management of GHG emissions remains a key element of Genel's business, with operated assets being actively managed to minimise life of field emissions in order to align with our GHG Emissions Management Standard. In doing so, we see our assets as having the appropriate emissions profile during this phase of the energy transition. On 1 January 2022 Genel took on the operatorship role of the Sarta field, an asset that fits in with our low-cost and low-carbon aspirations. We aim to eliminate routine flaring as the asset develops and the process of evaluating a range of possible gas management solutions to achieve this has been progressed further in 2022.

Renewable energy options

We also embarked on a feasibility study in 2021 to determine the viability of renewable energy options for our future energy needs at the field. Both these initiatives represent an important step for Genel as we strive to minimise future emissions. As an initial step along the path of sourcing our own energy needs from renewable supplies, 2021 saw Genel initiate development of a 7.5KW solar panel and battery storage unit at Sarta-1, which is intended to power production and ancillaries at the Sarta-1 pad and which is due for completion in 2022, with a similar unit planned for Sarta-6. Moreover, 2021 also saw the successful operation of our solar-powered chemical injection pumps at Sarta-2, Sarta-3, and Sarta-4. These units provide renewable energy to the injection package to enable rapid and standalone deployment. Both of these developments demonstrate the incremental steps being taken by Genel to address our own energy use and reduce our carbon footprint, by exploring options to utilise renewable energy sources.

Methane emissions reduction using LDAR

In line with Genel's commitment to limit fugitive methane emissions from our portfolio of operated assets, an independent third-party Leak Detection and Repair ('LDAR') campaign was conducted at Sarta in August 2021. The LDAR campaign assessed over 9,000 connections across the processing facilities, flowlines and wellheads using the best available technologies to detect even the smallest leaks, through the use of a flame ionisation detector and optical gas imaging. Measurements onsite have provided encouraging results as only six leaks were encountered, equivalent to 2.4 tCO₂e of emissions each year. Genel was able to repair all six identified leak sources and is committed to continue performing annual LDAR campaigns to identify possible leaks for repair, and to continue the reduction of unintended emissions.

Looking forward

As the Sarta asset progresses, Genel will continue to focus our efforts on each of these fronts in pursuit of developing an asset fit for the future and moreover, an asset for this phase of the energy transition.



Our role through the energy transition

As the global population increases over the next 20 years, the energy needs of future generations will be met by a mix of renewables, conventional oil and gas and other non-renewable energy sources. Global energy demand will not subside in the short or medium term and while alternative sources of energy will be scaled to help meet this increased demand, oil and gas production will be necessary throughout this transition.

Indeed, forecasts made by the International Energy Agency (IEA) in the 2020 World Energy Outlook, indicates a Stated Policies Scenario where an increase in energy demand to 2030 will also see a rise in demand for oil during the same period, albeit progressively contributing a smaller proportion of the total energy supplied. Even within the most demanding internationally accepted scenarios, oil & gas is recognised as part of the mix within the energy transition. During this period of change, a reduction in greenhouse gas emissions is required that aligns with the targets established in the Paris Agreement, and Genel acknowledges the need for these targets in the development of our existing and future assets.

In common with many of our industry peers, we operate in challenging locations where socioeconomic disadvantage is prevalent and where investment within the oil and gas industry is critical to fuel future economic growth, and it is in this context that we can have a meaningful impact. Through the combination of our low-cost, low-carbon barrels, and the positive social impact from operating as a responsible business, it is our belief that Genel has the right portfolio and strategy to continue to navigate the energy transition.

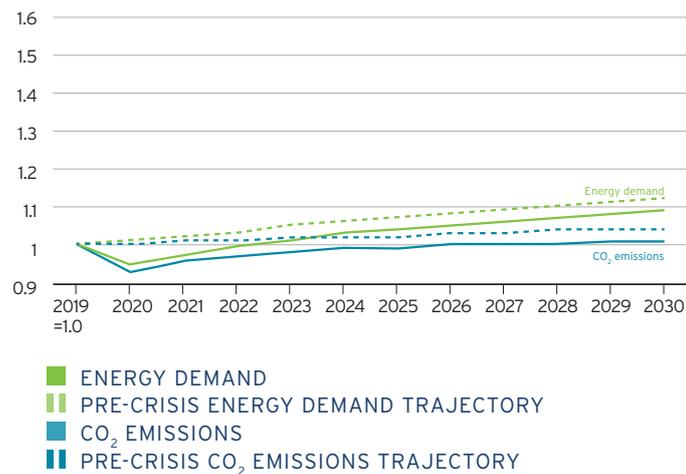
The following pages of this report align with the recommendations issued by the Financial Stability Board's Task Force on Climate-Related Financial Disclosures ('TCFD') to provide greater insight into Genel's approach to assessing and managing the financial risks associated with climate change.

Greenhouse Gas Management Standard

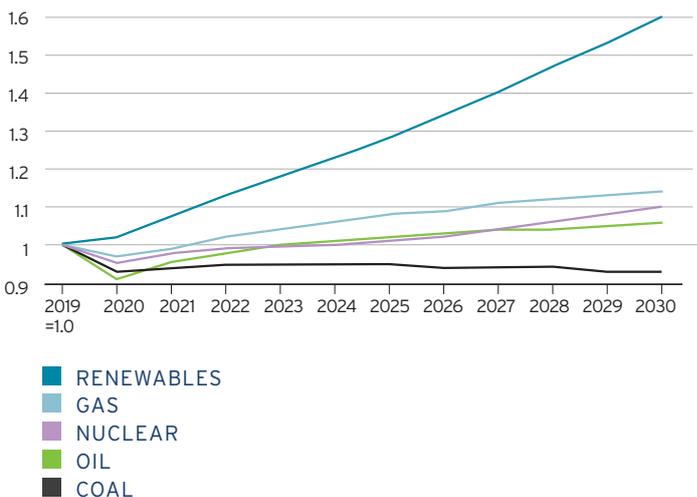
A key element of our commitment to producing future-fit, low-carbon intensity and high-margin barrels is the management and forecasting of GHG emissions. Genel's GHG Emissions Management Standard was approved by the Board in 2020 and continues to provide the foundation of our ambitions for managing and reducing our emissions. We remain committed to an overall emissions profile that aligns with the Paris Agreement goals and application of our GHG Management Standard provides a life-of-field carbon budget which considers the carbon budget for a 1.5 degrees Celsius global warming limit.

IEA WORLD ENERGY OUTLOOK: GLOBAL ENERGY DEMAND AND CO₂ EMISSIONS IN THE STATED POLICIES SCENARIO

Values for 2020 are estimates



IEA WORLD ENERGY OUTLOOK: KEY FUEL TRENDS IN THE STATED POLICIES SCENARIO



Looking ahead, Genel will continue to seek opportunities to reduce carbon emissions, maintain low carbon intensity, and embed a culture of assessing and mitigating climate change risks into our asset development plans and operational practices. We will continue to place the management of GHG emissions at the forefront of our business, with operated assets actively considering minimising life of field emissions. Through compliance with our GHG Emissions Management Standard we will demonstrate our competitiveness throughout the energy transition, with the aim of delivering a portfolio that fits a world of fewer and better natural resource projects.

GHG emissions profile

Measures taken by Genel in 2020 enhanced GHG emissions reporting by shifting to an equity-shared approach for scope 1 and 2 emissions, in a move towards best practice and providing a more comprehensive overview of our GHG impact. This approach has been replicated in this year's reporting and the methodology applied follows guidance provided in the 2015 GHG Protocol Corporate Accounting and Reporting Standard. GHG emissions data from non-operated assets are provided by our joint venture partners and our scope 1 and scope 2 emissions are verified each year by an accredited third-party assurance provider.

We have also included our scope 3 emissions from operated assets in this report, and it is our intention to extend the verification to our scope 3 emissions in 2022 as we continue to make incremental improvements to our sustainability reporting and practices.

We are pleased to report the continued success of our low carbon strategy and while our carbon intensity of 16 kgCO₂e/bbl (based on scope 1 and 2 emissions) represents an increase from 2020 (13 kg kgCO₂e/bbl), this had been anticipated on account of our increased operational activity in 2021 related to pilot oil production at Sarta and drilling operations at Sarta and Qara Dagh.

2021 GHG emissions	
Scope 1 emissions	190,277 tCO ₂ e
Scope 2 emissions	232 tCO ₂ e
Carbon intensity	16 kgCO ₂ e/bbl

A robust understanding of our GHG footprint is essential to enable Genel to target the relevant areas of operations that will allow us to minimise these emissions. Moreover, our monthly emissions accounting and annual disclosure - which in 2021 included scope 3 emissions - allow our operations to be managed in accordance with our aim of minimising emissions toward the Paris Agreement goals.

Scope 3 emissions

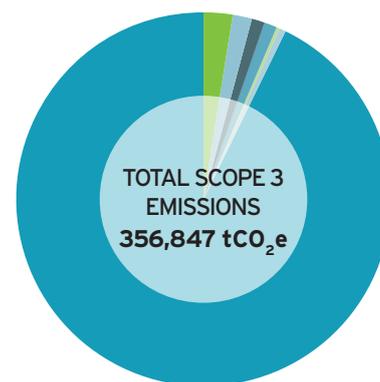
A crucial element of our GHG accounting which helps us to fully appreciate our carbon footprint is the calculation of our scope 3 emissions (i.e. emissions resulting from activities or assets not owned or controlled by Genel).

During 2020 Genel undertook a series of workshops which identified nine material sources of scope 3 emissions for our operated assets, with the basis of inclusion and exclusion of sources being based on IPECA and GHG Protocol standard and guidance.

These material sources were reviewed and the nine scope 3 category inclusions remained applicable in 2021. Our scope 3 emissions totalled 356,847 tCO₂e and represent over 65% of our total GHG emissions in 2021.

It is important to Genel that when considering our scope 3 emissions, we include the use of our sold products within this calculation (Category 11), which represents over 93% of these emissions. Given that our scope 3 emissions are calculated on an operational control basis, and on account of production increasing at the operated asset of Sarta from only two months in 2020, to a full year of production in 2021, we saw an increase in scope 3 emissions on account of increase in sold products over the period. The breakdown of our scope 3 emissions from operated assets is provided below.

Scope 3 Emission Sources (<i>operational control basis</i>)	Total GHG (tCO ₂ e)	
Category 1: Purchased Goods & Services	9,965	2.99%
Category 2: Capital Goods	5,104	1.53%
Category 3: Fuel & Energy Related Activities	4,661	1.40%
Category 4: Upstream Transportation & Distribution	86	0.03%
Category 5: Waste Generated in Operations	4,083	1.22%
Category 6: Business Travel	576	0.17%
Category 7: Employee Commuting	7	0.00%
Category 9: Downstream Transportation & Distribution	2,055	0.62%
Category 11: Use of Sold Products	333,609	92.04%
Total scope 3 emissions	356,847	100%



GHG emissions reduction

We focus on effective design, efficient operations and responsible energy use to reduce emissions. One of the biggest single contributors influencing our GHG emissions profile is flaring and with our joint venture partner and operator of the Tawke PSC, DNO, we continued to carry out a successful gas injection project at Peshkibir. Moving forward with our Sarta operations, we aim to eliminate routine flaring as the asset develops, and the process of evaluating possible solutions to achieve this has been progressed further in 2022, as detailed in the Sarta case study earlier in this report.

Portfolio resilience

The foundation of our business strategy is being the producer of low-cost and low-carbon barrels of oil throughout the energy transition, and we are consistently reviewing the resilience of our portfolio to ensure it remains fit for purpose in a climate-conscious world.

Our resilience is the result of initiatives to minimise our carbon emissions which have been detailed in this chapter; specifically partnering on the first gas reinjection project in the KRI and embedding our GHG Emissions Management Standard in strategic and operational decisions. We evaluate our producing assets against common scenarios outlined by the IEA, with the intention of assessing our business to ensure that our assets remain competitive when stress tested against variable carbon taxes and oil prices.

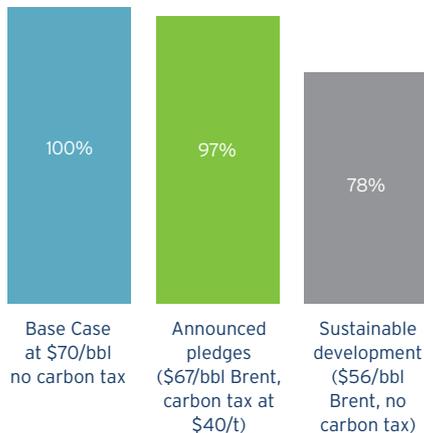
For the purpose of this analysis we have applied a base case scenario that assumes a brent oil price of \$70/bbl and no carbon tax, on account of our assets being located in areas where no carbon tax is currently applicable. To this base case, and under our existing cost structure, we have applied the oil price and carbon tax values under two of the IEA's potential climate scenarios; namely the Announced Pledges Scenario and the Sustainable Development Scenario, with the time horizon for our analysis of 2030 corresponding with Genel's time horizon for our existing assets.

Under these scenarios, Genel's margin in 2030 is eroded to 97% and 78% respectively and it is apparent that under Genel's operational time horizon, the selected IEA scenarios will have a manageable impact on our margin, which helps demonstrate the robust and resilient performance of our business in a climate changing world.

Transparency and climate disclosures

Genel is committed to communicating its climate strategy and resilience to the investor community to illustrate the efforts we are taking to reduce our carbon footprint. Following our first ever disclosure to CDP in 2020, Genel was pleased to have been awarded a CDP climate score of C in 2021, an improvement from our previous score of D. 2021 also saw our first submission of the CDP water disclosure. These actions not only demonstrate our commitment to climate-related disclosures but also indicated the progress that is being made in our data collection and reporting capabilities. We will continue to engage in sustainability disclosures and provide our stakeholders with information into the material topics that underpin our business.

IMPACT ON MARGIN IN 2030



Climate-related risks



Genel maintains continuous review of major risks - both current and emerging - to which its operations in all regions are exposed

Governance of climate-related risks and opportunities

The management of climate-related risks and opportunities remains a top priority for Genel and is incorporated into our wider business strategy. Responsibility for the management of sustainability risks, and monitoring of other climate-related topics are integrated into Board oversight through the roles of the Chairman, CEO and the Health, Safety, Security and Environment ('HSSE') Committee. Our CEO is a constant advocate for the prioritisation of sustainability and oversees the integration of awareness and management of this throughout the organisation. Climate and energy transition topics are also included in Board meeting agendas at least once a year, during the main strategy session, yet in practice the Board is informed more frequently through ongoing engagement opportunities and other meetings. For example, the HSSE Committee reports to the board with progress on the ESG workplan which includes an evaluation of our GHG performance.

Following the lead of the Board and the CEO, every department plays an active role in achieving Genel's sustainability objectives. The ESG Manager is responsible for the implementation of our annual ESG workplan and reports progress to the executive committee. The ESG meetings are an opportunity to increase awareness and capability building to complement Genel's stakeholder engagement and communication strategies.

Furthermore, in 2021 Genel established the Strategy and Growth Execution ('SAGE') council, which comprises members of the Executive Committee in addition to other departmental representatives and provides a regular platform for discussion of these risks and opportunities. Finally, our Board's commitment to robust sustainability governance is illustrated in the inclusion of an ESG component of the Company's annual performance score card.

Identifying climate-related risks and opportunities

Genel maintains continuous review of major risks - both current and emerging - to which its operations in all regions are exposed. This is achieved through leveraging its local expertise, industry knowledge and strategic relationships. Genel also aims to hold ourselves accountable to robust regulatory environmental standards in our operations and we comply with climate-related reporting within the UK. Risk identification and assessment takes place across various levels at Genel, both at the corporate, and at asset or project levels. The Board conducts a robust assessment of the principal risks facing the Company with a focus on those risks that could impact our business model, strategy, solvency, liquidity, future performance and reputation, and climate related risks are included in this process. The identification, management and control of risks is presented in the graphic below.

RISK MANAGEMENT PROCESS

Board sets corporate strategy



Develop risk register and allocate risk owners



Design prevention and mitigation controls to manage risks



Reports assessment of risk to the Board



Controls in place to manage risk



While Genel's risk management approach identifies climate risks across the life of field of an asset, for the purposes of classification we define short-term as one to three years, medium-term as three to five years, and long-term as five years and beyond. This timeline corresponds with our financial planning, and by taking a life of field approach we can proactively mitigate and manage climate-related risks while also providing us with the foresight to take advantage of new future-fit opportunities.

Process for managing climate related risks

Once a risk has been identified and evaluated at either the corporate, asset or project level, Genel takes a proactive approach to design and implement robust controls to mitigate any potential negative outcomes - including those relating to climate change. Sustainability risks, including the physical, socio-economic, political, and economic elements associated with climate change have been identified as a Board reserved

matter and reviewed biannually. For example, the HSSE Committee is responsible for reviewing climate-related risks and internal controls, and the Reserve Committee reviews risks as part of the annual Asset Development Plan (ADP) review process. Genel's management of climate-related risks is summarised in the table below.

Climate-related risk		Management approach
Reputation (short-term)	Stakeholder and investor perceptions and expectations during the energy transition	<ul style="list-style-type: none"> • ESG investor engagement and publication of sustainability report • Ensuring robust management and policies which can respond to changing conditions • Transparent disclosure of ESG performance
Legal (medium-long term)	International changes to climate-related legislation	<ul style="list-style-type: none"> • Compliance with host country regulations • Continuing evaluation of global climate litigation landscape
Market (short-medium term)	<ul style="list-style-type: none"> • Fluctuating oil demand and price • Limited financing for fossil fuels 	<ul style="list-style-type: none"> • Maintain strategy as low cost and low carbon oil producer • Application of GHG Emissions Management Standard in asset development • ESG metrics as a KPI • Continue to test scenarios with variable oil price and carbon tax to assess resilience • Strong balance sheet and asset level free cash flow even at distressed oil price
Current Regulation (short-term)	Regulatory responses to climate and carbon abatement	<ul style="list-style-type: none"> • Adherence to UK climate disclosure requirements, which include mandatory TCFD reporting in Genel's 2022 Annual Report • Provide the Ministry of Natural resources (MNR) monthly operational HSE reports, including GHG emissions
Technology (medium-long term)	Availability and cost of technology to minimise carbon emissions	<ul style="list-style-type: none"> • Conduct research on emerging technologies and potential applications for our operations • Continue to integrate GHG Emissions Management Standard into facility designs and operations • Pursue GHG abatement solutions through gas management study at Sarta • Renewable energy options for our own energy requirements • Promote innovation and application of best available technologies
Supply Chain (medium-long term)	Interaction with suppliers and contractors	<ul style="list-style-type: none"> • Assess carbon intensity of supply chain through scope 3 emissions assessment • Engage with supply chain on climate-related (and wider sustainability) risks
Emerging Regulation (medium-long term)	Regulatory responses to changing climate and carbon reductions	<ul style="list-style-type: none"> • Continuous engagement with government officials to understand expectations and directives • Monitoring of changes to UK or host country sustainability regulations • Review of global climate policies and disclosure requirements • Include carbon costing in forward financial planning
Acute Physical (short-term)	Event-driven, e.g., extreme weather	<ul style="list-style-type: none"> • Consider risks in asset development and infrastructure design • Monitoring weather events in the regions of operation
Chronic Physical (Long-term)	Long-term climatic changes	<ul style="list-style-type: none"> • Integrate the implication of long-term climate changes in strategy and asset development of areas of operation

Our progress

In 2020 the Board reviewed progress on the GHG Emissions Management Standard and approved the document in January 2021. This standard underpins our flaring management practices and strategy, to assess the development plans for producing assets against the goals of the Paris Agreement. The implementation of the standard informs our ADPs which are reviewed by the Board on an annual basis. Our Board also oversees capital expenditures and annual budgets associated with gas management projects, which included our gas injection project at Peshkibir. Moreover, this governance structure will remain critical to approvals of future capital expenditure related to the Sarta gas management studies which are currently ongoing.

The combination of our strong governance structure and application of our GHG Emissions Management Standard is the key to Genel's identification and management of climate-related risks and opportunities.

As Genel's operations expand, our technical teams continue to dedicate time and resources towards researching the application of new technologies and facility designs that will reduce emissions, demonstrated through the current gas management studies being undertaken at Sarta.

Water-related climate risks

Genel operates in regions of water scarcity, which makes us acutely aware of water-related risks. In order to mitigate this risk, we ensure that water availability, disposal and management is factored into our planning for all new and operated assets. Furthermore, in 2021 we submitted our CDP water disclosure for the first time, and we will be doing so again in 2022.

Targets to manage climate-related risks

As stated in our corporate GHG Emissions Management Standard, Genel will report externally on an annual basis on the carbon intensity of our portfolio assets as per the carbon budget model. Our commitment will be that:

- The life of field emissions of individual assets will remain within the asset's carbon budget; and
- On an annual basis Genel's portfolio of producing assets will be assessed against the Paris Agreement 1.5 °C pathway outlined in the GHG Emission Management Standard.

In order to manage our performance against the allocated carbon budget, Genel outlines strategies for existing assets and new field developments. New field development designs will demonstrate that project-related emissions are kept as low as reasonably practical prior to approval, as an integrated approach.



In order to manage our performance against the allocated carbon budget, Genel outlines strategies for existing assets and new field developments



Being a responsible business

The earlier pages of this report have acknowledged the challenges associated with climate change risks and provided an insight as to how Genel is striving to address these challenges. As we make this journey, we remain focused on conducting our business in a manner where our responsibilities are considered in each and every action that we take.

With respect to:

- The health, safety and wellbeing of our workforce
- Our people
- Our host communities
- The natural environment in which we operate
- Our contractors
- Our investors



In this section

Health & safety	20
Contributions to society	25
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Managing the natural environment	38

Being a responsible business allows Genel to:

- Identify and manage the environmental risk of our operations
- Engage with host communities to provide meaningful positive impact
- Protect the health and safety of our employees, contractors and support positive wellbeing of our workforce
- Take responsibility for the full lifecycle of our assets

2021 Highlights:

Continued **engagement and investment with communities** surrounding our operations and continued construction of the Qara Dagh youth centre.

An independent **Human Rights Assessment** assessed our performance against the UN Guiding Principles on Business and Human Rights ('UNGPs') which provided a roadmap and recommendations for future planning, which will form an integral part of our ESG strategy.

Establishment of the **Strategy & Growth Execution ('SAGE')** council which provides a regular platform for discussion of key strategic considerations for Genel, of which ESG is a vital component.

Launch of **Genel Wellness**; an app-based program to promote physical and mental wellbeing throughout the organisation, with the aim of supporting staff in the workplace and beyond.

As our Sarta operations ramped up, we took measures to minimise the likelihood of any HSE incidents, and also took measures to bolster our emergency response capabilities in the unlikely event of any future incidents.

Community waste collection programme at Taq Taq

At the areas surrounding our Taq Taq operations, Genel was pleased to continue our well-established community waste collection programme which collects household waste on a daily basis from nine villages surrounding the field, and in 2021 collected 615 tons of waste.

Furthermore, Genel continued to support local communities through the provision of fuel to Elinjagh hospital. Away from these ongoing initiatives at Taq Taq, 2021 also saw Genel provide support in the repair of local roads and water pipes through the provision of plant machinery, in addition to providing some critical sewage system upkeep for local residents.



Health and safety

2021 headlines:

102

HSE management site visits

59

emergency response drills

1,194

production safety observations

24,838

drilling safety observations

982

HSE trainings conducted
(at a local level, subject to the appropriate oversight)

102

crude oil tanker drivers received HSE training

Despite the ongoing uncertainty caused by COVID-19 our focus on health and safety was unwavering throughout the year and remains as a priority in all our operations.

Genel is committed to the highest standards of health and safety and the wellbeing of our workforce has always underpinned our operations. Our policies continue to reflect international best practice, including those outlined in the IFC Performance Standards, ICMM Sustainable Development Framework, and IOGP Standards.

Safety management

Management system

Our HSE Policy and management system is aligned with industry standards and best practice, to enable safe operations and reduce the risk to as low as reasonably practicable (ALARP). It incorporates the following key processes:

- Risk Management
- Competency and Training
- Contractor Management
- Process Safety and Integrity Management
- Personal Safety Management
- Permit to Work
- Management of Hazardous Substances
- Land Transportation
- Incident Reporting and Investigation
- Emergency Response and Crisis Management
- Assurance and Management Review

Safety culture

We keep our teams engaged with our safety culture through regular leadership site visits, safety observations, recognitions, trainings, and town hall meetings. Through this engagement process, Genel aims to empower everyone within the organisation to intervene and stop any work that is considered unsafe.



Continuous improvement

We approach safety through a plan-do-check-act continuous improvement cycle. We continue to establish objectives and targets which drive ongoing performance improvements, and we conduct risk-based internal and external audits and workplace inspections, and address any areas for improvement in a timely manner. Our objective remains 'Goal Zero' for serious accidents, and annual targets are set for reducing HSE incidents such as lost time injury frequency, total recordable incident rate, and process safety event rate.

We share our safety procedures with contractors and when necessary, we work with them to raise their standards to meet our requirements. We are continuing our plans to achieve ISO 45001 certification for occupational health and safety management.

Emergency preparedness and training

We have implemented a robust emergency response preparedness plan in 2021 to reflect our increased operational activities at Sarta and Qara Dagh. Training was delivered at a local level to enable our employees and contractors to respond effectively to emerging issues and challenges associated with a real-life emergency response. These trainings involved both our local teams and senior managers who are responsible for crisis management, business support and in-country incident management teams.

Regular drills and no-notice simulation exercises were also held. We purchased dedicated response equipment, including a fire response vehicle, rescue equipment, and Tier 2 spill response equipment, all of which has enhanced our capabilities to protect lives and protect the environment in case of a fire, spill or rescue incident. Genel has also trained crude oil trucking contractor drivers and their spill response teams to ensure they are able to react to a spill if it was to occur.

Hydrogen sulphide (H₂S) level 2 training is mandatory for all personnel working at Genel operations and is delivered by a competent H₂S support contractor.

Operational safety

As part of our ongoing focus on safety, in 2021 102 HSE management site visits were conducted, 59 emergency response drills took place, 1,194 production safety observations were made, and 24,838 drilling safety observations were submitted.

Regrettably, following 14 million work hours since a lost time injury, a member of the contractor drilling team sustained a foot injury during drilling operations at Sarta-5. A full incident investigation was undertaken for Genel to draw lessons from this event and actions have been taken to prevent a recurrence of such an incident, including procedure review and reorganising work teams to improve control of works and supervision.

Communicating and consulting with our staff and stakeholders in an open and honest manner is important to Genel, and we are committed to report all incidents and share lessons with the appropriate stakeholders, as we have done in this instance. Our approach to hazard identification, risk management and risk controls are demonstrated in the graphics on page 22.


Underpinning every element of Genel's operations is a safety culture of care which permeates the entire business



Mitigating risks

Lifting

Lifting is considered as a high-risk activity and to mitigate this risk Genel has retained the service of an independent lifting inspection company to inspect and certify all lifting equipment, including those provided and used by all contractors, as an additional assurance on top of the equipment certification. This strategy has led to no lifting incidents in 2021 occurring due to a failure of equipment.

Trucking & spill mitigation

In recognition of one of our key risks, the trucking of crude oil from the Sarta facility to the offloading station 100 km away, we continue to enhance our spill response capabilities and in 2021 signed a Tier 2 and 3 spill response contract to provide a prompt response in the event of any spill incidents.

Driver competency training packages continue to be utilised for all new drivers recruited for the project and these include hazard identification, working in operational facilities, and spill response. Ten local truck drivers received defensive driving training, and the success of our initiatives has resulted in more than 10,000 tanker journeys without any motor vehicle crash incident.

We continue to provide spill response training to Genel personnel involved in spill response as well as the crude oil trucking contractors. The trucking contractor has mechanical response equipment situated at key points along the trucking routes with local contractors. Tactical spill response plans are in place to organise content and focus on specific actions and priorities to bring speed and clarity to any response.

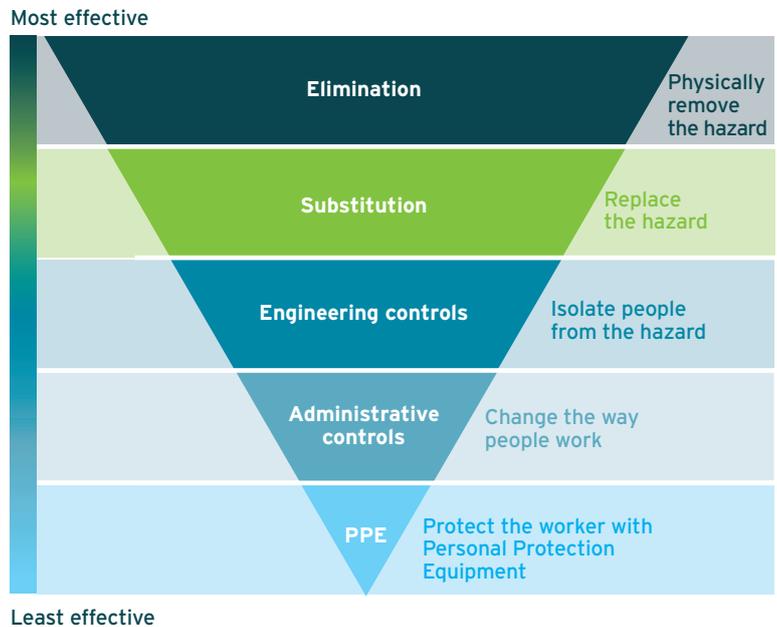
Drilling Safety

Genel's drilling operations increased in 2021 with three rigs operating across Sarta and Qara Dagh. Contractors were selected through rigorous HSE assessments and a bridging document was prepared to interface the contractor management systems with Genel. HSE trainings were delivered, risk assessments were completed, and a mobilisation and spud operational readiness plan was prepared and executed successfully. Key areas of focus were lifting safety, emergency response preparedness, confined space entry, working at height, COVID-19 controls, transportation, and waste management.

IN PURSUIT OF MITIGATING RISKS: THE HAZARD IDENTIFICATION AND RISK MANAGEMENT PROCESS EMPLOYED BY GENEL



IN PURSUIT OF CONTROLLING IDENTIFIED RISKS: THE HIERARCHY OF CONTROLS ADOPTED BY GENEL



COVID-19 response

The measures we implemented to protect our workforce continued to evolve with the ever-changing risks presented by the COVID-19 pandemic. Processes and plans were constantly reviewed to minimise the risk to staff, and to allow continuation of safe operations throughout this challenging period.

Genel's response was led by the COVID-19 Steering Committee, chaired by the CEO, and continuous reviews were carried out on COVID-19 controls and protocols according to the most current medical information available through International SOS, the World Health Organisation, and local legislation. Acknowledging the critical role vaccine uptake was to play in combatting the COVID-19 risk, Genel moved swiftly in 2021 to support our field staff through the roll out of our vaccine programme and by end of 2021 achieved a fully vaccinated status for KRI employees of 97%.



Throughout the pandemic it was important for organisations to remain agile while at the same time rapidly evolving as the scientific community learned more and more about the virus. Genel excelled at just this, by taking a medically led approach to protecting its employees which I can say many other organisations struggled with

Dr. Rodrigo Rodriguez-Fernandez
Global Health Advisor at International SOS

Genel's agile and responsive business model in action

Throughout our COVID-19 response, Genel revised our controls and protocols in KRI to establish safe practices at both our production and pre-production assets.

These included:

- Reviewing personnel requirements to keep work site numbers at a minimum and implementing new working arrangements at operational sites to minimise the potential for an outbreak
- Strict quarantine measures to ensure all persons working at production and drilling sites were COVID-19 free
- Establishing measures at operational sites that improved employee hygiene, segregation, and social distancing to reduce the risk from COVID-19
- Establishing travel and crew change arrangements for teams in the KRI consistent with regulatory requirements
- Providing a safe working environment for our office-based employees, and implementing a dynamic hybrid working model throughout 2021 to allow working from home where required, but also allowing working from our offices where permitted
- Regular updates of COVID-19 information provided to all staff and communicated on a site level through site-specific induction safety training

These measures were also implemented for contractors and because of these measures, there was no production downtime as a result of COVID-19.



Process safety and asset integrity

Process safety and asset integrity are an integral part of our approach to managing major accident hazard related risks and achieving safe and reliable operations. Genel addresses process safety management through standards, procedures and risk management activities covering all our operations throughout the lifecycle of our assets, spanning across the appraisal, design, construction and operation phases.

An Asset Integrity Management Plan (AIMP) is in place to conduct risk-based inspections periodically, and process safety risks are assessed through a variety of process hazard assessments such as Hazop (Hazard and Operability) studies, QRA (Quantitative Risk Assessment), and risk assessments. Identifying potential hazards and risks and then working to eliminate or mitigate these is a key focus as we strive to protect the public, safeguard the health and well-being of employees and contractors, minimise potential risks to the environment, and protect assets from damage or loss.

We achieved zero Tier 1 and 2 Process Safety Events (PSE) in 2021, which is a reflection of Genel's focus on asset integrity to ensure minimal impact on the people, environment and assets in our operations. Tier 3 PSE and loss of primary containment events were reported and investigated to determine how to improve equipment reliability, integrity and management of critical elements.

Key elements of process safety management are periodic maintenance and testing of critical equipment, management of change process, operational readiness reviews, pre-start-up reviews, and the continuous monitoring of process safety performance with a robust set of process safety performance indicators.



Contributions to society

2021 highlights:

11

social investment and community projects funded and delivered

225

employees from the KRI working for Genel in the region

\$352,256

invested in 11 social and community projects

948

people were hired from the local communities at operational areas in 2021

237

machines were hired from the local communities at operational areas in 2021

Community engagement has always provided the foundation of Genel's operations and we remain committed to our local partnerships and to developing local capabilities. This year marks 20 years of operation in the KRI for Genel and this engagement remains a key priority.

Some achievements from the past twenty years

Over **\$60 million of investment** in over **250** social and community projects

\$54 million contracts approved for companies directly supporting Genel's operations

Almost **600 local university students** have participated in our technical training programme

TTOPCO's medical team has conducted between **45 to 50 free medical visits** to 15 nearby villages each year since 2007

Genel
20
MAKING A POSITIVE
IMPACT

Community Engagement

As we approach 20 years of investment in the KRI, our activities in 2021 reinforced a central pillar of Genel's sustainability strategy; supporting our host societies and local communities. Accordingly, implementation of our Community Social Responsibility (CSR) programme continues to provide local social capital and improve community and stakeholder relationships through sharing the benefits of our work. In doing so we aim not only to address community needs but also promote the well-being of local communities and develop economic opportunities.

Our formal company outreach CSR policy, first introduced in 2019 and based on ISO 26000 Guidance on Social Responsibility, remains in place to provide formal guidance to our CSR strategy. This policy helps Genel govern regional community expectations and the broader internationally accepted scope of CSR associated with sustainable development, human rights, and the environment. This policy promotes sustainability and expands Genel's efforts to create more strategic plans and apply a systematic methodology to the implementation of our CSR programmes.



A focus on Genel's KRI community engagement team

During our 20 years of operations in the KRI, Genel has built a permanent CSR team based in Sulaymaniyah. The team is led by Bnar Salah, Head of Community Relations, who has been with Genel for each of our twenty years in the KRI and who has been supported in this role for the past fifteen years by Nasreen Rahem, the Senior CSR Specialist.

The CSR team plays a critical role for Genel. Through building relationships with and understanding the needs of local communities and the KRG, we have been able to deliver meaningful and long-term community benefits.

A key objective of Genel's community engagement is supporting the development of local young professionals in order to provide them with valuable skills and experience. A good example of this is the recruitment of Community Relations Officers ('CROs') and we are pleased to share, below, a recent conversation with one of Genel's more recent additions to the team, Jangeen Abdulkareem.

Genel's approach to Community Social Responsibility

Genel's CSR programme represents an essential element of our values. The CSR community engagement with stakeholders is shaped around three broad categories, namely:

1. Social investment projects
2. Local content and economic development
3. Working with communities

Social investment projects

Standardising the approach we take to select our social investment projects has enabled Genel to balance input from all stakeholders with the ambition of establishing a positive legacy in the regions in which we operate. This process takes in the following considerations.

The **NEED**: What type of CSR investments are needed in the regions in which we operate:

- Health
- Education
- Environmental
- Economic development

Our **STRATEGY**: How will the project align with our strategy:

- Energy transition
- Socially and environmentally responsible operator
- Aligning with our selected UN SDGs

Our **HOST COMMUNITIES**: Leveraging the skills, strengths and cultural fabric of communities through:

- Community engagement
- Enhancing existing cultures and skills

Investments in community, environment & education

Through the work of our community engagement team in 2021 Genel delivered a diverse range of social projects across the KRI. Our CSR team successfully delivered 11 community investment projects valued at over \$352,256 across the Sarta, Qara Dagh, and Taq Taq blocks. These projects focused on increasing economic opportunities and development, improving community health, and supporting local education.

In conversation with...

Jangeen Abdulkareem

GENEL COMMUNITY RELATIONS OFFICER



Tell me a little bit about yourself.

I am Jangeen Rajab Abdulkareem, and I am a petroleum engineer by qualification. My family is originally from the Qaradagh area.

How do you describe your work environment?

Genel has a supportive and respectful work environment, and the Company's values are practiced by every team member. Good planning and strong commitments from the team drive the success of our community engagements.

How do you see Genel's engagement with the community?

Genel has contributed a lot in terms of local content and social investment projects in the Qaradagh district. It gives me a great deal of satisfaction when my CSR team delivers a social investment project or supports the community through local content in Qaradagh, and I am honoured to serve my community through my work with Genel.

Community projects 2021

Our most notable contribution in the Qara Dagh region was commencing construction of a youth development center. It is intended that this will provide a permanent venue for training and skills development for local residents from 83 surrounding villages, with the aim of empowering local children and young adults to improve their competency skills and enhance their capabilities and earning potential. Construction work is underway and completion is anticipated in the summer of 2022.

With education remaining a key priority for Genel's community investments, we were also pleased to continue our partnership with Goshan primary school in Qara Dagh by providing educational supplies and equipment.

Other 2021 projects in the vicinity of Qara Dagh included the completion of a football pitch in Qara Dagh town, which aims to help promote recreational activities and provide young athletes with a safe modern facility to regularly meet and play.

In recognition of the necessity of basic utilities, Genel was pleased to finalise the installation of a 250 kVA power generator at Jaferan village, and to complete a project which supplied water to Sarko village and Sewsenan villages. The collective impact of these initiatives helped members of these communities to an improved quality of life.

At Sarta, in 2021 Genel planted 500 trees along a road in order to enhance the space, while continuing our focus on education led us to make donations for the provision of computers and printers to three local schools in the area. Following the devastating floods that struck Erbil in December 2021, Genel donated \$10,000 which contributed to the construction of a bridge and repairs at a local school.

We look forward to stepping up our activities and beginning our long-term investment initiatives in 2022, having taken on operatorship of the field at the start of the year.



The collective impact of these initiatives helped members of these communities to an improved quality of life



Local content and economic development

Our CSR team engages with local communities through the application of Genel's Local Content Policy, while also complying with MNR's Local Content Policy. Ensuring that our projects are supported by a community workforce is an essential component of our strategy. Empowering a community workforce as stakeholders in the process and by adding value to the local economy through their participation enables ownership of the long-term well-being of the area.

Supported by our initiatives, we have been pleased to see an increase in the number of opportunities provided to the local community in relation to job opportunities, machinery hire, and employee training.

By the close of 2021, sixteen local companies provided services across Sarta and Qara Dagh, and a further eighteen for our operations at Taq Taq; all of which contributed to a positive impact on economic development and growth within these communities.

A key achievement of the community engagement team has been the development of economic opportunities for local businesses and residents, and we pride ourselves on the partnerships we have fostered within our communities. In recognition of these long-term partnerships, we are fortunate to share a recent conversation with a local business owner, Mr Muheddin Mir Aziz.

In conversation with...

Mr. Muheddin Mir Aziz

CEO, SARTA COMPANY



How did Sarta Company begin working with Genel?

Genel's local companies engagement program provided an opportunity to my company to participate in providing services at Sarta Block. This initiative provided a significant opportunity for growth in our company.

How did Genel support your company?

Genel has provided support during execution of our work leading to improved performance.

How do you see your company's involvement with Genel in the near future?

We are planning to perform our responsibilities and to develop our capabilities.

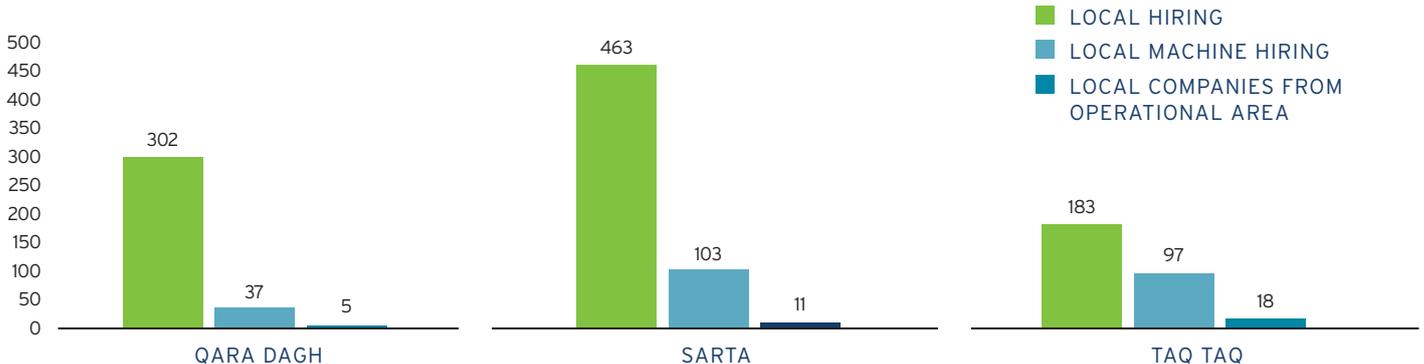
Have you benefited through engagement with Genel?

Yes, we have benefited financially and through development of our competencies. Working with Genel has given us the drive to strive and reach a better performance and outcomes.

What drives your company to continue working with Genel?

Genel's work opportunities for local companies will make us continue. This will have an advantage of allowing us to hire from the local community for our operation, which further benefits the community we are from. Also, we will be encouraged by Genel's effort in training and utilising the local community working in our operations.

COMMUNITY ENGAGEMENT



Apprenticeship programme

Genel encourages our contractors to hire locally from the communities in which we operate and we support training initiatives when required. We were pleased to roll out an apprenticeship programme in 2021 which provided five students from Erbil Polytechnic Institute with an online summer training course covering a broad range of modules for which Genel was able to share knowledge and expertise; namely civil engineering, operations management, process safety, Human Resource Management and Health, Safety & Environment.

Working with communities

Meaningful and sustainable community engagement is crucial for Genel, and a key part of this is managing grievances and land compensation claims as they occur, with a timely and respectful response. When hiring from local communities, it can be difficult to appease all requests given the limitations on employment opportunities.

Understanding and responding to any grievances from the local community is a crucial part of the local CSR team's role and this is achieved through regular and effective communications with local community stakeholders and responding in a timely and appropriate manner. Examples of these grievances can be seen from the twenty recorded at Qara Dagh in 2021.

Land Compensation

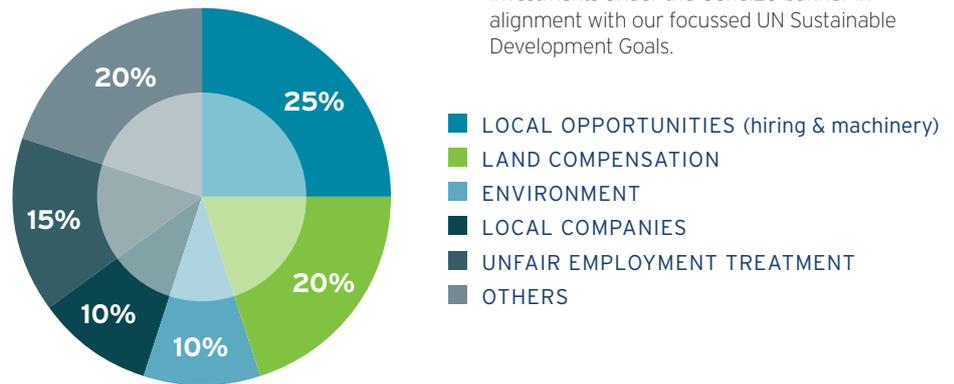
Genel acknowledges the significance that land compensation represents with local communities and we are conscious of maintaining consistent engagement and dialogue on this matter. As part of this process, any area adversely impacted by the Company's operations is compensated in line with the policy of the MNR. Furthermore, any temporary or any residual impact on the community will be compensated by way of appropriate local investment to provide a commensurate benefit to the community. During our 20 years of operations in the KRI, Genel Energy has compensated over \$3 million by means of land and crop compensation.

Looking to the future

Our ongoing focus on community engagement helps demonstrate how responsible investment in natural resources can provide substantial benefit to the quality of life in host countries, and we are proud of the positive impacts we continue to make in local communities. As we look towards increasing activity at our Sarta field in 2022, we also look forward to providing meaningful and long-term community investment for the local communities of this area. Moreover, we also remain conscious that any future developments in our Africa assets will only be advanced when combined with the same level of attention to community engagement and investment.

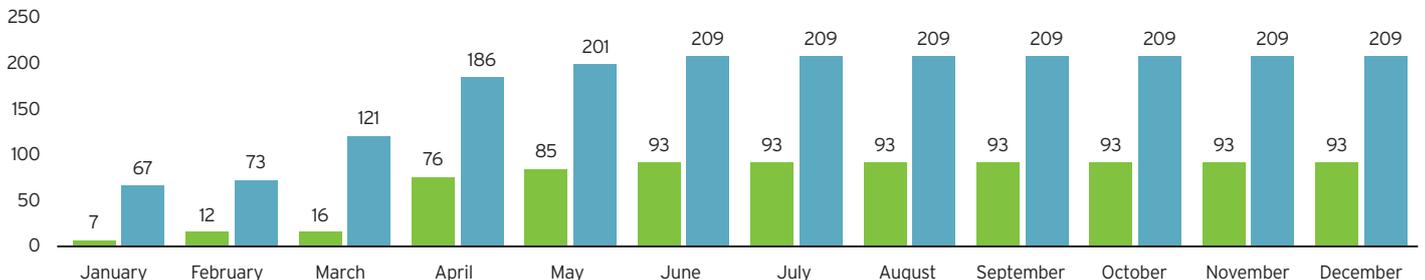
Moreover, as 2022 will mark twenty years of Genel's investment in the KRI, we look forward to increasing the ambition of our social investments under the Genel20 banner in alignment with our focussed UN Sustainable Development Goals.

QARA DAGH GRIEVANCES 2021



QARA DAGH LOCAL HIRING 2021

■ LOCAL KRI HIRING
■ LOCAL COMMUNITY HIRING



People and diversity

The success of Genel's operations and the ability to realise our long-term ambitions is only made possible because of our dedicated teams across the regions in which we operate. It is our skilled employees sharing our values who provide the foundation of our socially responsible business, and it is for this reason that Genel accords such a high value to attracting and retaining the best global talent.

Diversity

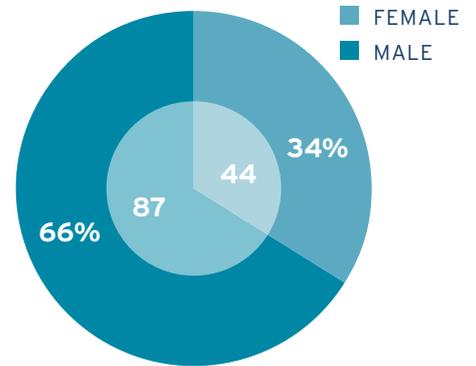
The diverse demographic of our workforce is one of our finest assets and by encouraging an inclusive workplace allows us to leverage and benefit from a range of opinions and perspectives. On average in 2021, we employed 128 people across four regional offices, with 51 employees in Turkey, 33 in London, 28 in the KRI, and 16 in our African operations. In a reflection of our global operational footprint, our talented employees represent 13 different nationalities.

Genel is proud of its continuous promotion of women into leadership positions across all levels of the Company, with women representing 34% of our total workforce and making up 22% of Board positions, 12.5% of the Executive Committee, and 20% of management in 2021. We are particularly proud of this gender diversity given that the global industry average for women in the oil and gas industry was just 22% in 2020.

We made 19 new employee hires, comprising six women and thirteen men, with recruitment growth focused on support for our KRI assets.

Our continued pursuit to promote diversity of ideas, skills, knowledge, and experience through our employee demographic is an evolving process and more information can be found in our Diversity & Equal Opportunities Policy, available on our website.

GENDER SPLIT IN TOTAL WORKFORCE



People & diversity story

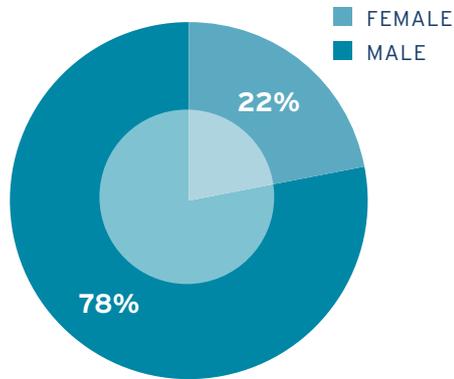


Genel is proud of its continuous promotion of women into leadership positions across all levels of the Company

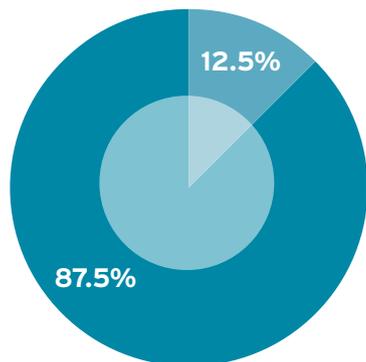
2021 saw the launch of our new Leadership, Development and Evolution programme ('LEAD') with 36% female participation. This programme will be tested and reviewed with the intention of rolling out across all global locations and functions in coming years. The LEAD programme will support our succession planning. LEAD will accelerate the potential of our future leaders through firstly the formal identification of participants in our annual Talent Management process, and then with the targeted leadership development support that LEAD modules will deliver.



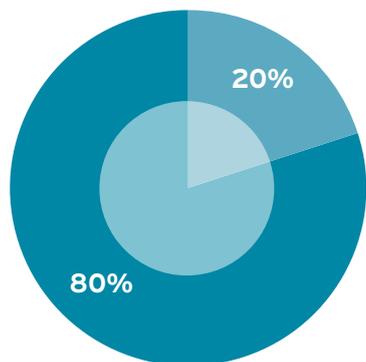
GENDER SPLIT BOARD OF DIRECTORS



GENDER SPLIT EXECUTIVE COMMITTEE



GENDER SPLIT MANAGEMENT



All values presented above relate to FY2021

Employee wellbeing

As the global context in which we operated continued to face disruptions on account of the evolving COVID-19 pandemic in 2021, this unique situation continued to present challenges from a people management perspective. At the start of the year Genel conducted our third all-staff survey, which gauged employee feedback in relation to these challenges and which also assessed the effectiveness of action items that had been previously implemented. The survey tested staff engagement with management and measured the overall mood of the organisation during this uncertain period. Results indicated that most of our people were happy and motivated, despite the majority experiencing a change to their work/life balance in some form, and we were pleased to see an improvement in these statistics in 2021 from the previous year.

Genel's regular town hall meetings were held throughout 2021, which not only provided updates to all staff, but also provided a platform to raise any concerns directly to our management teams. As a result of these internal communications 96% of staff reported that they felt well-informed about the Company's response to the pandemic. Our hybrid working model was in direct response to the experience of, and shared feedback from, our employees.

NATIONALITIES REPRESENTED IN GENEL

Nationality	Number	% (of total)
American	2	1%
British	27	20%
Finnish	1	1%
French	1	1%
Indian	1	1%
Iranian	1	1%
Iraqi	28	21%
Irish	2	1%
Netherlander	1	1%
Norwegian	1	1%
Russian	1	1%
Somali	14	11%
Turkish	51	39%

Genel Wellness

In recognition of a sharpened focus on employee wellbeing this year, we were pleased to have launched our Genel Wellness programme via the Wellbees App platform. This was an initiative to promote physical and mental wellbeing throughout the organisation, with the aim of supporting staff in the workplace and beyond. Following the success of this launch in June 2021, we are delighted to be continuing and growing this initiative going forward.



A voice to all employees

It is imperative to Genel that the voices of our employees are not only heard but are acted upon, and in a further demonstration of empowering Genel's workforce we were pleased to revise our Whistleblowing Policy in 2021.

This was in context of the public commitment we have given to observe the requirements of United Nations Global Compact, one aspect of which requires Genel to establish a grievance mechanism under which third parties can raise grievances with the Company, including in the human rights context. Moreover, this demonstrated an extension of our focus on employee wellbeing through reinforcing our commitment to the whistleblowing process. Further details of these policy updates can be found on page 36 of this report.



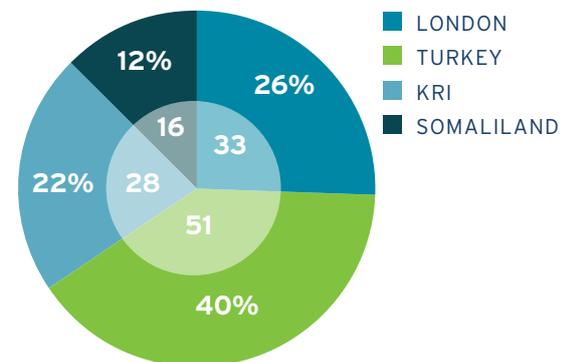
Our policies and initiatives

It is important for Genel that the progress we have made in people management is given a formal structure; not only to provide guidance to current and new employees, but also to allow for transparency on this matter. Our revised Code of Conduct continues to set clear expectations of every individual at Genel and our approach to people management is formalised in our policies and procedures.

The Performance Management process provides employees a structured career platform at least twice a year to discuss career development with their direct managers, and to evaluate personal performance. Our recruitment and salary review processes ensure that we make hiring and promotion decisions on a merit basis and wherever possible, Genel provides competitive industry pensions in our regions of operation with contributions that are shared by both the employer and employee, to contribute to future financial planning.

The pandemic continued to disrupt the working patterns of office-based staff around the world. While we returned field-based and operational office staff to their respective previous full-time locations, we have also been able to design and implement a hybrid working model in our corporate offices which has allowed for work commitments and responsibilities to be carried out outside the office.

WHERE OUR TEAMS ARE BASED



A small proportion of Genel's workforce are employed on a part-time basis and we ensure that these individuals receive the same benefits, support and opportunities as full-time employees. Genel provides parental leave policies in each location, designed to facilitate flexibility for both men and women. We are pleased that all women taking maternity leave in 2021 have returned to the workplace and remain with Genel.

The operational nature of activity in 2021 meant that we once again relied on the support of highly skilled contractors who provide flexible and temporary expertise. In a year of upturn in the external job market, we were happy to once again see single digit voluntary global turnover. Genel continues to benefit from a healthy longevity of service; with over half of our employees staying with Genel for more than five years, and almost 20% of our people have been with the Company for over a decade.

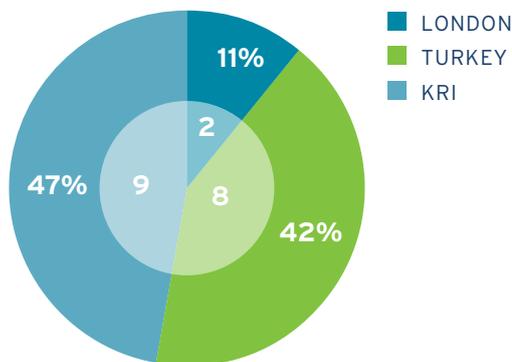
Employee health and fitness to work

Genel has adopted IOGP Report No. 470 (2011) for 'Fitness to work' that provides a structured process for systematic identification, assessment and management of risks associated with tasks that place specific demands (physical and psychological) on employees. The process details:

- Fitness to work processes and systems
- Risk assessment process to focus on what needs to be accomplished
- Legal constraints on what can and cannot be done in certain jurisdictions
- Medical control options such as fitness to work tests and examinations, functional capacity evaluations, trade tests, special considerations etc.

To further enhance the wellbeing of our workforce, annual training is in place for our workforce based on role-specific requirements that are identified by an assessment matrix. We also ensure that our workforce has access to non-occupational health services through medical insurance plans, tailored to the specific locations in which we operate. We also have voluntary health promotion services and wellbeing awareness programmes are organised on a regular basis.

NEW HIRES IN 2021



Business ethics

At Genel we are mindful of the ambitious operational targets that we set for ourselves. However, it is the manner in which we conduct our business in realising these ambitions which define us as an organisation. Transparency and integrity are the critical attributes which enable Genel to conduct our business in a responsible and ethical manner.

Anti-bribery

Genel has been consistent in our messaging around anti-bribery, and it is worthwhile to reiterate the message again here: **Genel does not tolerate bribery in any form and is committed to complying with all applicable laws and preventing, detecting, and deterring corruption in all of its business dealings.**

This applies to:

- All employees
- All contractors
- All third-parties providing services to Genel or operating on Genel's behalf.

Genel's Anti-bribery Policy and Procedures are publicly available on our website which provide guidance for staff on assessing risks, understanding applicable anti-bribery laws and reporting concerns via the right channels.

In 2021 Genel's training was given through a combination of online and in-person sessions, for which the business units are each accountable for implementing, subject to the appropriate oversight. With our risk-based approach focussed on anti-bribery, trade sanctions export import controls, and criminal third-party tax evasion facilitation, we conduct due-diligence by means of a questionnaire for potential third-party business partners (who interact with others on Genel's behalf) prior to engaging with them. Through our memberships with TRACE International and Transparency International UK, we exhibit our external commitment to conducting our business ethically, lawfully and responsibly.

Genel's Anti-bribery Policy and Procedures are fully endorsed by the Board and Senior Management and are further supported by collaboration amongst the Group's stakeholders. We all play our part in demonstrating a collective commitment to fostering a culture of compliance underpinned by the Genel Code of Conduct and our Corporate Values. Set out on this page are the six essential elements of Genel's Anti-bribery Compliance Programme. Further details of these elements are contained in our Anti-bribery Policy and our Anti-bribery Procedures, which can be found on the Genel website.



Genel's Code of Conduct

Code of Conduct

Our code of conduct underpins all that we do and provides the foundation to guide our employees on being an ethical business.

Following the successful roll-out of Genel's revised Code of Conduct in 2020, these values have been cemented as a foundation of Genel's business practices and continue to set a clear expectation of how our people conduct themselves when carrying out any activities that are directly or indirectly related to our business. Our Code of Conduct refers to our corporate values and outlines their application in our daily operations and decisions, and forms a key component of our employee on-boarding. Adopting the Code of Conduct is to adopt the Genel way of doing things that aims to make a tangible difference to people's lives.

Any failure of our employees to adhere to our Code of Conduct and our policies may result in disciplinary action. Moreover, in order to ensure we collaborate and work with third parties that reflect our values, our business partners are required, in accordance with our policies and procedures, to sign a certification to our values as part of the approval process of registration.



A CULTURE OF FAIRNESS AND RESPECT

Creating a workplace that values diversity, where everyone is treated fairly and with respect, in a spirit of collaboration, openness, and entrepreneurialism, and behaving with respect, integrity and working collaboratively in all our dealings with stakeholders, large or small.

PROVIDING A SAFE, SECURE, AND HEALTHY WORKPLACE

Creating a safe, secure and healthy workplace for our employees and contractors to prevent work-related injury or illness, reducing risk through regular training and the right equipment and processes, and empowering the workforce.

BEHAVING LAWFULLY AND ETHICALLY

Ensuring transparency in our business and supply chains, where bribery in any form is not tolerated, as we commit to conducting our business in accordance with the more stringent of the local laws and regulations of each jurisdiction where we operate.

RESPECTING HUMAN RIGHTS

Conducting our business in a manner that respects the human rights and the dignity of people, we support and respect the protection of internationally recognised human rights in our areas of operation.

RESPECTING THE ENVIRONMENT

Adhering to high environmental standards, minimising emissions and resource use, and not compromising our environmental values for profit or production, minimising our environmental footprint and protecting biodiversity, as we support the goals of the energy transition.

WORKING WITH OUR COUNTERPARTS

Working collaboratively with third parties who reflect our values and operate accordingly, ensuring that they operate in compliance with all applicable local laws and are aligned with the same ethical standards that we support.

MARKET DISCLOSURE AND PREVENTING INSIDER DEALING

Reporting on our business in a transparent, accurate and timely manner, committing to providing the governance, systems and processes to identify if the Company is in possession of inside information and control employee dealing in shares and other securities.

RESPONSIBLE COMMUNITY ENGAGEMENT AND INVESTMENT

Treating the communities in which we operate with respect, with a social investment and engagement programme based on sustainable economic development, meaningful community relations, capacity building through education and training, and community health.

OUR ASSETS

Protecting the Company's physical and intangible assets for the benefit of its shareholders.

DUTY TO SPEAK UP AND REPORT

Providing a secure, safe and healthy workplace, positively encouraging all employees and contractor staff to raise any work related concerns, supporting staff who raise genuine concerns, and taking action against any individual who threatens or retaliates against an employee for raising a concern in good faith.

Human rights assessment and modern slavery

Central to our ESG management is an ongoing commitment to conducting our business in a manner that respects human rights across all areas of operation. We are committed to acting ethically and with integrity in our business dealings, implementing and enforcing effective systems that mitigate the risk of modern slavery within all elements of our business.

As part of this ongoing commitment, in 2021 Genel commissioned an independent human rights compliance assessment of our performance against the UN Guiding Principles on Business and Human Rights ('UNGPs'). The assessment identified both our good performance and areas for development, and crucially the assessment provided a roadmap which focuses on the four thematic areas of policies, due diligence, remedy, and communications and training, with each thematic area providing recommendations for future planning, which we look forward to implementing as part of our ESG strategy.

As human rights trends evolve within the areas in which Genel Energy is operating, we place significant importance on this topic and our assessment has allowed us to develop concrete proposals to update internal policies, processes, and standards, and in doing so strengthen human rights compliance with international standards, such as the UNGPs.

Moreover, we demand the same high standards from all our contractors, suppliers and other business partners. As part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude. Further information is available under our Modern Slavery Act 2015 disclosure obligations.

Whistleblowing and grievance policy

Genel encourages a culture of openness and accountability in all our operations and in a further demonstration of the importance of this, our Whistleblowing Policy was revised in 2021 to reinforce our commitment to this process and included incorporating a Grievance Policy. This was in context of the public commitment we have given to observe the requirements of United Nations Global Compact, one aspect of which requires Genel to establish a grievance mechanism under which third parties can raise grievances with the Company, including in the human rights context.

The updated Whistleblowing and Grievance Policy applies to all individuals working at all levels within the Company, including directors, officers, employees, and to contractors, and any stakeholder third parties. These policies are communicated to Genel employees through internal training and are available for all stakeholders on Genel's publicly available web portal.

Genel operates a whistleblowing hotline which enables employees and third parties to report concerns on a range of matters including human rights violations such as slavery and trafficking and is available in a number of languages.

Every whistleblowing incident is investigated fully and the General Counsel is responsible for review and investigation of allegations of potential violations of law. If the allegation is substantiated, we are committed to taking appropriate disciplinary action up to and including dismissal. The Policy requires the Whistleblowing Officer (currently the General Counsel), in conjunction with the Audit Committee to review this Policy from a legal and operational perspective at least once a year. All staff are responsible for the success of this Policy and are instructed to disclose any suspected danger or wrongdoing. Staff are invited to comment on this Policy and suggest ways in which it might be improved. Training on this Policy is provided, as appropriate, at each new employee's induction training and through periodic training for all staff members.

Genel's SAGE Council

ESG management remains a primary consideration for Genel. In 2021 Genel established the Strategy & Growth Execution ('SAGE') council, which provides a regular platform for discussion of key strategic considerations for Genel - of which ESG is a vital component - between Genel's leadership team, and cements ESG considerations in our broader business strategy.

These meetings complement the regular HSE Board committee meetings and further foster a culture of ESG integration

and effective governance, with ESG actions also being discussed at employee Town Hall meetings. Placing greater emphasis on our commitments, 2021 built on the previous year, where a portion of annual remuneration for all Genel employees was linked to the realisation of annual corporate ESG related goals, with ESG metrics also now incorporated in annual and long-term incentive plans, details of which are provided in Genel's 2021 Annual report (p.75). The inclusion of ESG criteria in Genel remuneration packages has again been approved for 2022.



●●
In 2021 Genel commissioned an independent human rights compliance assessment of our performance against the UN Guiding Principles on Business and Human Rights ('UNGPs'). The assessment identified both our good performance and areas for development

Managing the natural environment

Genel recognises the importance of preserving the natural environment and we place great value upon the natural areas in which we operate. Moreover, we acknowledge the need to conduct our operations in such a way that manages environmental risk and minimises any potential adverse impact. This extends to resource use, waste management, air quality, prevention of pollution, and to protection of biodiversity.

Genel's approach

Given the diverse nature of our operations and the varied environmental settings in which we operate, our risk-based approach to managing the natural environment ensures that we allocate our efforts and investment where it is most required, to manage and minimise any potential impact.

Environmental management at work

At Genel we are focused on managing waste, reducing resource and water use, and protecting the natural environment throughout our operations:

- We continue to design our policies, procedures and plans to align with ISO 14001 requirements to which we are making progress towards accreditation
- In collaboration with local stakeholders and in line with the International Finance Corporation Performance Standard 6 on Biodiversity, we are in the process of developing an offset programme at Qara Dagh
- We continue to adhere to our environmental and social management plan in order to monitor and respond as required, to potential impacts that may arise with local communities
- We remain agile in our operations and able to adapt to changes required for ongoing management of environment

Genel's relevant departments are responsible for the implementation of these policies and plans at a local level, subject to the appropriate oversight and reporting within the Group.

Water management

As part of our environmental responsibilities, we recognise that we operate in a water-restricted region where the availability of fresh water is valuable. It therefore remains a key priority to efficiently manage water consumption and continually strive for incremental improvements in recycling practices as our operations continue. Throughout 2021 Genel recorded water use, its source and its disposal at all of our sites across the KRI. We continue to focus on reducing freshwater consumption by increasing the quantity of water for recycling, such as effluent recycling through our high-grade sewage treatment unit at Sarta, or treated production wastewater for drilling mud make-up. Our combined 2021 operations in Sarta and Qara Dagh consumed a total of 124,586 cubic meters of water of which 110,437 was for domestic use.

All wastewater is treated to meet applicable environmental standards before being discharged to the environment. Produced or oily wastewater is either evaporated onsite in dedicated ponds using a sprinkler system or taken to a Government appointed facility for treatment in boilers, fractionally distilled and the residual oil collected is re-used for a variety of purposes such as fuel, heating oil or lubricants. It is also part of Genel's water management strategy that produced water, water-based muds or other treated wastewater be reused/recycled wherever possible.



Sarta waste management in 2021:

Zero
sent to landfill

92%
waste recycled

8%
incinerated

Sarta air quality monitoring:

Zero
exceedances of 2020 KRI air quality regulations for our Sarta operations in 2021

Waste management

Genel continues to build upon our excellent waste management reputation across all areas in which we operate. This focus on, and continued improvements in, waste management practices saw our waste stream from Sarta generate zero waste for landfill, just over 8% for incineration, with 92% of waste recycled. In 2021 Sarta generated a total of 32,372 m³ of waste comprising of 2,461 m³ of general waste.

A rigorous waste segregation programme is in place at Sarta and Qara Dagh, which follows the principles and hierarchy of waste management. Furthermore, we continued to make improvements with our office recycling programmes which apply to offices in the KRI, Turkey and the UK.

We were also pleased to combine our waste management programmes with Genel's ongoing support for local capacity building. We have issued contracts for waste removal, recycling and treatment to local enterprises and our staff maintain close relations with our waste contractors, introducing them to new recycling initiatives to promote effective and safe waste handling and management practices. Given that the geographically remote areas in which Genel operates offer limited existing waste infrastructure, this engagement with local contractors is intended to help support ongoing and sustainable waste management practices across the region.

Continuous air quality monitoring

As Sarta operations develop we continue our efforts to monitor and mitigate any adverse impacts associated with these operations. In a demonstration of these efforts, in 2021 we continued with continuous air monitoring from three air quality monitoring units within the Sarta field. Following establishment of a baseline the previous year, this ongoing programme provides an understanding of local air quality conditions as Sarta operations evolve and will allow constant monitoring of our operations in order to prevent adverse impact to the health of neighbouring communities.

In 2021 the air quality data was compared against the more stringent draft 2020 KRI regulations (as opposed to the 2011 regulations used in our baseline year) and even against these more stringent guidelines, no exceedances were recorded.



The ESHIA process

A critical element of Genel's approach to managing both the natural and built environment is the role of the Environmental Social Health Impact Assessment ('ESHIA') process. An ESHIA will precede any development activities by Genel in order to identify and manage potential impact from our operations and provide robust mitigation measures for any potential impact. This process forms an essential part of our project planning whereby:

- Local regulators are informed and are given an opportunity for discussion prior to project approvals
- An environmental and social management plan is developed to monitor and respond to potential environmental, social and human rights impacts, and grievances that may arise with local communities.

Genel follows the International Finance Corporation process and by undertaking ESHIAs in this manner, we not only meet demands from local host governments and communities to preserve the integrity of the environment and societies of the areas in which we operate, but moreover, we pride ourselves on holding ourselves to the best-practice international standards provided by the IFC guidance.

Biodiversity and land management

One element of the ESHIA process includes an assessment of potential biodiversity impact and the necessary measures to mitigate any potential impact. Genel places the utmost significance on preservation of biodiversity and we continue to work in collaboration with our partners to protect the natural environment. Moreover, we acknowledge the importance of conserving biodiversity as an integral part of sustainable development and we are committed to protecting the flora and fauna in the proximity of our assets.

Our formal mechanism for managing biodiversity impact is through the development and implementation of a biodiversity management plan ('BMP'). This provides a framework for managing project risks and impacts specifically relating to biodiversity, and identifies appropriate management actions. Following implementation, the BMP continues to monitor and measure the performance of each project in relation to biodiversity protection and also includes the implementation of additional conservation measures that will achieve a net positive impact in biodiversity values for habitat temporarily affected during these operations.

In acknowledgement of the sensitive environmental setting surrounding our Qara Dagh operations, we are working in partnership with the local Forestry Department, Nature Iraq, and the Kurdistan Botanical Foundation to protect this environment and to achieve no net loss of biodiversity. Qara Dagh has been internationally recognised as a place of biodiversity importance and is classified by the International Union for Conservation of Nature (IUCN) as a Key Biodiversity Area. On account of this sensitive environmental setting, a site-specific Biodiversity Action Plan (BAP) has been created to outline targets, monitoring requirements, and evaluate biodiversity impacts across the pre-construction, construction, operational and decommissioning phases.

As operations progress in Somaliland we will carry out similarly rigorous studies in order to assess and mitigate our impact on biodiversity in the areas surrounding our operations.



Managing our risks and measuring our progress

This report has detailed the climate change risks and some of the challenges represented by the energy transition and has separately documented how Genel is navigating this phase of the transition as a responsible business. Each of these elements present sustainability challenges, and within the following pages we detail the management procedures in place to address and mitigate the risks associated with those challenges.



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Managing sustainability risks

As demonstrated in this report, sustainability remains a top priority at Genel and internal policies and standards are in place that guide how we manage associated risks. Underlining this process is an alignment to Genel's enterprise-wide risk management system, with each topic being evaluated and ranked as high, significant, medium, low or insignificant; the same criteria as other material risks.

A key element to managing our sustainability risks is acknowledging the landscape in which we operate and identifying relevant stakeholders with whom engagement is necessary.

Stakeholder engagement

Genel approaches all stakeholder engagement in an honest and transparent way, in a manner that builds relationships and helps understand respective needs and expectations. The Board monitors Genel's stakeholders and their impact on key strategic objectives, and how the Company engages with each of them. In this regard, two formal annual updates are scheduled in the Board calendar to allow management to provide an update on key stakeholder engagement activity. In this report we have applied the GRI Reporting Principles of stakeholder inclusiveness, sustainability context, materiality, and completeness to help shape the content and quality of our disclosures. Further information on stakeholder engagement and how the Board has complied with s172(1) of the UK Companies Act 2006 is available on page 37 of our 2021 Annual Report, and a summary is provided in the table on the following page.

Approach to risk management

Through the engagement process described above, the key issues which emerged through our materiality assessment as the most relevant to our stakeholders, and which have been detailed throughout this report, form the key topics for our sustainability risk management.

Company-led

Genel's approach to anticipating and managing sustainability risks is primarily addressed within our ESG strategy, which was approved by the Board of Directors in 2019. Complementing this strategy, we develop an annual ESG workplan which outlines specific tasks and action items to serve as a performance indicator of how well we are mitigating potential sustainability risks. The governance structure of Genel ensures that management of social and environmental risks is integrated across all levels of the business and periodical progress reviews on the workplan are undertaken by Genel's senior management and heads of functions.

Sustainability has also been integrated into the agenda of our Board meetings and our ESG performance is embedded in the remuneration schemes for all employees, representing a percentage of the total annual bonus. The Board also conducts periodic detailed risk reviews for selected Principal Risks, the outcome of which culminates in the corporate risk register which is reviewed biannually by the Board and its Committees, with principal risks disclosed annually in the Annual Report.

Supplementing our Corporate Risk Register is our Asset & Project Risk Register which is kept live throughout the year and used to update our Corporate Risk Register biannually. Asset and project risk registers are developed through a series of workshops with senior management for all asset operation teams to allow for a wide breadth of expertise and experiences to be incorporated in identifying and assessing risks. A semi-quantitative risk assessment matrix (5x5) that is aligned to industry best practices is used to aid with risk assessment processes.

Genel also holds a fortnightly ESG Steering Committee Meeting chaired by the ESG Manager which provides a platform to increase awareness and capability building, and complement Genel's stakeholder engagement and communication strategies.



Stakeholder	Importance	Approach to engagement	Related issues
Investors/financial community	Influence strategic and operational decisions Accountable to shareholders	Comprehensive investor programme, AGM, roadshows, conferences, financial reporting, meetings with shareholders	Strategy and performance Corporate governance The energy transition Remuneration
Host government, regional/local authority	Working with governments to secure licences to operate Legal compliance	Regular meetings with ministers and civil servants	Legal compliance, major accident prevention, job creation Investment and economic growth
Employees and contractors	Dependent on employee performance and that of the wider workforce Legal and ethical responsibility to employee wellbeing	Holding regular staff and contractor meetings	Company strategy, lessons learned from projects Collaboration across teams Remuneration and benefits
Local community	Ethical responsibility to minimise impacts on livelihoods and the environment	Community meetings, interviews, surveys Social investments Board/senior management visits	Employment opportunities Social benefits and infrastructure development
Business partners	Reliant on viable partners for JV Commercially responsible to partners Performance directly impacts our financial, operational and responsible performance	Senior executive meetings Active management of key projects and assets	Policies and standards Industry reputation Opportunities for growth Ensuring regular compliance ABC policies and procedures
Suppliers	Performance directly impacts our financial, operational and responsible performance Ensure compliance with ABC policies Source of providing local development	Contract and tenders	Local content policy Health and safety requirements for tendering
NGOs and community organisations	Provide perspective leading to new understandings and the mitigation of local tensions	Collaboration on social investments Media monitoring	Promoting local capacity Biodiversity and conservations Promoting social equality
Industry associations	Managing reputation Providing collaboration on systemic risks facing the industry to other stakeholders	Frequent event participation Payment of fees	The energy transition Best industry practices Media engagement

Function-led

Genel applies the bowtie method of risk management which is widely used in the industry to improve the identification, design and management of prevention and mitigation controls. This occurs through a series of risk register workshops where teams review current controls and design additional controls where

needed to reduce the residual risk to As Low As Reasonably Practical ('ALARP'). Furthermore, risk owners are identified to develop and maintain the bowtie diagrams for the risks that they are managing. Risk owners are responsible for reporting the outcomes of these workshops and reporting on an annual basis to the Board at scheduled meetings.

The following table presents each of Genel's material sustainability topics and summarises the management approach and measurement indicators relevant to each topic discussed in this report.

Materiality	Management Approach	Policies, Commitments, Goals & Responsibilities
Process safety and asset integrity		
Essential to safe operations, as the failure of these processes could lead to major accidents that could result in serious injuries, environmental pollution, asset damage or financial or regulatory consequences.	Process Safety & Integrity Management Standard and Asset Integrity Management Plan ('AIMP') to design inherently safe facilities and conduct safe and reliable operations. Through operational integrity, the focus is on the management of safety critical elements ('SCE'), including preventive maintenance through computerised maintenance management system ('CMMS') and management of change ('MOC') process. Use of bowtie method for identification of potential hazards and risks and then define controls to prevent or mitigate these are core to our risk management approach.	<p>Policies & Procedures:</p> <ul style="list-style-type: none"> • Process safety and integrity management • Asset integrity management plan • Management of change • Equipment and reliability strategy • Operational pigging procedure <p>Commitments</p> <ul style="list-style-type: none"> • Zero incidents • Zero Tier 1 and 2 process Safety Events • AIMP completion > 90 % • SCE preventive Maintenance Plan > 90%
Social investments		
Social investments are the foundation of Genel's community engagement strategy and demonstrate our corporate values, secure our social licence to operate, help build goodwill and meet PSC obligations. This is a key focus area for our local communities, host governments, regulatory authorities, community organisations and local NGOs.	Engagement in community meetings, local interviews and surveys. Partner with local NGOs and community organisations to implement social investment projects and collaborate with the local communities, governments, contractors, suppliers, potential partners in civil society organisations and other stakeholders.	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • CSR Policy based on ISO 26000 • Local Companies Engagement Plan • ABC Policies and Procedures • Communications & Stakeholder Engagement Plan <p>Commitments</p> <ul style="list-style-type: none"> • Build trustworthy relationships and invest in high-impact community development projects • Demonstrate social responsibilities & good corporate citizenships
Anti-bribery and corruption		
Genel does not tolerate bribery in any form and is committed to complying with all applicable laws and detecting, preventing, and deterring corruption in all of its business dealings.	Genel's Anti-bribery Policy and procedures are fully endorsed by the Board and Senior Management and are further supported by collaboration amongst the Group's stakeholders.	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • Code of Conduct • Anti-Bribery Policy

Materiality	Management Approach	Policies, Commitments, Goals & Responsibilities
Energy transition and climate change		
<p>The energy transition required to address climate change risks presents challenges of carbon reduction and will also influence access to future capital.</p>	<p>To provide assurance that Genel's asset development plans are sustainable from a climate and economic standpoint, Genel aims to demonstrate that the life of field carbon emissions of operated assets are within the Paris Agreement goals, through active gas management.</p>	<p>Policies & Procedures:</p> <ul style="list-style-type: none"> • GHG Emissions Management Standard • GHG Accounting & Reporting Standard <p>Commitments</p> <ul style="list-style-type: none"> • To manage emissions to align with the Paris Agreement goals • Submission of CDP climate and alignment with TCFD
Socio-economic and environmental regulatory compliance		
<p>Compliance with local and international socio-economic and environmental regulation secures our licence to operate, builds goodwill among our stakeholders and preserves the integrity of our investments.</p>	<p>Comply with all applicable laws and regulations in addition to voluntary requirements such as industry standards, codes, principles of good governance and accepted community standards. The 'plan-do-check-act' cycle requires the management of Genel to act and review the environmental management system periodically to ensure its suitability and effectiveness. Review of legal compliance and compliance with other requirements, including contractor compliance, is a key topic discussed in the management review.</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • HSE Policy • Environmental Procedures • Community centred companies (3Cs) to encourage partnering with local companies • Environmental Social Management Plan (ESMP) <p>Commitments</p> <ul style="list-style-type: none"> • ISO14001 compliance • Ongoing continuous improvement in processes and procedures
Employee relations		
<p>Attracting top talent and applying their skills, expertise and innovation, while supporting diversity through our workforce. Genel also seeks to hire and develop candidates from local communities as much as possible.</p>	<p>Genel is developing and distributing Workforce Development Plans and Local Development Plans. We are constantly refining our recruitment processes and prioritising localisation. Localisation statistics are reviewed by Genel's Executive Committee.</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • Diversity & Equal Opportunities Policy • Recruitment Policies for each location <p>Commitments:</p> <ul style="list-style-type: none"> • Provide localisation statistics, recruitment targets, and female interview and application statistics <p>Responsibilities</p> <ul style="list-style-type: none"> • Human Resources supports line managers to implement policies and procedures
Health and safety		
<p>The health and safety of employees, contractors and the general public is a top priority to Genel. We believe all incidents are preventable.</p>	<p>Genel has a fully developed HSE management system underpinned by our HSE policy. HSE plan, trainings, procedures, forms and tools provide guidance to manage hazards and conduct safe operations. Contractor HSE systems are evaluated and bridged to Genel's expectations. Observation, intervention and recognition process has been implemented. Audits and inspections are conducted regularly. Incidents are reported, investigated, actions implemented, and lessons shared.</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • HSE Policy • HSE Management System • HSE Plan • Permit to Work Procedure • Occupational Health Procedures • HSE Risk Registers • HSE Reports

Materiality	Management Approach	Policies, Commitments, Goals & Responsibilities
Emergency preparedness		
<p>We operate in a hazardous industry and while prevention and mitigation are vital, planning and preparation for emergency situations is of equal importance. Doing so not only secures the operational integrity of our assets, but mitigates any potential adverse impact to our staff, local communities, or the environment.</p>	<p>Emergency response team members are selected and trained. Drills and exercises are conducted to develop competency and maintain emergency preparedness. Unannounced crisis simulations are conducted to test preparedness. Firefighting and spill response teams are equipped and supported by regular training exercises.</p>	<p>Policies & Procedures:</p> <ul style="list-style-type: none"> • Emergency Response & Crisis Management Plan • Medical Emergency Response Plan • Spill Response Plan • Fire Safety Plan • Offsite Emergency Response Plan
Responsible supply chain		
<p>It is important that Genel's activities foster economic and social development for our local communities in the regions in which we operate. We remain committed to doing so in a responsible manner, with respect to sustainability factors within the supply chain.</p>	<p>Our contracting and tendering process prioritises local companies whenever possible. Service providers are audited to ensure Genel is pursuing compliant and best possible practices, with Genel's supply chain procurement criteria ensuring that external companies have adequate standards and processes in place.</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • Local Content Policy • CSR Policy • Workforce Development Plan • ABC Policy • Community Grievance Mechanisms <p>Commitments:</p> <ul style="list-style-type: none"> • Prioritising local companies • Assessing sustainability metrics within the supply chain
Local value generation and distribution		
<p>Achieving our financial goals is essential for long-term business success, enabling us to meet shareholder and business partner expectations. Our business success also influences our ability to make investments in local communities.</p>	<p>Our operations generate revenue and economic opportunities for the host regions in which we operate. Our compensation packages for employees and contractors are competitive, and our CSR projects provide further economic opportunities for local communities.</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • Local Content Policy • Workforce Development Plan • ABC Policy
Human rights and modern slavery		
<p>Genel respects internationally recognised human rights and we seek to conduct business in a manner that respects the human rights and dignity of all people. Genel is also committed to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place in our own business or in our supply chains.</p>	<p>Management at all levels are responsible for ensuring those reporting to them understand and comply with the relevant policies, and are given appropriate training on these issues. This extends to considering human rights in the communities in which we operate, where mitigation measures are in place to ensure air quality and noise monitoring, and road safety factors are considered.</p> <p>We are also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015.</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • Anti-Slavery Policy • Human Rights Policy • Modern Slavery Act statement • Code of Conduct <p>Commitments:</p> <ul style="list-style-type: none"> • Genel aims to conduct its business in a manner that respects the rights and dignity of all people, complying with all legal requirements. • Genel will meet its responsibility to respect human rights by implementing the relevant sections of the UN Guiding Principles on Business and Human Rights

Materiality	Management Approach	Policies, Commitments, Goals & Responsibilities
Water		
<p>Genel operates in semi-arid regions and as such it is critical to use water responsibly, and increase recycling capabilities in order to minimise water resource consumption. Preserving water quality is also a key issue for local communities.</p>	<p>Genel is committed to assessing the potential impacts on local water resources and to meeting national permitting requirements. In reflection of this, water availability, disposal and management is factored into our planning for all new and operated assets. We identify potential water risks through the ESHIA process and collectively manage water to minimise impact and recycle whenever possible. Our water management is underpinned by the concept of water stewardship which goes beyond simply managing risks to include the use of water that is environmentally sustainable and economically beneficial.</p>	<p>Policies & Procedures:</p> <ul style="list-style-type: none"> • HSE Policy • Environmental Procedures • Water Management Standard <p>Responsible parties:</p> <ul style="list-style-type: none"> • Field Managers, HSE Team, Asset Managers
Biodiversity		
<p>Genel operates in a region of noteworthy biodiversity and therefore seeks to preserve the natural environment. Furthermore, Genel acknowledges the importance of biodiversity conservation as an integral part of sustainable development.</p>	<p>Genel integrates biodiversity considerations into the ESHIA process and applies the International Finance Corporation Performance Standard 6 'Mitigation Hierarchy' from the inception of a project through site selection and initial design, to ensure biodiversity impacts are identified, avoided, or minimised. Residual impacts on biodiversity values will be appropriately accounted for through an offset program of conservation measures, guided by good industry practices.</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • HSE Policy • Biodiversity Management Plan • Biodiversity Action Plan <p>Commitments:</p> <ul style="list-style-type: none"> • Adherence to IFC Performance Standard 6
Air quality		
<p>Monitoring local air quality allows Genel to protect the health and wellbeing of our workforce, local communities and the environment. Furthermore, this aligns with our goal of minimising environmental impacts whenever possible.</p>	<p>Air quality monitoring against regulatory standards and ESHIA commitments is achieved through the use of continuous air quality monitoring stations (e.g.at the EPF flare stack) and routine field measurements conducted at selected sites as part of the established Environmental and Social Monitoring Plan (e.g. diffusion tubes).</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • Environmental Social Health Impact Assessments • Environmental Social Monitoring Plan <p>Commitments:</p> <ul style="list-style-type: none"> • Maintain continuous air quality monitoring to ensure compliance with ambient air quality regulations
Waste management		
<p>Promoting a robust waste management programme helps protect the health and wellbeing of local communities, meets regulatory compliance and is an opportunity to promote sustainable business practices.</p>	<p>Genel's strategy is to reduce, reuse, recycle or recover all forms of waste that are generated from its operations.</p> <p>Where this is not viable, waste is either incinerated or treated and responsibly disposed. Before commencing operations, segregation training is conducted followed by an extensive roll-out campaign at site to ensure all activities are captured and that waste management contractors handle waste effectively.</p>	<p>Policies & Procedures</p> <ul style="list-style-type: none"> • Waste Management Procedure • Waste transfer notes & tracking of waste trucks <p>Commitments:</p> <ul style="list-style-type: none"> • Company KPI Recycling >60% • No landfilling to municipal landfill sites <p>Responsible parties:</p> <ul style="list-style-type: none"> • Field Managers, HSE Team, Asset Managers

Measuring our progress

It is important to Genel that the progress of our sustainability metrics is tracked. Presented below are the 2021 ESG metrics from operated assets, with 2020 performance shown for context.

ESG Topic	Indicator	Unit of Measurement	2021 Performance	2020 Performance
Climate	Total Scope 1 & 2 GHG Emissions	Tonnes CO ₂ e	190,509*	148,644
	Scope 1 emissions	Tonnes CO ₂ e	190,277	148,381
	Scope 2 emissions	Tonnes CO ₂ e	232**	262
	Scope 3 emissions***	Tonnes CO ₂ e	356,847	31,748
	Methane emissions	Tonnes CO ₂ e	9,006	5,188
	Carbon intensity	KgCO ₂ e/bbl	16	13
	Flaring intensity	KgCO ₂ e/bbl	9.66	6.53
Air quality	SO2	Tonnes	4,357	1,402
	NOX	Tonnes	186,639	188,552
	NM VOC	Tonnes	539	359
Water usage	Fresh water withdrawn	Cubic meters	124,586	109,282
	Produced water reinjected	Cubic meters	499,398	633,793
Hydrocarbon spills	Number of spills	#	9	1
	Spill size	1-10 barrel	0	1
	Total quantity spilled	Barrels	<1	1
Waste	Total waste generated	Cubic meters	48,885	9,544
	Total non-hazardous waste generated	Cubic meters	46,207	1,043
	% non-hazardous in landfill	Percentage	0%	0%
	% non-hazardous recycled	Percentage	95%	70%
	% non-hazardous incinerated	Percentage	5%	30%
	% non-hazardous stored	Percentage	0%	0%
	Total hazardous generated	Cubic meters	2,678	8,501
	% hazardous in landfill	Percentage	0%	0%
	% hazardous stored	Percentage	15%	99%
% hazardous recycled/remediated	Percentage	85%	1%	

* 2021 Scope 1 and Scope 2 GHG emissions disclosed above have been verified by ERM CVS.

** Revised Scope 2 figure of 232 represents a change from 277 reported in Genel's 2021 Annual Report, following external verification. Reduction also reflected in Total Scope 1 and 2 figure.

*** Genel's Scope 3 emissions are based on operated assets. Scope 1 and 2 include Genel's financial stake in non-operated assets.

ESG Topic	Indicator	Unit of Measurement	2021 Performance	2020 Performance
Health & safety	Hours worked	# per year	2,599,779	1,160,724 ¹
	Number of employee fatalities	# per year	0	0
	Number of contractor fatalities	# per year	0	0
	Process safety events Tier 1	# of events per year	0	0
	Process safety events Tier 2	# of events per year	0	0
	Lost Time Injuries (LTIF)	# per year	1	0
	Lost Time Injuries Frequency (LTIF)	Per million hours worked	0.38	0
	Total Recordable Injuries (TRIR)	Per million hours worked	1.92	0.51
	High-Potential events (HiPos)	# per year	6	0
	High- Potential events frequency (HiPoF)	Per million hours worked	2.3	0
	Kilometers driven	# per year	3,664,587	330,141
	Motor vehicle collision rate	Per million km driven	0.191 ⁶	0
	HSE training completed	% percentage	90%	80%
	Total HSE training	Number of attendees	784	354

¹A reporting error occurred in Genel's 2020 figure, which has been updated in this publication.

GRI Index

GRI standard	Topic/standard	Number	Indicators	Internal response/reference
General Disclosures	Organisational profile	102-1	Name of the organisation	Genel Energy Plc
		102-2	Activities, brands, products and services	2021 Annual Report p.2
		102-3	Location of headquarters	London, United Kingdom
		102-4	Location of operations	2021 Annual Report p.3
		102-5	Ownership and legal forms	2021 Annual Report p.90
		102-6	Markets served	Annual Report p.3
		102-7	Scale of the organisation	Annual Report p.14-17
		102-8	Information on employees and other workers	p.30-31
		102-9	Supply Chain	p.16, 28, 43, 46
		102-10	Significant changes to the organisation and its supply chain	There have been no significant changes to Genel's supply chain during the reporting period
		102-11	Precautionary Principle or approach	p.38, 40
		102-12	External Initiatives	p.6, 14, 19, 45
		102-13	Membership of Associations	Genel is a member of the Association of British Independent Oil and Gas Exploration Companies (BRINDEX)
	Strategy	102-14	Statement from senior decision-maker	p.2
		102-15	Key impacts, risks and opportunities	p.7-8
	Ethics & integrity	102-16	Values, principles, standards and norms of behaviour	p.4, 34, 35
		102-17	Mechanisms for advice and concerns about ethics	p.32, 36
	Governance	102-18	Governance structure	Annual Report p.52-53
	Stakeholder engagement	102-40	List of Stakeholder Group	p.43
		102-41	Collective bargaining agreements	Not Applicable. Genel does not have any employees covered by collective bargaining agreements
		102-42	Identifying and selecting stakeholders	2021 Annual Report p.37, 44 p.42
		102-43	Approach to stakeholder engagement	p.42, 43
		102-44	Key topics and concerns raised	p.43
	Reporting practices	102-45	Entities included in the consolidated financial statements	Annual Report p.100-103
		102-46	Defining report content and topic boundaries	p.7, 8
		102-47	List of material topics	p.8, 44-47
		102-48	Restatements of information	p.49
		102-49	Changes in reporting	No material changes in reporting
		102-50	Reporting period	Unless otherwise stated, the information contained in this report covers the period 01 January - 31 December 2021
		102-51	Date of most recent report	2020 Sustainability Report, published in August 2021
102-52		Reporting cycle	Genel will publish a sustainability report on a annual basis	
102-53		Contact point for questions regarding the report	https://www.genelenergy.com/contact-us/contact-us/	
102-54		Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option	
102-55		GRI content index	This document	
102-56		External Assurance	2021 Scope 1 and Scope 2 GHG emissions disclosed in this document are verified by ERM CVS	
103-1		Explanation of the material topic and its Boundaries	p.7, 8	
103-2	The management approach and Its components	p.10-40		
103-3	Evaluation of the management approach	p.48-49		

GRI standard	Topic/standard	Number	Indicators	Internal response/reference
Economic	203: Indirect Economic Impacts	203-2	Significant indirect economic impacts	p.25
	204: Procurement Practices	204-1	Proportion of spending on local suppliers	p.25, 29
	205: Anti-corruption	205-1	Operations assessed for risks related to corruption	p.34, 44
		205-2	Communication and training about anti-corruption policies and procedures	p.34, 44
		205-3	Confirmed incidents of corruption and actions taken	p.34
Environmental	302: Energy	302-1	Energy consumption within the organisation	2021 Annual Report p.28
	303: Water and effluents	303-2	Management of water discharge-related impacts	p.38, 47
		303-3	Water withdrawal	p.48
		303-5	Water consumption	p.38
	304: Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	p.40
		304-2	Significant impacts of activities, products, and services on biodiversity	p.35, 38, 40, 47
		304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	p.40
	305: Emissions	305-1	Direct (Scope 1) GHG emissions	p.13
		305-2	Energy indirect (Scope 2) GHG emissions	p.13
		305-4	GHG emissions intensity	p.13
		305-5	Reduction of GHG emissions	p.11-14
	306: Effluents and waste	306-1	Water discharge by quality and destination	p.38
		306-2	Waste by type and disposal method	p.39, 47-48
		306-3	Significant spills	p.48
		306-4	Transport and hazardous waste	p.39
		306-5	Water bodies affected by water discharges and/or run-off	No discharges to water bodies in the reporting period
	307: Environmental compliance	307-1	Non-compliance with environmental laws and regulations	No incidents of non-compliance with environmental laws and regulations, within the reporting period
308: Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	p.16, 46	

GRI standard	Topic/standard	Number	Indicators	Internal response/reference
Social	401: Employment	401-1	New employee hires and employee turnover	p.33
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p.33
		401-3	Parental leave	p.33
	403: Occupational health and safety	403-1	Occupational health and safety management system	p.20, 21, 22
		403-2	Hazard identification, risk assessment, and incident investigation	p.22
		403-3	Occupational health services	p.33
		403-4	Worker participation, consultation, and communication on occupational health and safety	p.20, 21, 33
		403-5	Worker training on occupational health and safety	p.20, 21, 22
		403-6	Promotion of worker health	p.31, 33
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p.20, 22, 23
		403-9	Work related injuries	p.49
		403-10	Work related ill health	p.49
		404-1	Average hours of training per year per employee	Data per employee not available
	404: Training and education	404-3	Percentage of employees receiving regular performance and career development reviews	p.32
	405: Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	p.31
		405-2	Ratio of basic salary and remuneration of women to men	Genel does not disclose on account of the size of our size of our Company
	409: Forced or compulsory labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	p.36, 46
	412: Human rights assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	p.36, 46
		412-2	Employee training on human rights policies or procedures	p.36, 46
	413: Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	p.27-29, 36, 40, 44, 45
414: Supplier social assessment	414-1	New suppliers screened using social criteria	p.36, 44	
419: Socioeconomic compliance	419-1	Non-compliance with laws and regulations in the social and economic area	p.20, 24, 39, 45	

SASB Index

Code	Metric	Reference	
Greenhouse Gas Emissions			
EM-EP 110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	p.13, 48	Also in 2021 Annual Report p.32
EM-EP 110a.2	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions		Not available at the time of reporting
EM-EP 110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	p.12, 14, 16	
Air Quality			
EM-EP 120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	p.48	
Water Management			
EM-EP 140a.1	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	p.48	
EM-EP 140a.2	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water		Not available at the time of reporting
EM-EP 140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used		Not Applicable
EM-EP 140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline		Not Applicable
Biodiversity Impacts			
EM-EP 160a.1	Description of environmental management policies and practices for active sites	p.38, 40, 45, 47	
EM-EP 160a.2	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered		Not Applicable
EM-EP 160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat		Not Applicable
Security, Human Rights & Rights of Indigenous Peoples			
EM-EP 210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict		Not Applicable
EM-EP 210a.2	Percentage of (1) proved and (2) probable reserves in or near Indigenous land		Not Applicable
EM-EP 210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	p.25, 36, 46	
Community relations			
EM-EP 210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	p.25, 26, 44	
EM-EP 210b.2	Number and duration of non-technical delays	p.49	

Code	Metric	Reference	
Workforce Health and Safety			
EM-EP 320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	p.49	
EM-EP 320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	p.20, 21, 22	
Reserves Valuation & Capital Expenditures			
EM-EP 420a.1	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	p.14	
EM-EP 420a.2	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	-	Not available at the time of reporting
EM-EP 420a.3	Amount invested in renewable energy, revenue generated by renewable energy sales	-	\$400k 2021 capital spend on solar projects detailed in p.11
EM-EP 420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	p.14 2021 Annual Report p. 12	
Business Ethics & Transparency			
EM-EP 510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index		All Genel proved and probable reserves are located in KRI
EM-EP 510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	p.34, 44, 46	
Management of the Legal & Regulatory Environment			
EM-EP 530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	p.45	
Critical Incident Risk Management			
EM-EP 540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	p.24 2021 Annual Report p.13	
EM-EP 540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	2021 Annual Report p.32,35	
Accounting metrics			
EM-EP 000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	p.5 2021 Annual Report p. 3, 13	
EM-EP 000.B	Number of offshore sites	p.5	
EM-EP 000.C	Number of terrestrial sites	p.5	

TCFD Index

TCFD Disclosure	Reference to disclosure
Governance	
a) Describe the board's oversight of climate-related risks and opportunities	p.15
b) Describe management's role in assessing and managing climate-related risks and opportunities	p.15-16
Strategy	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	p.16
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	p.14, 16, 45
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	p.14
Risk management	
a) Describe the organisation's processes for identifying and assessing climate-related risks	p.12, 13, 15
b) Describe the organisation's processes for managing climate-related risks	p.12, 16, 17, 45
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	p.5, 42, 45
Metrics and targets	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	p.17, 48
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	p.13
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	p.17

Glossary of technical terms

Genel', 'we', 'us', 'our' and the 'Group' may refer to Genel Energy plc and/or one of its subsidiaries and/or one or more employees as the case may be. It is used for convenience only and is in no way indicative of how the Genel Group, or any entity within it, is structured, managed or controlled. The 'Company' refers to Genel Energy plc.

ADP

Asset Development Plan

AGM

Annual General Meeting

AIMP

Asset Integrity Management Plan

BAP

Biodiversity Action Plan

BBL

Barrel of crude oil

CDP

CDP is a not-for-profit organisation that runs a global disclosure system for investors, companies, cities, states and regions to report and benchmark their environmental impacts

CO₂e

Carbon dioxide equivalent is a quantity that describes, for a given mixture and amount of greenhouse gas, the amount of CO₂ that would have the same global warming potential

CSR

Corporate Social Responsibility

ESG

Environmental Social Governance

ESHIA

Environmental Social Health Impact Assessment

GHG

Greenhouse Gases

GRI

Global Reporting Initiative

HSE

Health Safety & Environment

HSSE Committee

Health, Safety, Security, Environment Committee

H₂S

Hydrogen Sulphide

ICMM

International Council on Mining and Metals

IEA

International Energy Agency

IFC

International Finance Corporation

IFC Performance Standards

An international benchmark for identifying and managing environmental and social risk

IOGP

International Association of Oil & Gas Producers

ISO

International Organization for Standardization

IUCN

International Union for Conservation of Nature

KRI

The Kurdistan Region of Iraq

LOPC

Loss of primary containment

MNR

Ministry of Natural Resources

NGO

Non-governmental organisation

Non-hazardous waste

Waste that is not defined as hazardous waste. This excludes drill cuttings and produced water from operations

Produced water

Water that is brought to the surface during operations which extract hydrocarbons from oil and gas reservoirs

PSE

Process Safety Event

SASB

Sustainability Accounting Standards Board

SCE

Safety Critical Elements

Scope 1

Direct GHG emissions from operations that are owned and/or controlled by the organisation (Source: Greenhouse gas protocol).

Scope 2

Indirect GHG emissions from energy imported from third parties, heating, cooling, and steam consumed within the organisation

Scope 3

All GHG emissions that occur as a consequence of the operations of the organisation but are not directly controlled or owned by the Company, such as use of sold products

SDG

The United Nations' Sustainable Development Goals

TCFD

Task Force on Climate-related Financial Disclosures

tCO₂e

Tonnes of CO₂ equivalent

The Paris Agreement

A legally binding international treaty on climate change. It was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016. Its goal is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to preindustrial levels

Tier 1 Process Safety Event

A Tier 1 Process Safety Event is an LOPC with consequence. It is an unplanned or uncontrolled release of any material, including non-toxic and non-flammable materials, from a process that results in consequences as listed, per the API 754 Guide. A Tier 1 Process Safety event may involve significant actual or potential impacts.

Tier 2 Process Safety Event

A Tier 2 Process Safety Event is an LOPC with consequence. It is an unplanned or uncontrolled release of any material, including non-toxic and non-flammable materials, from a process that results in consequences per the API 754 Guide. As an approximation Tier 2 events are roughly an order of magnitude lower impact than Tier 1 Process Safety Events.

TRACE

A non-profit business association dedicated to anti-bribery, compliance and good governance

UNGP

UN Guiding Principles on Business and Human Rights



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