

# Sustainability Report 2023

A socially responsible contributor  
to the global energy mix

# Sustainability report - a message from the CEO



Sustainability practices have been an important priority in Genel's business and this focus remained unchanged throughout 2023. While it has been a year of change for Genel's operated licences, we have maintained our steadfast commitment to environmental management, engaging with and investing in our host communities, and operating as a socially responsible and transparent business.

Our focus on sustainability is a natural progression of our corporate values, which drive not only the way we conduct our business, but also the way we treat our stakeholders. Genel's robust governance structure provides a foundation for the high ethical standards to which we aim to adhere, and which in turn has helped build our company culture. Furthermore, in 2023 Genel continued our commitment to the communication of progress to the UN Global Compact's 10 Principles on human rights, labour standards, environment and anti-corruption.

The dedication and professionalism of our Health and Safety teams was apparent once again during 2023, and it was because of their continued hard work and diligence that I can once again report that there were no Lost Time Incidents or Tier One Losses of Primary Containment throughout the year. The changes to our operational activities in 2023 tested Genel's agility and I was pleased to see how the business responded to these challenges, as evidenced in the restructuring of the HSE and Security and Emergency Response teams during the changes to activities in Somaliland and the KRI.

While our exit from Sarta meant that we were unable to bring our planned operated emissions reduction projects at this asset to fruition, Genel will continue to focus our attention on climate-related risks during this critical period for the oil and gas industry. The implementation of our GHG Emissions Management Standard remains as the central tool for assessing climate-related risks in all

future operated ventures, and through its application we remain focussed on the role Genel can play as a responsible operator during the energy transition. On this front, we were also pleased to maintain our CDP Climate score of B in 2023.

We remain conscious of the broader sustainability challenges beyond climate-related risks and in 2023 I was particularly pleased by the environmental stewardship we demonstrated as part of our exit from Sarta which, at the end of the year, saw our field teams complete a treatment and disposal project for the waste drill cuttings and fluids that had been generated during Genel's presence at the asset. This work presented significant logistical and HSE challenges, and our KRI in-country team was able to complete the project ahead of schedule.

I was delighted to see the progress being made by the students enrolled in the Genel20 Scholars programme, which we launched in 2022 and which will provide a full four years university education for 20 students from disadvantaged backgrounds across the KRI. This programme has now entered its second year and Genel's staff were pleased to engage directly with the Scholars during the year. I was encouraged to hear of their stories from their first year of studies, and some of these accounts have been shared in this report. This programme continues to be a source of great pride for Genel and I am eagerly anticipating how the ambition of these 20 scholars will materialise over the next few years.

The ramp-up in our civil infrastructure work in Somaliland was coupled with important and productive engagement with our host communities, and also saw a broad range of social investments in the region. Our flagship social initiative in Somaliland is a mobile medical clinic programme which targets communities with few or no existing medical support services. In continuation of our focus on education, Genel also funded a programme of educational supplies which will benefit approximately 1000 students across 20 schools. We made a donation to Burao Academy of Science and Technology and earlier in the year Genel also funded improvements to an orphanage in Burao.

In reading this report you will notice that we have taken the decision to extend the sustainability content in this year's Annual Report, to reflect what would normally be issued as our separate Sustainability Report. This is an important step for Genel and reflects the significance we allocate to reporting and progressing our sustainability journey. I am particularly happy to share the work that we have completed in relation to commitments towards the TCFD recommendations over the past year, and the action items we have developed going forward.

As we look to Genel's future operations and activities, we do so as a responsible business with established sustainability practices at our core, and with ongoing commitment to supporting local communities.

**Paul Weir**  
Chief Executive Officer

# 2023 Sustainability highlights

**\$626,000**

invested in social projects in 2023

**Maintained CDP  
climate score of B**

**Zero LTIs**

across all Genel operations  
with over **4 million hours**  
worked incident free

**Zero**

Tier 1 or Tier 2  
Process Safety Events

Carbon Intensity of

**13.6**

kg CO<sub>2</sub>e/bbl

**200**

**employment opportunities**  
for local contractor workforce  
in Somaliland

**Genel20**

**Scholars programme**  
reaches first year milestone

# Overview

This report provides details of Genel's sustainability strategy, and of the activities that delivered on this strategy during 2023. Despite changes to our operated licences over the past twelve months sustainable practices remained at the core of our business. We were pleased to continue our commitment to the Communication on Progress under the United Nations Global Compact, and the following chapter expands further on our progress towards addressing a broad range of sustainability challenges as a responsible business. This report has been developed with reference to the 2021 Global Reporting Initiative ('GRI') Universal Standards, though we have additionally included reference to the applicable SASB standards. To help navigate this report these indices are provided in pages 45-49.

## Guided by Sustainable Development Goals

The UN Sustainable Development Goals ('SDGs') are a collection of 17 global goals established by the United Nations General Assembly which are intended to provide a 'blueprint to achieve a better and more sustainable future for all'. The SDGs provide valuable guidance to Genel and our continued commitment to these helps anchor our responsible business practices and moreover, helps Genel make a tangible difference to the lives of people in communities in which we operate.

Furthermore, by focussing on the goals that we consider to be of most relevance to Genel's business and operating landscape, we have been able to concentrate our sustainability efforts on delivering in a targeted and impactful way. The relevance of these goals is reviewed periodically depending on our operating environment, and regions of operation.

Education and health initiatives have long been a central pillar of our social investment programmes and both these themes remain as a key need for local communities in our regions of operation. Indeed, two of our key social investments in 2023 followed these themes - namely, the ongoing Genel20 scholarship programme in KRI, and a mobile medical clinic programme in Somaliland.

Additionally, we have also identified the critical need to support economic growth through maximising community employment opportunities, building local supply chains, and through capacity building and knowledge sharing. As a natural resources company, we are also acutely aware of our environmental footprint, and managing our potential impact on the natural environment is core to our activities and our social investments.

Accordingly, the following five UN SDG's are the goals which we have selected to be most appropriate as the focus of our attention:



# Materiality: what matters most to Genel?

Understanding the materiality of our business has been key to shaping our sustainability strategy, and the key to accurately reflecting our materiality is meaningful engagement with our stakeholders.

Genel undertook a comprehensive materiality assessment which began in 2022 and was completed in early 2023, and which provided an opportunity for engagement with a broad range of our stakeholders. Proactive engagement with our stakeholders has always been a critical element of Genel's business and this exercise allowed us to understand the sustainability priorities for each respective stakeholder. This assessment included engagements with host communities, employees, business partners, regulatory authorities, non-government organisations ('NGOs') and the investment community.

Using the SASB (Sustainability Accounting Standards Board) industry-specific material topics for Oil & Gas Exploration and Production as its foundation and tailoring these to Genel's specific operations, this assessment considered the relevant boundaries of material topics. The scope of the assessment comprised the following:

- **Individual stakeholder interviews**  
24 individual stakeholder interviews were completed with the intention of understanding the views of Genel's geographically and functionally diverse stakeholders.
- **Executive Committee workshop**  
Genel's senior leadership team provided input into the likely business impact of each ESG topic and commentary around views of each topic.
- **Consideration of applicable sustainability trends in Genel's operating environment**  
The priority of sustainability topics has evolved in the years since Genel's initial materiality assessment of 2019 and it was important that these emerging trends were considered in the assessment of materiality.

The **objective** of the materiality assessment was to characterise the sustainability topics considered to be of most importance to Genel's stakeholders, and to determine which of these topics could have most impact on Genel's business performance. The outcome of the assessment resulted in a revision to Genel's ESG strategy in line with the assessment findings. Genel's revised materiality matrix was first presented last year and is repeated below.

IMPORTANCE TO GENEL'S STAKEHOLDERS	HIGHER	<p>Social investments</p> <p>GHG emissions</p> <p>Human rights and modern slavery</p> <p>People and diversity</p>	<p>Business ethics</p> <p>Health and safety</p> <p>Regulatory compliance</p>
	<p>Supply chain management</p> <p>Air quality</p>	<p>Water and wastewater management</p>	<p>Community engagement</p> <p>Crisis and emergency management</p>
		<p>Ecological impact</p>	
		IMPACT ON GENEL'S BUSINESS	
			HIGHER

# Genel's sustainability strategy

Genel has long acknowledged the importance of an integrated sustainability strategy within our broader business strategy, as the two do not occur in isolation. Our sustainability strategy provides a foundation for managing core sustainability topics within Genel's business-as-usual operations, while also providing a mechanism to respond to external trends and Genel's evolving business operations.

The strategy is structured around Environmental, Social and Governance ('ESG') elements that have been identified in Genel's materiality assessment and that have been assessed to be most relevant to our business activities and our regions of operation.

## Vision

Genel's sustainability vision is to be a responsible business. In doing so, to be the creator of shareholder value as a responsible organisation throughout the energy transition.

## Foundation

The foundation of Genel's strategy comprises the existing operational measures in place that manage sustainability risks. These are the business-as-usual processes at Genel that form the bedrock of being a responsible operator. Each of the material topics identified have an established mechanism to mitigate any potential risk and enhance our capabilities, where applicable.

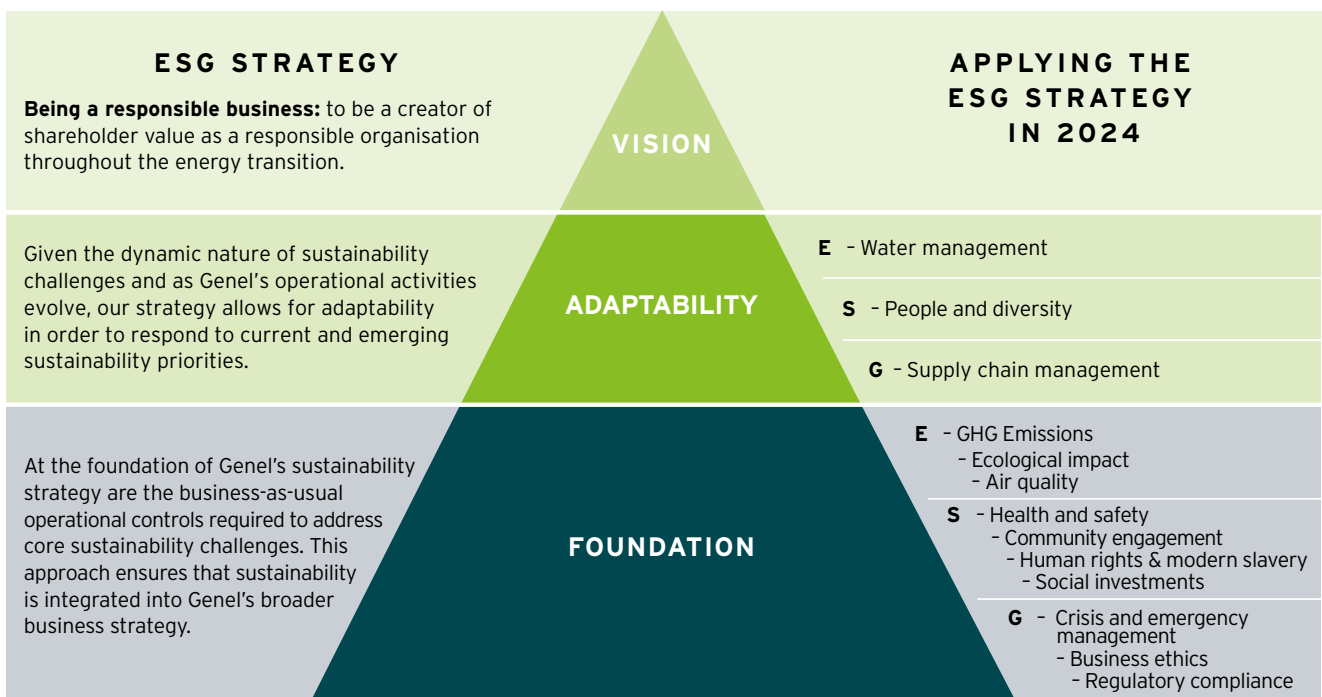
## Adaptability

Genel remains aware of the breadth of sustainability topics that could potentially impact our business and moreover, how the importance or severity of impact of these topics may evolve over time. As such, Genel remains adaptable to emerging sustainability trends, and the need to bolster existing measures when required, in response to external factors or a change in Genel's activities.

Structuring Genel's ESG strategy in this manner is intended to provide a model that will evolve in line with changes to Genel's activities and in response to changes in the sustainability landscape.

## Application

Based on the material topics identified by Genel and its stakeholders, and in the context of existing measures at Genel, the application of our sustainability strategy in 2024 is provided below, specifically, with our areas of focus for the year. As Genel's business evolves in the future, the application of this strategy will evolve with the needs and requirements of the surrounding environment.



# Environmental responsibility

The nature of Genel's activities and the regions in which we operate require that we maintain focus on a broad range of environmental considerations. Genel takes pride in the business-as-usual operational controls we have developed to identify, manage, and mitigate potential environmental risk, and these controls remain at the core of all our business activities.

We acknowledge the challenges associated with climate-related risks and remain acutely aware of the requirement for reducing GHG emissions from our operations. Reflecting the importance that Genel assigns to climate-related risks, we have established robust policies and procedures for assessing and managing these risks throughout the business. We also recognise the wider range of environmental topics associated with our activities and relevant to our industry beyond climate-related risks, and because of this we have established robust processes to minimise our impact on the natural environment. This chapter aims to explain Genel's approach to managing this broad range of environmental aspects, as we consider our environmental responsibility. Additionally, a summary of the existing controls in place for each material topic is provided on page 41-42 of this report.



# Climate-related risks

– Carbon intensity of 13.6 kgCO<sub>2</sub>e/bbl  
 – CDP climate change score of B

Genel acknowledges the risks represented by climate change and the significant challenges that will need to be overcome as the world navigates the necessary energy transition. We remain aware of the critical role that our industry will contribute throughout this transition, given that the energy needs of future generations are expected to be met by a mix of renewables, conventional oil and gas, and other non-renewable energy sources. Within this context we recognise the responsibility of Genel, and others in this industry, to take the actions required to mitigate climate-related risks. The following section of this report details the established tools and processes we have in place to manage these risks. This is led by our GHG Management Standard which is embedded within our business-as-usual operational activities and decisions. In reflection of Genel's commitment to transparency in reporting climate-related risks and opportunities, we have also included our responses to recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD') within the next section.

## Climate change and the energy transition

The most recent forecasts made by the International Energy Agency ('IEA') in the 2023 World Energy Outlook indicate an expected increase in global oil consumption to 2030, under the Stated Policies Scenario. After this initial increase, a gradual decline in relative consumption is forecasted to 2040, with a plateauing of consumption in the years towards 2050. As such, this suggests a continued supply of oil will contribute towards the overall energy demand to 2050, which will be supplemented by an increased capacity from developing non-fossil fuel energy sources. Accordingly, oil, and indeed hydrocarbons more broadly,

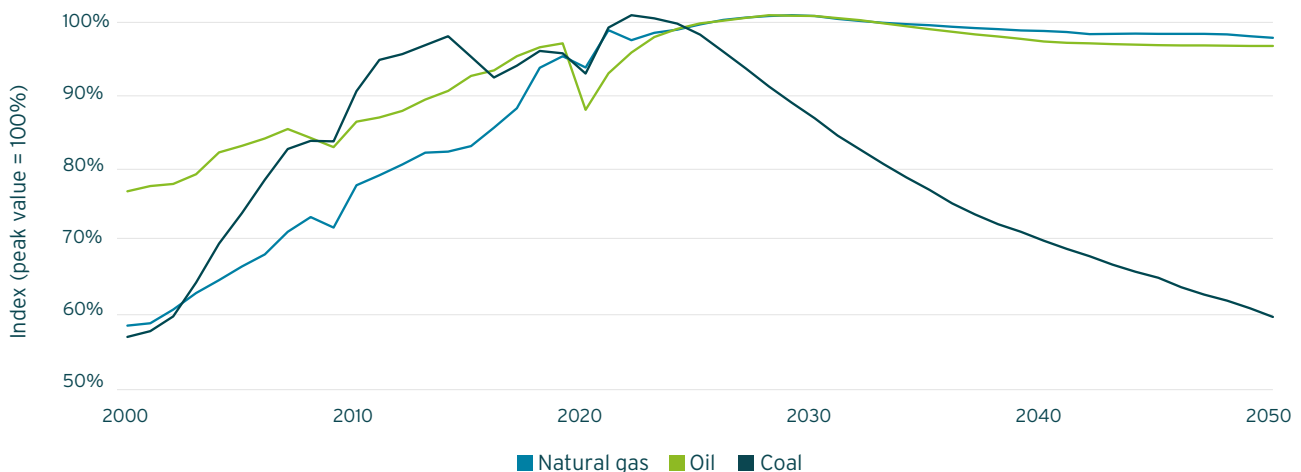
are projected to remain as part of the overall energy supply mix required as part of the energy transition. It is in this context that Genel considers that we can contribute to this supply as a socially responsible operator.

During this period of change, Genel acknowledges the need to develop existing and future assets in a manner which focuses on a reduction in emissions while also delivering a meaningful and positive impact to our host country communities. On this basis, and by operating as a responsible business, it is our belief that Genel has the right strategy to continue to navigate the energy transition successfully.

## Greenhouse Gas Emissions Management Standard

Genel's GHG Emissions Management Standard is our primary tool for assessing the carbon intensity of our portfolio. The application of this Standard provides a robust understanding of our GHG footprint, which is essential to enable Genel to understand the scale of emission reductions required at each respective asset, to ensure that we contribute to the energy supply as a responsible, low carbon producer. The Standard calculates a life-of-field carbon budget which considers carbon limits under several climate scenarios and represents the foundation of our ambitions for managing and reducing emissions.

The Standard is applied in Genel's Asset Development Plans ('ADPs') as we 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 operational practices. The management of GHG emissions will continue to be an important consideration for our current business, and also within our new business pursuits.



Fossil fuel consumption by fuel in the stated policies scenario 2000-2050

Taken from the IEA World Energy Outlook 2023



## 2023 GHG emissions profile

Genel reports Global GHG emissions and intensity ratio in accordance with the requirements of the UK's Companies Act 2006, and The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. In addition, Genel is reporting last year's GHG emissions data, its underlying energy consumption for 2023 and 2022, the contribution of UK operations to global energy consumption and GHG emissions, in alignment with the additional requirements implemented as part of the 2018 Regulations for Streamlined Energy and Carbon Reporting. The methodology used for reporting follows guidance provided in the 2015 GHG Protocol Corporate Accounting and Reporting Standard.

## Scope 1 and 2 emissions

Since 2020, Genel has reported Scope 1 and 2 emissions on an equity share basis, and we have chosen to continue to do so because we consider this to be the most transparent representation of our emissions footprint. GHG emissions data from non-operated assets are provided by our joint venture partners.

In 2023 Genel's emissions data has been subject to independent limited assurance by ERM Certification and Verification Services Limited ('ERM CVS') for selected metrics, as presented in the GHG emissions table below. The 2023 assurance statement and Genel's methodology for emissions reporting, which follows guidance provided in the 2015 GHG Protocol Corporate Accounting and Reporting Standard, is provided on Genel's website ([genelenergy.com/sustainability/climate-risks](https://genelenergy.com/sustainability/climate-risks)).

Our carbon intensity was 13.6 kgCO<sub>2</sub>e/bbl in 2023 and while this represents a decrease from 2022, given the inconsistencies in production experienced throughout 2023, this year-on-year trend has only limited value. Moreover, it is likely that Genel will establish a new baseline year, on account of the changes to our operated licences in the past year. For Genel's operated asset in 2023 (Sarta), we can also report that flaring accounted for 76% of the total operated Scope 1 emissions, liquid combustion 19%, process vents less than 1% and fugitive emissions 5%.

GHG emissions (equity based)	2023		2022	
	Global	UK	Global	UK
Scope 1 (direct) emissions (tCO <sub>2</sub> e)	61,274*	-	192,637	-
Scope 2 (indirect) emissions (location based) (tCO <sub>2</sub> e)	259*	9.4	176	6.4
Associated energy use (kWh)	84,881,821*	45,670	179,004,401	30,171
Carbon intensity (kgCO <sub>2</sub> e/bbl)	13.6*	-	17.56	-

\* For 2023, this metric has been subject to external independent limited assurance by ERM CVS. For the results of the assurance see ERM CVS's assurance report and Genel's reporting criteria ([available from genelenergy.com/sustainability/climate-risks](https://genelenergy.com/sustainability/climate-risks))

## GHG emissions reduction

Genel's emissions reduction efforts requires effective design, efficient operations, and responsible energy use, in order that Genel's asset development plans are sustainable from both an economic and a climate perspective. The key contributor influencing our GHG emissions profile is flaring, and because of this gas management remains a primary element of Genel's emissions reduction strategy, supported by Genel's GHG Emissions Management Standard.

Throughout our tenure at Sarta, Genel had evaluated several initiatives with the overarching aim of minimising our operated emissions from this asset. While our exit from Sarta prevented Genel bringing these initiatives to fruition, our experience has provided a template for the necessary considerations and actions required to meet our ambitions as a low carbon producer. During field development Genel had explored potential gas management solutions, and we had also taken steps to address our own operational emissions through the installation of a solar panel and battery storage unit at the Sarta-1D wellsite, which continued to be operational in early 2023.

Furthermore, with our joint venture partner and operator of the Tawke PSC, DNO, Genel continues to be part of the first Associated Gas Injection (AGI) project in the KRI. Since 2020, Phase 1 of the project has successfully captured over 1.2 million tonnes of CO<sub>2</sub>e from the Peshkibir field and subsequent transport of the captured gas, via pipeline, for reinjection at the Tawke field to enhance oil recovery, thereby reducing flaring rates across the Tawke PSC.

In 2023, an important milestone was reached on this project, with completion of Phase 2 of the AGI. This has allowed for capture and reinjection of the produced gas at the Tawke field, thereby reducing flaring further. The shutdown of the Kurdistan export pipeline in March 2023 resulted in variable production rates across both fields, which impacted the performance of the gas injection project in the last 12 months.

### Scope 3 emissions

In 2023 Genel continued reporting our Scope 3 emissions on an operational control basis (accounting for Genel's activities at Sarta and in Somaliland), for the categories assessed to be within our boundary of reporting. Additionally, we have continued the precedent we set for ourselves in 2022 by equity share reporting for category 11 (sold products). The rationale for dual reporting category 11 being that this category is the overwhelming contributor to Genel's Scope 3 emissions footprint - in 2023 representing over 89% of scope 3 operated emissions - and so by extending the reporting boundary for this single category allows for increased transparency in our Scope 3 emissions footprint.

2023 saw a reduction in Scope 3 emissions reflected across most applicable categories which, as was the case with Scope 1 emissions, was largely a function of Genel's reduced activities and production profile in 2023. A summary of Genel's 2023 Scope 3 emissions is presented below, both as an operational control basis and as an equity share for Category 11.

	2023	2022	2021
Scope 3 Operational Control (tCO <sub>2</sub> e)	41,926	264,686	356,847
Scope 3 Category 11 Equity share (tCO <sub>2</sub> e)	1,950,970	4,757,588	Not reported in 2021

### Portfolio resilience

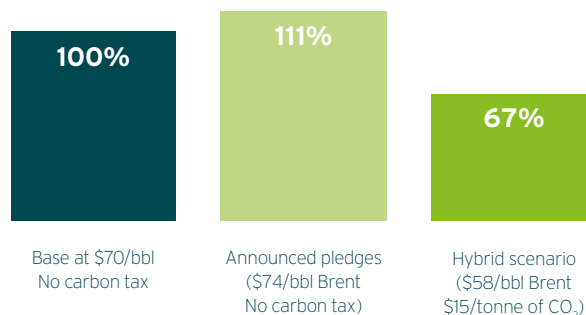
Genel is consistently reviewing its portfolio to assess its resilience through the energy transition. We evaluate our producing assets each year against common scenarios outlined by the IEA in their annual World Energy Outlook, with the intention of assessing our business to ensure that our assets remain competitive when stress-tested against variable carbon taxes and oil prices. The scenarios selected are those that are applicable to the regions in which Genel produces oil, and the anticipated operational time horizon of these producing assets.

For the purpose of the 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 carbon tax is currently not applicable. To this base case, and under our existing cost structure, we applied the oil price and carbon tax values under the IEA's Announced Pledges Scenario, with the time horizon for our analysis of 2030 corresponding with Genel's time horizon for our existing assets. This scenario is based on climate-related targets already announced by governments, and therefore is considered to represent the scenario with the lowest degree of uncertainty for future predictions.

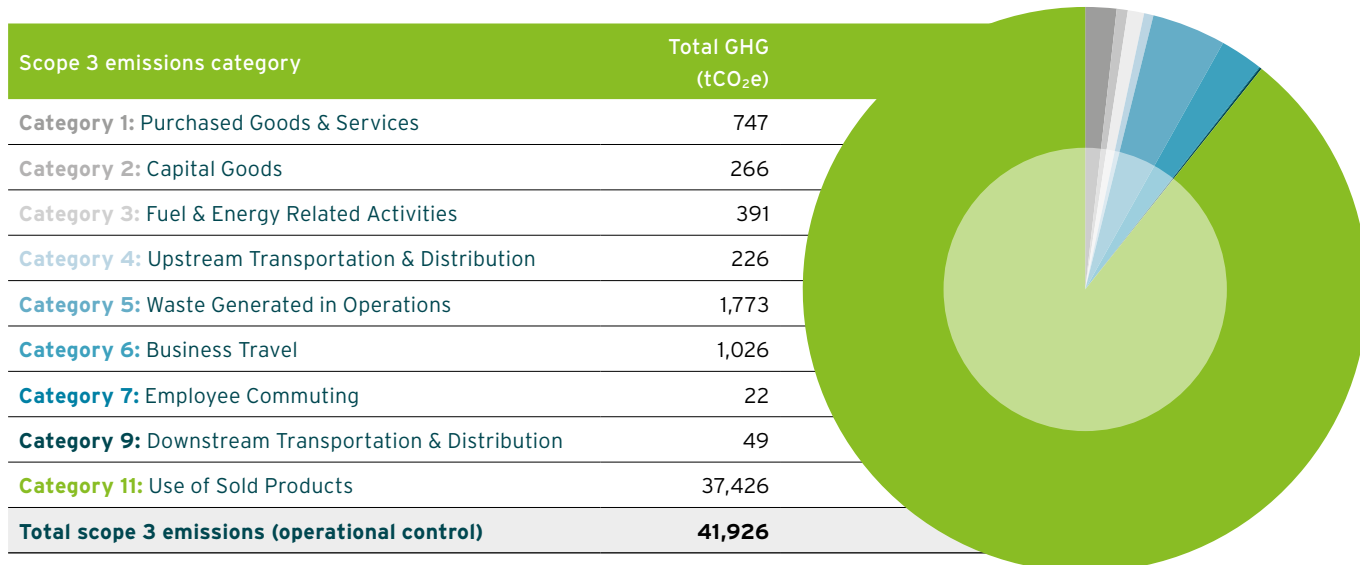
Under the Announced Pledges scenario, Genel's margin was calculated to increase against the established base case, which indicates the conservative nature of Genel's base case.

It should be noted that the IEA's Stated Policies Scenario is not applicable for this exercise, on account of the regions in which Genel currently operates. As such, Genel has also evaluated our business under a hybrid scenario, by applying the oil price and carbon tax variables at a point between the IEAs Announced Pledges and Net Zero scenarios. Within this hybrid scenario, Genel applied a 2030 crude price of \$58/bbl and a carbon tax of \$15 per tonne, and under this scenario Genel's margin was calculated to erode by 67%. This has helped indicate that fluctuating crude prices and punitive carbon taxation will have a manageable impact on our margin, which helps demonstrate the resilient performance of our business in a climate changing world.

### Impact on margin on 2030



### Summary of Genel's 2023 Scope 3 emissions shown as an operational control basis.



## Transparency and climate disclosures

Sustainability disclosures remain an important channel of communication as we continue to provide our stakeholders with information on the progress we are making in our sustainability journey.

Genel welcomes the opportunity to communicate its climate strategy to a wider audience and in doing so aims to demonstrate commitment to our role in the energy transition, as a low carbon producer. In 2023 following our annual CDP Climate Change submission Genel was pleased to maintain a B score, which represents the second consecutive year we have held this score. Earlier in the year we also continued our annual voluntary environmental disclosure through IOGP (the International Association of Oil and Gas Producers).

## Climate-related risks and opportunities

### Governance of climate-related risks and opportunities

The management of climate-related risks is incorporated into Genel's 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 - in 2023 - the Health, Safety, Security and Environment ('HSSE') Committee. Our CEO is an advocate for the prioritisation of sustainability and oversees the integration of awareness and management of this throughout the organisation, with appropriate oversight from Genel's senior management. Climate and energy transition topics are also included in Board meetings at least once a year, during the main strategy session, yet in practice the Board is informed more frequently through the HSSE Committee, and ongoing engagement opportunities.

Following the lead of the Board and the CEO, every function 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 of climate-related Company performance to the Executive Committee, and to the Board.

### 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. 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.

### Process for managing climate related risks

Sustainability risks, including the physical, socio-economic, political, and economic elements associated with climate change have been identified as a Board reserved matter and are reviewed at least biannually by the Board and, in 2023, by the HSSE Committee.

While Genel's risk management approach identifies climate risks across the life of field of an asset, for the purposes of classification we have defined 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. Genel's identified climate-related risks and opportunities are summarised in the table below.

Climate-related risk	Time horizon	Detail
Reputation	SHORT-TERM	Stakeholder and investor perceptions and expectations throughout the energy transition, resulting in potential divestment. This could also represent an opportunity for Genel, by differentiating from our peers.
Climate disclosures		
Current regulation		
Acute physical		
Market	SHORT-MEDIUM	Fluctuating oil demand and price. Limited financing for fossil fuels having implications on ability to raise capital.
Legal	MEDIUM-LONG	International changes to climate-related legislation impacting assumptions in Genel's current business model.
Technology		Availability and cost of technology to minimise carbon emissions (e.g., relating to gas management or alternative energy).
Supply chain		Availability of suppliers in regions of operation, and potential climate-related impacts in supply chain (i.e. scope 3 emissions).
Emerging regulation		Potential future climate-related regulation requiring carbon reductions or abatement measures. Compliance with emerging climate-related and other sustainability regulations.
Chronic physical	LONG-TERM	Longer term climate changes beyond five years, potentially impacting Genel's regions of operation and reducing the potential regions for future operations.

# TCFD disclosures

Genel supports the recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD'), which aims to increase transparency of climate-related risks, and Genel welcomes the opportunity to provide responses to these recommendations as part of this report.

Genel has considered our 'comply or explain' obligation under the UK's Financial Conduct Authority's Listing Rules as well as the TCFD's guidance for All Sectors and Guidance for Non-Financial Groups. Of the TCFD's four Recommendations and eleven Recommended Disclosures, we consider that the following disclosures are consistent with the TCFD Recommended Disclosures:

- Governance recommended disclosures (a) and (b);
- Strategy recommended disclosures (a) and (c);
- Risk Management recommended disclosures (a), (b) and (c); and
- Metrics and Targets recommended disclosures (a) and (b).

During 2023, Genel has identified actions to be taken over the next three years to address, and ultimately make disclosures consistent with, the recommended disclosures relating to:

- Strategy recommended disclosure (b); and
- Metrics and Targets recommended disclosure (c).

Furthermore, Genel has identified where we consider action can be taken to further improve our disclosures against Strategy recommended disclosures (a), and Metrics and Targets recommended disclosures (a).

To address where Genel considers that our disclosure is either not currently compliant with the TCFD recommended disclosures, or where we consider further improvements can be made against compliant disclosures, we have provided a relevant action in the disclosures below, which are intended to be progressed during 2024.





**Disclosure level key**


Disclosures consistent with TCFD recommendations



Actions identified for consistency with or further improvement against TCFD recommendations

TCFD Recommendation	TCFD Recommended Disclosures	Genel Response	Disclosure level
<b>Governance</b>			
a) Describe the Board's oversight of climate-related risks and opportunities	Processes and frequency by which the board are informed about climate-related issues	Climate topics are included in Genel's Board meeting agendas at least once a year, during our main strategy session. The Board is also informed more frequently through ongoing engagement opportunities, in 2023 for example, through engagement with the HSSE Committee. These engagements provide updates of the ESG workplan, which include an evaluation of Genel's GHG performance, and any other emission reduction initiatives or pertinent climate-related issues, for the attention of the Board.	
	Board consideration of climate-related issues when making decisions	The management of climate-related risks and opportunities is incorporated into Genel's corporate risk management process, and as such, into our wider business strategy. Responsibility for the management of sustainability risks, and monitoring of other climate-related topics is integrated into Board oversight through the roles of the Chair, CEO and in 2023, the HSSE Committee. The Board considers climate-related issues when reviewing and guiding strategy, considering major plans of action, business plans and budgets, and overseeing major capital expenditure or acquisitions.	
	Board monitoring of progress against goals and targets for addressing climate-related issues	Climate-related issues, including GHG emissions performance, are included in Genel's Asset Development Plans ('ADPs') which are developed and used as a mechanism for forecasting and monitoring performance as assets mature. Our Board's commitment to robust sustainability governance is illustrated by the inclusion of an ESG component within the Company's annual performance scorecard, which allows oversight and monitoring of progress, with details of this process provided on pages 112-113 of Genel's 2023 Annual Report.	
b) Describe management's role in assessing and managing climate-related risks and opportunities	Organisational structure, with internal climate-related responsibilities and reporting duties	Genel's Executive Committee, which is chaired by the CEO and ultimately reports to the Board, oversees implementation of the approved sustainability strategy, which includes the identification, assessment and management of climate-related risks and opportunities. The Executive Committee is informed regularly through quarterly updates with the ESG Manager, who reports to the Chief Human Resource Officer; a member of the Executive Committee. The ESG Manager's responsibility within the business is to collaborate with the applicable business functions (e.g. Head of HSE or Asset Managers), on climate-related issues, where necessary, and report to the Executive Committee and Board on these matters.	
	Processes of informing management about climate-related issues	The ESG Manager is responsible for implementing the ESG workplan, applicable to all Genel assets, and reports directly to Genel's Executive Committee at least once each quarter. The ESG Manager is also advised by external specialists to ensure Genel remains informed of emerging climate-related issues relevant to Genel's business. For example, in 2023 a third-party consultant was engaged to provide guidance on emerging climate-related regulations applicable to Genel.	
	How management monitors climate-related issues	Information and updates on progress on climate-related matters are provided by the ESG Manager to the Executive Committee, and these issues are, in turn, raised with the Board. The ESG Manager also provides a report directly to the Board on all climate-related matters, at least once a year, and in 2023 presented to the HSSE Committee on three occasions.	

TCFD Recommendation	TCFD Recommended Disclosures	Genel Response	Disclosure level
<b>Strategy</b>			
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	<p>Description of time horizons of climate-related risks</p> <hr/> <p>Description of specific climate-related issues potentially arising in each time horizon and process to determine material risks and opportunities</p>	<p>For the purpose of Genel's assessment of climate-related risks and opportunities, presented on page 10, short term is defined as one to three years, medium term as three to five years, and long term as five years and beyond. These timelines correspond 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.</p> <hr/> <p>Genel has conducted a high-level initial assessment of climate-related risks across the three time horizons described above, the results of which are set out on page 10.</p> <p>Genel continuously reviews major risks and opportunities to which its operations are exposed in our respective regions of operation. This is achieved through internal workshops and by leveraging local in-country expertise, and industry knowledge. Moreover, in 2023, Genel conducted a regulation applicability review to inform the emergence of new climate-related risks or opportunities which could be applicable to our business.</p> <p><b>TCFD Roadmap improvement action:</b> revise the relevant and material physical &amp; transition related climate risks and opportunities applicable to Genel's current and emerging business. This exercise will update the details provided on page 10 of this report and will include an evaluation of how the activities specific to Genel's geographic regions of operations will result in a bespoke series of risk and opportunities, and furthermore, will determine how these identified risks and opportunities may materialise over the short, medium- and long-term, their potential financial impact (in terms of cost) on Genel's business, and the magnitude of this potential impact. As part of this action, Genel will refine which climate-related risks and opportunities have a material financial impact on Genel. We intend to provide the results of this work with further disclosures in next year's Annual Report.</p>	
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<p>How climate-related issues serve as an input to the financial planning process</p> <hr/> <p>Impact on strategy, business, and financial planning</p> <hr/> <p>Impact on supply chain</p>	<p>Genel has considered the impact of climate-related issues on our businesses, strategy, and financial planning (described in more detail below) and we acknowledge that access to capital may be impacted by reputational concerns as a result of climate-related issues. However, we acknowledge that we do not currently fully disclose the potential impact of climate-related issues on our financial performance or financial position.</p> <p><b>TCFD Roadmap compliance action:</b> integration into financial planning. In continuation of the preceding TCFD roadmap task under this TCFD recommendation, Genel intends to establish a process that ensures climate-related risks and opportunities will serve as an input into Genel future financial planning process and how these can be prioritised in such process.</p> <hr/> <p>Genel's GHG Emissions Management Standard, as described on page 7 of this report, underpins Genel's approach to incorporating climate-related risks and opportunities, and ensuring they remain integrated in our broader strategy and financial planning. The Standard calculates a life-of-field carbon budget which considers carbon limits under several climate scenarios and then is applied in our Asset Development Plans ('ADPs') to seek opportunities to reduce carbon emissions, maintain low carbon intensity and embed a culture of assessing and mitigating climate change risks into our operational practices. The implementation of the standard informs our 'ADPs' which form the basis of strategic and financial decisions.</p> <p><b>TCFD Roadmap improvement action:</b> as part of the action described above, Genel will refine which climate-related risks and opportunities have a material financial impact on Genel.</p> <hr/> <p>Genel's 2023 Scope 3 emissions are presented on page 9 of this report and Genel's intention of assessing our supply chain in this manner is to monitor its emissions profile in order to understand any trends or necessary changes required from our supply chain engagements. Moreover, Genel has developed an ESG supply chain roadmap which provides the steps required over the next two years to encourage engagement with contractors to increase awareness of ESG risk, including climate-related risks, with their own operations.</p>	

TCFD Recommendation	TCFD Recommended Disclosures	Genel Response	Disclosure level
<b>Strategy</b>			
<b>b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</b> (Continued)	Impact on acquisitions or divestments	Genel's climate scenario analysis, shown on page 9, allows Genel to assess the resilience of our business under a range of climate scenarios, and furthermore, Genel's GHG emissions Management Standard is also applied to any of Genel's potential new acquisitions, to understand potential climate-related risks associated with these acquisitions.	
	Impact on adaptation and mitigation activities	Genel's emissions reduction efforts focus on effective design, efficient operations, and responsible energy use, so that Genel's asset development plans are sustainable from both an economic and a climate perspective. The key contributor influencing our GHG emissions profile is flaring and because of this, gas management remains a primary element of Genel's emissions reduction strategy, supported by Genel's GHG Emissions Management Standard.  Throughout our tenure at Sarta, Genel evaluated several initiatives with the aim of minimising our operated emissions from this asset. For example, during field development Genel explored potential gas management solutions, and we also took actions to address our own operational emissions through the installation of a solar panel and battery storage unit at the Sarta-1D wellsite, which continued to be operational in early 2023.	
<b>c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</b>	Description of the resilience of Genel's strategy to climate-related risks and opportunities, taking into consideration different climate-related scenarios	Genel is consistently reviewing the resilience of our portfolio to ensure it remains fit for purpose through the energy transition. We evaluate our producing assets each year against common scenarios outlined by the International Energy Agency ('IEA'), with the intention of assessing our business to ensure that our assets remain competitive when stress-tested against variable oil prices and carbon taxation. In 2023 we 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 carbon tax is currently not applicable. To this base case, and under our existing cost structure, we have applied the oil price and carbon tax values under the IEA's Announced Pledges Scenario, with the time horizon for our analysis of 2030 corresponding with Genel's time horizon for production at our existing assets. In order to stress test our business further, we have also evaluated our business under a hybrid scenario, by taking a point between the IEAs Announced Pledges and Net Zero scenario. Within this hybrid scenario, Genel applied a 2030 crude price of \$58/bbl and a carbon tax of \$15 per tonne.  These scenario variables were selected to provide a broad range of potential future scenarios. The most recent analysis is provided on page 9 of this report, which also includes an assessment of Genel's portfolio resilience identified by this analysis.	
	Adapting our strategies	The scenario analysis is repeated on an annual basis by Genel, and the results of our climate scenario analysis are intended to aid decision making, with respect to Genel's broader strategy, but also to understand any additional capabilities that require development in response to these results.  Genel will continue to enhance our climate scenario analysis and use the results to inform decision making of our broader strategy, whether that will include considerations in new business acquisitions, or to inform operational changes at the asset or project level.	

TCFD Recommendation	TCFD Recommended Disclosures	TCFD Genel Response	Disclosure level
<b>Risk management</b>			
<p>a) Describe the organisation's processes for identifying and assessing climate-related risks.</p>	<p>Description of process for identifying and assessing climate-related risks</p> <hr/> <p>Current and emerging regulatory requirements</p>	<p>Identification of climate-related risks follows the processes described in Genel's risk management framework, which is presented on page 16 of Genel's 2023 Annual Report. Genel's approach involves the following:</p> <ul style="list-style-type: none"> <li>– From the top down, the Board and Executive Committee identify potential risks that may impact delivery of the Company strategy and business objectives.</li> <li>– Each business area identifies potential risks that may affect delivery of the objectives relevant to that specific business area. Business areas are comprised of functions and projects, with each business area led by an Executive Committee member.</li> </ul> <p>Once climate-related risks have been identified, the impact of these risks are assessed by evaluating existing controls and mitigation activities. Based on this assessment, Genel designs and implements controls to mitigate any residual potential negative impact. The size and potential scope of the impact of climate-related risks, and potential mitigation and controls, are managed at Genel through assessment by the ESG Manger and escalated to the Executive Committee, which in turn raises these matters, when applicable, with the Board.</p> <hr/> <p>Following identification of climate-related risks, Genel also monitors the evolution of these risks to assess whether the existing management controls remain appropriate in consideration of the evolution of the risk. Furthermore, as part of the ESG workplan in 2023 Genel's ESG Manager engaged an independent third party to undertake a regulation applicability review. The purpose of the engagement was to understand the emerging sustainability regulations that will be applicable to Genel's business. In doing so, Genel has positioned itself to be able to integrate future regulations into our broader strategy.</p>	
<p>b) Describe the organisation's processes for managing climate-related risks.</p>	<p>Process of managing climate-related risks</p>	<p>Climate-related risks are considered under ESG risks and the risk owner for climate-related risks is the CEO, who is a member of the Board. In 2023, the HSE Committee supported the Board on overall management of identified risks. The CEO is supported by the ESG Manager who develops the annual ESG workplan which includes means of assessing the identified climate-related risks. The materiality of climate-related risks, to Genel's business, is assessed periodically through a materiality assessment, which involves obtaining the views of Genel's stakeholders on the relevance of climate-related issues in the context of broader sustainability topics. The most recent materiality assessment was completed in 2023.</p> <p>The progress of the ESG workplan is communicated through periodic updates to the Executive Committee, and in turn, with the Board. For each identified and assessed risk, the Board sets clear executive-level accountability, the appropriate risk management action, the appropriate level of assurance to be obtained, and the monitoring and reporting to be delivered.</p>	
<p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<p>Our integration of climate-related risks</p>	<p>The process of identifying and assessing climate-related risks is integrated within Genel's established risk management framework, which has ultimately resulted in climate-related risks being captured under the principal risk of Environmental, Social, Governance expectations. The risk owner for climate-related risks is the CEO, who is supported at Genel by the ESG Manager. This allocation of responsibilities allows for the assessment of climate-related risks to be integrated into Genel's broader risk assessment and risk management discussions with the Executive Committee or Board. Physical climate risks are identified through a combination of external advisory support and internal workshops with Genel's Executive Committee. The identified climate-related risks are managed through implementation of the ESG strategy, which encompasses climate-related risk management and has been designed to allow Genel to adapt to emerging climate-related trends while also responding to changes in Genel's operational activities.</p>	



TCFD Recommendation	TCFD Recommended Disclosures	Genel Response	Disclosure level
<b>Metrics and targets</b>			
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics used to assess the impact of climate-related risks, and metrics used to monitor and progress against risks and opportunities	<p>Scope 1, Scope 2, and Scope 3 GHG emissions (tonnes CO<sub>2</sub>e) are presented on page 8 and 9 of this report. Genel also tracks the following climate-related metrics which are disclosed on page 43 of this report: methane emissions (tonnes CO<sub>2</sub>e), carbon intensity (kgCO<sub>2</sub>/bbl), and flaring intensity (kgCO<sub>2</sub>/bbl). Genel's emissions are calculated in line with the GHG Protocol and our Scope 1, Scope 2 and carbon intensity figures are subjected to assurance from an accredited third-party assurance provider.</p> <p>In relation to water-related climate risks, we report freshwater withdrawals and produced water reinjected (cubic meters) and in 2023 we received a score of C for our CDP water disclosure. Genel remains open to consideration of additional metrics as the business evolves.</p> <p><b>TCFD Roadmap improvement action: following the revision of Genel's relevant and material physical &amp; transition related climate risks and opportunities, Genel will establish additional metrics, beyond those described above, to enable the monitoring of climate-related risks and opportunities.</b></p>	
	Board or senior management incentives	Sustainability has been integrated into the agenda of our Board meetings, and our ESG performance, which includes climate-related elements, continues to be embedded in the remuneration schemes for all employees by representing a percentage of the total annual bonus. This is achieved by meeting KPIs within the annual ESG workplan, including climate-related elements.	
	Integration of internal carbon price to assess climate-related risks	Genel's latest climate scenario analysis is presented on page 10 of this report and applies the carbon tax for common scenarios provided by the IEA in their annual World Energy Outlook. In 2023 Genel has applied a maximum carbon price of \$15/bbl in our scenario analysis.	
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Scope 1 and Scope 2 emissions	Scope 1 and 2 are reported by Genel on an equity share basis and the Company's 2023 emissions are presented on page 9 of this report.	
	Scope 3 emissions	The applicable categories for our Scope 3 emissions are presented on page 9 of this report. Genel reports Scope 3 emissions on an operated control basis, with the exception of category 11 (use of sold products), which is reported both as equity share and operated control.	
	Historical emissions reporting	To enable a year-on-year comparison Genel has provided the 2022 and 2021 emissions on page 43 of this report for our equity share Scope 1, Scope 2, and total operated control Scope 3 emissions. Genel has reported Scope 1 and 2 emissions on an equity share basis since 2020 and furthermore since this time, we are pleased to have subjected our Scope 1 and Scope 2 emissions to limited assurance from an accredited third-party assurance provider. Each of Genel's previous Annual and Sustainability Reports, containing this information can be found on Genel's website ( <a href="https://genelenergy.com/investor-relations/results-presentations/">https://genelenergy.com/investor-relations/results-presentations/</a> ).	
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Details of climate-related targets absolute or intensity targets.	<p>Genel does not currently have any specific climate-related targets, though Genel does report absolute emissions and the carbon intensity of our portfolio assets on an equity share basis, with our portfolio being assessed against the life-of-field carbon budgets outlined in the GHG Emission Management Standard.</p> <p><b>TCFD Roadmap compliance action: Genel will identify suitable targets aligned with the revised climate-related risks and opportunities. These targets are to be linked with associated metrics which can be used to track performance over time following establishment of a base year, for future reporting. This process will consider potential targets relating to emissions reductions, internal energy use, and application of alternative energy sources in operations.</b></p>	

# Managing the natural environment

## Our approach to environmental management

As we navigate this period of the energy transition, Genel acknowledges the critical importance of preserving the natural environment and furthermore, the importance of conducting our operations in such a way that minimises any potential adverse impact to the environment. Moreover, we embed consideration of this into all elements of our business, and our risk-based approach ensures that we allocate our efforts and investment where it is most required, based on our activities and our regions of operation. In the context of progressively increased pressure on natural ecosystems, Genel's approach to environmental management focuses on reducing resource and water use, managing waste, preventing pollution, maintaining air quality, and the protection of biodiversity.

Given the diverse nature of our activities and the varied environmental settings in which we operate, it is our agility that enables us to adapt to changes in our operating landscape and ensure ongoing management of the environment remains a constant thread in our operational activities.

Our approach comprises the following pillars:

- **Environmental Social Impact Assessments**
- **Prudent water management**
- **Robust waste management practices**
- **Spill response preparedness**
- **Continuous air quality monitoring**
- **Protecting biodiversity**

## Environmental Social Impact Assessments ('ESIAs')

The ESIA process has long provided the cornerstone to Genel's environmental due diligence and helps to protect both the natural and the built environment. Specifically, an ESIA will precede any new development activities in order to identify potential impact from said activities and crucially, will detail the necessary actions required to mitigate this impact.

The ESIA process forms an essential part of our business-as-usual operational practices and broadly includes the following:

- **Stakeholder engagement:** an opportunity for prior and informed discussion with potentially affected stakeholders in advance of project approvals.
- **A baseline assessment:** to establish the environmental and social baseline conditions prior to the presence of any activities.
- **Impact assessment:** to assess the scope and scale of development activities and the potential impact to the baseline environmental and social conditions.
- **An Environmental and Social Management Plan ('ESMP'):** developed to monitor and respond to the potential environmental, social and human rights impacts identified in the ESIA.
- **A grievance mechanism:** to provide local affected communities with an avenue to voice grievances that may arise, associated with any project activities.

By undertaking ESIA's in this manner, we aim to meet demands from local host governments and communities in preserving the integrity of the environment and communities of the areas in which we operate. Genel follows the guidance provided by the International Finance Corporation ('IFC') throughout this process and we pride ourselves on application of these best-practice international standards, which will remain at the core of our social and environmental responsibility.

During 2023 Genel completed an ESIA for the proposed drilling of the exploratory wells at block SL10B13 in Somaliland. The assessment was completed by a specialist third party consultant, Earthview, and the scope of the ESIA included the civil infrastructure work completed during 2023. This assessment resulted in the project's ESMP which was applied to all field work in 2023 and which will be applied with equal rigour to ongoing community engagement in 2024, and all future exploration activities in Somaliland.



### Water management

In acknowledgement of the increasingly sharpened focus on global water resources, and in reflection of the water-restricted regions in which Genel operates, water management forms a key priority of our commitment to environmental responsibility. This commitment considers not only our water use but also our responsible water disposal, and Genel maintained robust operational practices for both these elements in 2023.

We continued to record water use, its source, and its disposal for our operations at Sarta during 2023. Our focus remained on reducing freshwater consumption by increasing the quantity of water for recycling; for example, through the use of our high-grade sewage treatment unit which remained operational in 2023. The re-injection of Sarta produced water remained a key tool for water disposal, and significantly reduced the volumes required for off-site disposal. Produced water not reinjected was held in lined ponds prior to treatment and disposal at a licenced facility, as described in more detail below.

As activities in Somaliland develop, we will take the opportunity to bolster our existing water management practices to ensure that these can adapt to the dynamic and unique operating conditions of this region.

Water management remains a key priority for Genel as we continually strive for incremental improvements in water resource use, and in reflection of our ongoing efforts on this front we were pleased to receive a CDP Water Security score of C in 2023.

### Waste management

- **Zero waste to landfill from Sarta operations**
- **100% of hazardous waste from Sarta operations remediated or recycled**
- **25,336m<sup>3</sup> of drill cuttings treated and disposed**
- **24,271 tonnes of drill fluids and produced water transferred to licenced facilities for treatment**

Genel continued robust waste management practices during 2023 which concluded in successfully and safely treating and disposing the residual waste that had been generated from Genel's exploration and production activities at Sarta.

Prior to Genel's exit from Sarta, we continued our robust operational waste management practices that had formed a fundamental part of our operations throughout our tenure at the asset. This included continuation of our established waste segregation programme, where site personnel and contractors followed the principles and hierarchy of waste management. In reflection of continued focus in waste management practices, our waste streams from Sarta resulted in zero non-hazardous waste being sent to landfill, with approximately 42% being incinerated and 35% of waste recycled. 100% of Genel's hazardous waste from Sarta, generated from our exploration and production activities at the asset, was recycled or remediated.

For our future operational activities, Genel's ambitions will be to implement waste management practices and establish a waste management supply chain that will support the targets which we have achieved in the KRI.

# Case study: treatment and disposal of drill cuttings and fluids

In advance of our exit from Sarta, Genel completed a treatment and disposal project for the residual drill cuttings and fluids that had resulted from Genel's activities at the asset. The process involved separating debris from the drill cuttings before treatment with quicklime, prior to disposal in purpose built and lined disposal pits. Additionally, the waste drilling fluids which had been temporarily stored in lined pits at Sarta 2 were trucked away from the asset for treatment at a licenced facility.

A summary of the outcome of the treatment and disposal works:

- 25,336m<sup>3</sup> of drill cuttings were transferred from six sites across the Sarta asset to the central disposal location and placed into three separate lined pits.
- 24,271 tonnes of drill fluids and produced water trucked to a licenced facility for treatment and disposal.

This project allowed Genel to showcase its commitment to environmental stewardship and maintain the approach to waste management that had been in place during Genel's entire tenure at the asset.



## Spill response capability

Genel acknowledges the potential risk represented by spill events. Our commitment to spill response capabilities, and our progressive continuous improvements in this area reflects the critical role that Genel considers this contributes to our sustainable and responsible business practices.

Genel maintained its tier 1 and 2 oil spill response capability during 2023, which included provision of specialist equipment to enhance capabilities to deal with specific spill scenarios. As part of our annual preparedness exercises Genel conducted a SIMEX (simulation exercise) relating to operations at Sarta field, and a separate SIMEX for Somaliland operations in 2023.

On 31 March 2023, a tier 1 environmental spill occurred at Sarta S4 well pad which was the result of overfilling a lined fluids pit, and which subsequently over-flowed into the well pad's drainage channel. 0.2 bbls of crude was contained within this produced water spill. Genel's immediate spill response measures contained the spill and furthermore, laboratory analysis of surrounding soil samples as part of the post-spill investigation, indicated that the spill had not resulted in residual impact to the surrounding area.

In a separate tier 1 environmental spill incident, as part of the Sarta treatment and disposal work completed at the end of the year, 2.5 bbls of oily sludge was spilled on 27 December 2023 during the transfer of material for off-site disposal. This spill was contained and remediated by Genel's spill response team, and all material was contained for off-site disposal.

## Air Quality

The importance of air quality has always formed a key element of Genel's environmental management practices, in consideration not only of the nearby communities but also of our site personnel. We have never compromised on maintaining these air quality standards and have implemented robust and continuous monitoring throughout the entirety of our operations at Sarta. In 2023, this was also a focus in our Somaliland operations, on account of the increased civil infrastructure activities.

### KRI monitoring

During 2023 Genel maintained continuous air quality monitoring from three permanent units in the vicinity of the Sarta production facility. In doing so allowed Genel to monitor any potential adverse impacts associated with our operations and to implement mitigation measures, if needed.

This ongoing programme provided an understanding of local air quality conditions at Sarta compared to the baseline conditions established in 2019, and helped prevent any potential adverse impact to neighbouring communities resulting from poor air quality. In 2023 the air quality data was compared against the draft 2020 KRI regulations and with the exception of one exceedance in particulate matter PM2.5 on account of nearby agricultural activities, no air quality exceedances were recorded.

### Somaliland monitoring

Managing air quality for our host communities in Somaliland during the civil infrastructure work in 2023 was of key importance, and mitigation measures were detailed in the Environmental Management Plan that was developed in advance of the field work. The robust measures implemented, which in 2023 included a series of diffusion tubes, ensured that no community grievances were received in relation to air quality or dust generation.

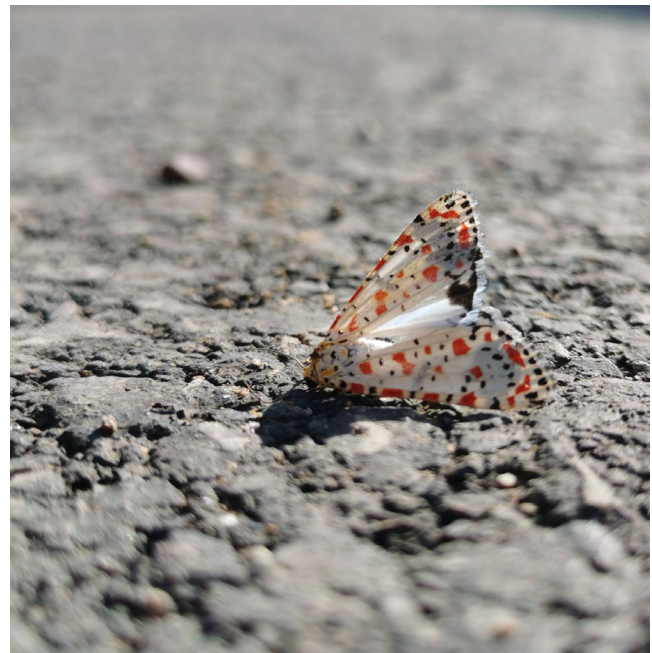
Our ongoing performance from our operated assets demonstrates the importance that we assign to this topic, and the business-as-usual operational measures we have in place to manage this risk. This forms one element of the foundation to Genel's approach to being a responsible business, and one that will be applied to all future operations.



## Protecting biodiversity - minimising ecological impact

Protection of biodiversity has always been a key consideration when considering exploration and production opportunities. Moreover, the role that biodiversity plays in supporting the natural environment more broadly is not underestimated by Genel. This was embedded into Genel's operational practices in 2022, through formalising our Biodiversity Management Standard which defines the approach to be taken by Genel in relation to the assessment, mitigation and management of biodiversity issues and impacts relating to all our activities. Implementation of this Standard reflects the considerable significance which we place on preservation of biodiversity, as we continue to work in collaboration with partners to protect nature wherever we operate.

Central to our approach to biodiversity management is the development and implementation of a biodiversity management plan during the ESIA phase. This provides a framework for managing project risks specifically related to biodiversity, and details the necessary measures required to mitigate these risks. Our careful management of preserving biodiversity will be extended to all of Genel's future operations.



# Social responsibility

Genel's focus on being a responsible operator extends beyond the environmental topics detailed earlier in this report, and equally considers our responsibility towards the people who could potentially be impacted by our business; be it the host communities of the regions in which we operate, our workforce safety, wellbeing and working conditions, or considerations of the same within our supply chain. The following section of this report provides a summary of the business-as-usual operational measures in place at Genel to manage these elements, and provides an insight as to the steps we have taken throughout 2023 to support our social responsibility.



# Health and safety

The success of our business relies on the safe delivery of operations, and our focus on health and safety remains resolute, irrespective of any changes to the business. The organisational and operational changes experienced by Genel in 2023, as well as more on the ground work in Somaliland, presented unique challenges for our health and safety teams, and it is testament to the professionalism and dedication of these teams, that safety performance was not impacted during this period. Throughout 2023, as was the case for all years which preceded it, the critical role of managing health and safety provided the foundation for all of Genel's activities.

In 2023 Genel's operations included Sarta oil production and trucking prior to the closure of the pipeline, tank cleaning, and moving the EPF to cold standby. Genel also increased activities in Somaliland with a ramping up of the civil infrastructure programme. This diverse range of field activities were completed without any LTIs or Tier 1 process safety events (loss of primary containment) at any of our operational sites. We have now achieved over four million work hours since our last LTI, which occurred in 2021.



- **Zero LTIs in 2023 across all Genel operations, with over 4 million hours worked since the last incident**
- **Zero Tier 1 & 2 Process Safety Events (loss of primary containment) reported across all operations**
- **Successful roll out of the Life Saving Rules across the business**
- **Successful restructuring of the HSE and Security and Emergency Response teams during the changes in activities in Somaliland and KRI**
- **Treatment and disposal of Sarta fluids and drill cuttings successfully completed prior to handover of the asset to the MNR**

As part of the exit from Sarta, Genel completed a treatment and disposal project for all residual drill cuttings and fluids at the asset. This project was delivered on schedule with zero LTIs or recordable injuries. This required 348,504 manhours and a significant distance travelled of 235,614 km. The success of this project reflects the professionalism and dedication of our field teams in delivering results without compromising safety.

## Safety improvement plan

Prior to 2023 Genel had observed leading indicators that suggested areas for improvement in our safety performance. Following analysis of the underlying latent causes for these indicators we developed a safety improvement plan which was implemented with active participation by both senior management and field teams. Improvements were proposed to strengthen each of the following areas:

- **Leadership and Culture**
- **Competency**
- **Contractors**
- **HSE Management System**
- **Assurance**

Each of the areas identified was championed by a member of Genel's Executive Committee alongside other senior managers, with the aim of continuous improvement throughout the organisation. We have taken our own people and our contractors on a safety improvement journey and the highlights of this journey throughout 2022 and 2023 are described below.

<p><b>Leadership and Culture</b></p>	<p><b>Visible safety leadership and improve safety culture</b></p> <p>In 2023 Genel established a Key Performance Indicator ('KPI') for both the Genel Executive Committee and senior management, to encourage active participation in HSE initiatives and to build Genel's safety culture of care and compliance. The leadership groups collectively conducted 18 site tours, actively engaged in the HSE contractor forum, participated in the incident investigation process, and championed life-saving rule awareness trainings. This collective effort resulted in an impressive 94% completion of the established KPIs.</p>
<p><b>Competency</b></p>	<p><b>Ensure trained and competent staff for safety critical roles</b></p> <p>Genel revised its training needs matrix to classify the training requirements for all roles at Genel, into the following four categories:</p> <ol style="list-style-type: none"> <li><b>Mandatory onboarding:</b> HSE induction, lifesaving rules, observations and interventions, and emergency response preparedness for key positions</li> <li><b>Management system:</b> risk assessment, control of work, and incident investigation</li> <li><b>Risk-based:</b> lifting and rigging, confined space entry, and H<sub>2</sub>S alarms</li> <li><b>Emergency preparedness:</b> Firefighting, spill response, and crisis management</li> </ol> <p>Genel achieved 74% progress on training plans in 2023 with 573 training sessions for 1,360 attendees. A competency development programme was also initiated for frontline operational roles, with the intention of supporting continuous improvement in the competency of operational staff.</p>
<p><b>Contractors</b></p>	<p><b>Senior management engagement with high-risk contractors</b></p> <p>During the first quarter of 2023, Genel hosted an online contractor HSE forum that was attended by senior management of our key high-risk contractors. The forum was an opportunity to share learnings from high potential events, and details of safety improvement plans. It was agreed that Life Saving Rules will be the key tool for seeking 'improvements and developments' and supporting HSE initiatives.</p>
<p><b>HSE Management System Simplification</b></p>	<p><b>HSE Management System Simplification and roll out</b></p> <p>Operational HSE procedures, including control of work, permit to work, medical emergency response, emergency response plan, and incident and investigation reporting procedures, underwent a comprehensive review during 2023. The revised procedures were then successfully implemented, contributing to an enhanced and more efficient HSE framework.</p> <p>Genel's existing investigation procedure was revised during the year, with an emphasis on online management ownership and industry best practices. A software database (Synergi-Life) which centralised all incident reports was implemented in 2023 and has significantly improved identification of incident trends and subsequently of establishing mitigation measures.</p>
<p><b>Assurance</b></p>	<p><b>HSE assurance: schedule Level 1 and 2 completion</b></p> <p>Assurance activities at Genel are considered to be a critical part of the Health and Safety function, and involve evaluating the compliance, capability and effectiveness of systems, operations and processes. Feedback from these assurance activities provides valuable input for Genel's senior management team to aid informed decision-making. Additionally, assurance processes are designed to be constructive, actively contributing to business performance improvement.</p> <p>A documented, risk-based assurance process, including scheduled external and internal audits, inspections and site visits was established and implemented in 2023 to evaluate compliance with the HSE Management System and identify areas for continual improvement. The process covers the planning, implementation and documentation of activities relating to Genel and its Contractors. Further information relating to Genel's assurance standard is provided on the next page.</p>



## HSE Assurance

Genel has adopted a risk-based assurance process to evaluate conformance against the HSE Management System in order to identify areas of focus for continual improvement. In 2023 this process included external and internal audits, inspections, and site visits. The scope of these audits covered the planning, implementation and documentation of selected activities undertaken by Genel and its contractors. Further details of each type of audit, and Genel's activities in 2023 is provided below:

- **Level 1 audits** are conducted by Genel field staff at site to audit Genel or contractor personnel and are closely monitored by on-site HSE teams. This ensures a focused examination of operational practices, against compliance with specified requirements. Throughout 2023, 182 Level 1 assurance audits were completed by Genel contractor personnel.
- **Level 2 audits** are undertaken by Genel's management team, with a particular focus on high-risk activities. This strategic oversight by leadership not only reinforces the commitment to stringent safety standards but also provides a comprehensive evaluation of critical aspects within the organisation. In 2023, a Level 2 audit was completed during the treatment and disposal project at Sarta.
- **Level 3 audits** are completed by an external qualified party to provide an independent professional assessment of an internal management process, or an isolated project or activity. In line with Genel's 2022 Internal Audit plan, EY delivered the second of two HSE Management System audit reports (for Sarta and the Erbil office) during 2023. The purpose of the audit was to review the framework used by Genel in the management of HSE risk, and the process used to support effective and timely accident and incident response. The four agreed actions resulting from the key audit findings were all closed out before the end of 2023.

## Operational Safety

Genel recognises the high-risk nature of the activities required of our business and it is for this reason that we apply the necessary mitigation measures proportional to the risks. We continue to implement the hazard identification and risk management process which remains a foundation of Genel's approach to Health and Safety management. Similarly, the hierarchy of controls allows Genel to minimise identified risks to as low as reasonably practical.

## Driving safety and crude oil trucking

As a key element of Genel's operational activities, driving is required for the movement of people, products, and materials. Driving continues to represent a high-risk activity for our field operations and in acknowledgement of this, we have implemented the use of an in-vehicle monitoring system ('IVMS') for all high-risk journeys. This has allowed for early identification and ongoing monitoring of potentially unsafe driver behaviours such as speeding, seat belt misuse, or inappropriate acceleration or braking, and ultimately provides a tool for successful mitigation of what has been identified by Genel as a key risk to maintaining safe operations.

The IVMS was successfully implemented during the trucking of crude oil from Sarta EPF, both during production and when transferring stored oil after production had ceased. The IVMS was also successfully applied during the cuttings and fluids treatment and disposal project, prior to handover of Sarta to the MNR. All trucking activities conducted in 2023 were successfully completed, with only one motor vehicle incident occurring and no LTIs or recordable injuries recorded.

## Level 1 audits in 2023 by category topic being audited

Audits	No.
Camp inspection	4
Chamanke light vehicles	5
Chemical management	4
Clinic	3
Decommissioning	0
Document control	1
Emergency Response	7
Environmental	5
Excavation Safety	1
Generator Set	2
H <sub>2</sub> S	1
Inhibits/ Overrides/LOTO	12
IVMS	15
Land Transportation	6
Lifting/Rigging	6
Occupational health/FTW	2
PA Mechanical handling	1
Plant and Equipment	0
PPE	6
PSUA	8
PTW/TRA/JSA	78
Rainfloods yard/process	0
Rigging loft	5
TLS process/loading compliance	1
Training matrix	2
WAH/CSE	3
Warehouse/materials	4

### Process safety and integrity

The nature of Genel’s field activities dictates that process safety and integrity remains an integral part of our approach to managing major accident hazard-related risks. Safety critical elements inspection and maintenance programmes are in place, and process safety risks are assessed through a variety of process hazard assessments such as hazard and operability studies, or quantitative risk assessment.

Identifying potential hazards and risks and then working to eliminate or mitigate these remained a key focus throughout 2023 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. Other key elements of Genel’s established process safety management protocols include the management of change process, operational readiness reviews, pre-start-up reviews, and the continuous monitoring of process safety performance indicators. This combined approach helps support our safe and reliable operations.

### Emergency Response Effectiveness

Throughout 2023, it was identified that restructuring and reorganisation could have potentially impacted the effectiveness of the Emergency Response Team, on account of personnel changes throughout the year. A Major Emergency Management Initial Response course was identified locally, and various members of Genel’s in-country team attended the training, successfully completing the OPITO (Offshore Petroleum Industry Training Organisation) approved course. This included in-country local staff who were further developed as Emergency Response Team Members. Genel also conducted medical emergency response and crisis management awareness training sessions for its project teams.

### Medical fitness

Genel prioritises the health and safety of its staff through comprehensive medical fitness protocols for all employees. These protocols aim to identify any physical or psychological issues that may impact job performance, that may represent a risk to an employee, and that ensure compliance with statutory health surveillance requirements. The assessments serve as a baseline for detecting changes during employment, assessing risks related to workplace hazards, identifying necessary job adjustments, and advising individuals on suitable job positions. In 2023, Genel conducted fit-to-work check-ups for employees in all regions of operation through the medical service contractor DFAD. Out of 72 employees, all were found to be fit-to-work without restrictions, highlighting the company’s commitment to employee well-being.

Additionally, Genel conducted eight fit-to-work check-ups for its local contractors in Somaliland through our medical service contractor Iqarus, with competent local medical coordinator support.

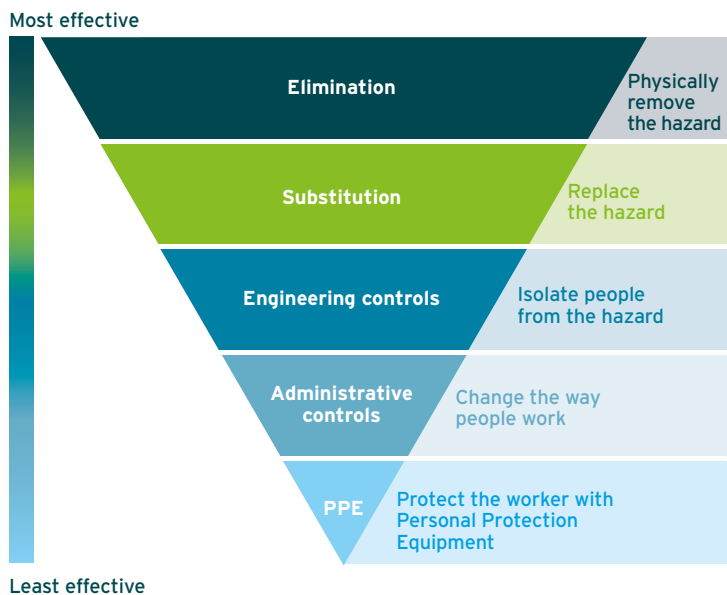
### Life Saving Rules campaign

A key focus for Genel’s health and safety teams throughout 2023 was the successful rollout of our Life Saving Rules campaign. Genel’s Life Saving Rules comprise twelve key rules, providing clear, simple, and consistent communication regarding risks in the workplace, and the proper use of barriers and safeguards to protect our workforce. These rules have been integrated into staff inductions and field safety inductions, ensuring that every member of the Genel team is aware of the importance of these rules. In order to maintain focus on these rules, during the 2023 company-wide rollout campaign our aim was to inform and educate Genel staff and contractors about the details and content of each rule. To achieve this, we assigned a Genel champion for each of the twelve topics and these champions were responsible for hosting online training sessions to provide detailed insights into each rule, and how each apply to Genel’s operational activities. The sessions encouraged discussion and feedback, and were well-received by participants.

### 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



# Somaliland capacity building

As our activities in Somaliland increased, implementing our established health and safety standards became a priority. This included a detailed in-country assessment of available medical facilities, roads, transport infrastructure, security threats, and country evacuation protocol.

Prior to a ramp-up in activities, Genel also completed a gap assessment for the future delivery of prehospital trauma life support ('PHTLS') training to local doctors. The mission of PHTLS is to promote excellence in trauma patient management by all providers involved in the delivery of pre-hospital care. The programme focused on the treatment of a multi-system trauma patient as a unique entity with specific needs.



# People and diversity

Genel's dedicated and experienced teams have always provided the bedrock of our performance and remain a key source of pride to the business. Genel's diverse global footprint requires a culturally diverse workforce, which collectively represents the key component to Genel's success. Our skilled employees share the values of our socially responsible business, and we continue to attach high value to attracting and retaining the best global talent. Moreover, 2023 showcased our ability to adapt to shifting operational priorities with the successful transfer of skills and knowledge between operations in the KRI and Somaliland.

## Workforce diversity

Genel continues to see a benefit from the promotion of gender and cultural diversity in our workforce, and encouraging an inclusive workplace has allowed us to leverage and benefit from a breadth of opinion and perspective. Our workforce is one of our finest assets and first-hand experience has taught us that a continued commitment to diversity helps foster improved ideas, skills, knowledge, and our overall performance as a business.

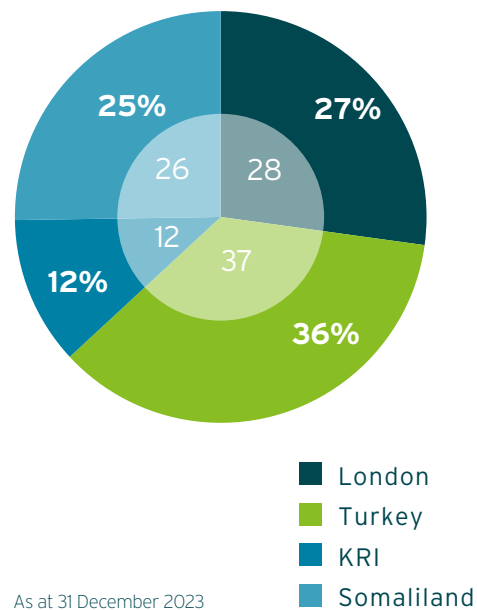
This diversity was reflected in the demographic of our workforce in 2023, when we employed 103 people across four regional offices, with 37 employees in Turkey, 28 in London, 12 in the KRI, and 26 in our African operations. Moreover, in reflection of our global operational footprint, our talented employees represented 13 different nationalities.

Additionally, Genel apportions significant value in the continuous promotion of women into leadership positions across all levels of the Company, with women representing 30% of our total workforce, making up 17% of Board positions, 20% of the Executive Committee, and 27% of management positions in 2023. We made 10 new employee hires, comprising four women and six men, with recruitment growth focused predominantly on support for our Somaliland operations.

## Nationalities represented in Genel

Employee nationality	
American	2
British	23
French	1
Indian	1
Iranian	1
Iraqi	11
Irish	1
Moroccan	1
Norwegian	1
Russian	1
Somali	22
Swiss	1
Turkish	37
<b>Total</b>	<b>103</b>

## Where are our teams based



## Our policies and initiatives

In reflection of the importance of diversity and people management, we have developed a formal structure to provide guidance to current and new employees. This allows Genel to progress and evolve these initiatives to ensure they remain fit-for-purpose. Our continued pursuit to promote diversity is an evolving process and more information can be found in our Diversity & Equal Opportunities Policy, available on our website. This Policy helps support our commitment to diversity, and training on this is delivered to all employees at the start of their employment. This is intended to promote positive employee relationships that enable all individuals to make use of their skills, free from discrimination or harassment. Some details of the broad range of initiatives embedded into our business-as-usual operations are provided below.

### Employee benefits

We are committed to providing a competitive compensation package, and this is benchmarked through annual market reviews which enable the Company to attract and retain the highly skilled talent needed to deliver our strategy. These market reviews collect data from expert external consultancies to analyse and compare each position's level and pay.

Our recruitment and salary review processes ensures that we make hiring and promotion decisions based on merit 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.

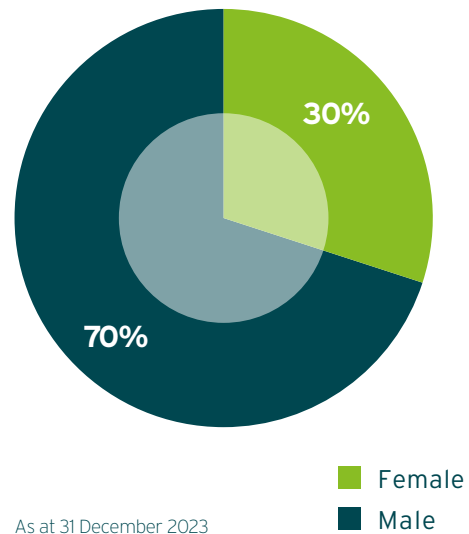
### Hybrid working

Genel's established hybrid working model is applied throughout our corporate offices and provides flexibility to our employees to enhance a work-life balance and to manage work and personal commitments. This initiative is also becoming a progressively important factor to attract and retain talent.

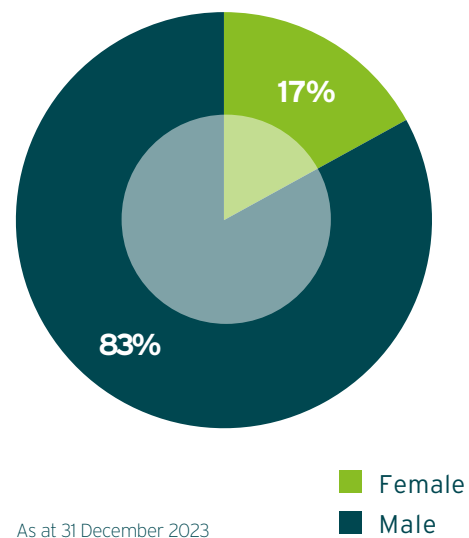
### Maternity and paternity allowances

Genel provides parental leave policies in each location, which are designed to facilitate flexibility for both men and women. Moreover, we were pleased to provide the first instance of enacting Genel's shared parental leave policy in 2023, whereby extended paternity leave was taken as part of shared allocation.

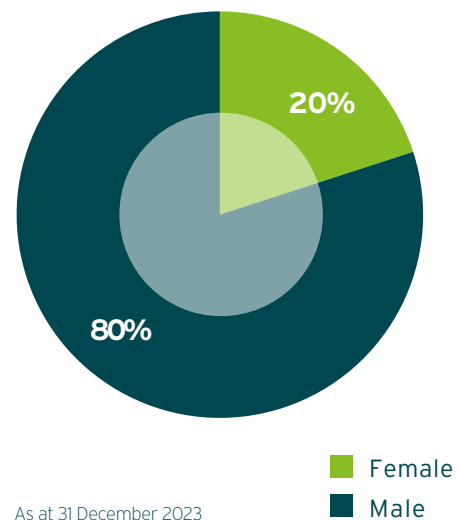
## Gender split in workforce



## Gender split Board of Directors



## Gender split Executive Committee



### Employee wellbeing

We recognise that any success at Genel is the result of an engaged and thriving workforce, and it is for this reason that a focus on staff wellbeing is a key component of Genel's success. Genel employs a series of initiatives, each with a focus on employee wellbeing at its core.

#### Employee health and fitness to work

An element of Genel's focus on employee wellbeing is detailed in the IOGP guidance for 'Fitness to work'. This provides a structured process for systematic identification, assessment and management of risks associated with tasks that place specific demands (physical and psychological) on employees. As field activities increased in Somaliland throughout 2023, this guidance continued to be a valuable tool in meeting the staffing requirements of our challenging operational environments, and also continued to be an integral part of assessing staff welfare. This process comprises the following:

- 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

To further enhance the wellbeing of our workforce, annual training is in place for role-specific requirements that are identified through 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.

#### Genel Wellness

The Genel Wellness programme continued to be available to all staff via the Wellbees App platform throughout 2023. This initiative promotes physical and mental wellbeing throughout the organisation, with the aim of supporting staff in the workplace and beyond. Genel was pleased to have continued this initiative after its successful uptake in previous years, and with a continued focus on staff wellbeing, we look forward to building on this as a fit-for-purpose programme going forward.

### Employee performance

Genel collectively performs at its best when the potential of each employee is realised, and Genel's performance management process provides a structured platform for employees to discuss career development with their direct managers, and to evaluate personal performance.

Our focus on talent is supported by our talent management process - Talent MAP (Measuring Ability and Potential) - which highlights areas where we can further support employees to maximise their value and impact in delivering the work that we do. Furthermore, in continuation of developing our talented workforce, Genel's Leadership, Development and Evolution ('LEAD') programme has been designed to support our succession planning. The LEAD programme 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.

### Managing Genel's workforce

The operational nature of Genel's activities mean that we rely on the support of highly skilled contractors who provide valued, flexible, and temporary expertise. The reduction in Genel's workforce during 2023 was largely through a reduction in contracted workers. Indeed, while various circumstances during this period have resulted in the need to reduce our contractor workforce, we have done so while maintaining a core of key staff and capabilities. This fluctuation in our workforce has demonstrated our ability to contract and expand our workforce as business conditions dictates, while preserving a central team structure which is able to respond to future changes.

Despite the operational challenges experienced in 2023 Genel maintained single digit voluntary turnover for a third consecutive year. Similarly, we are pleased to see a continued longevity of service for full-time staff, with 40% of Genel's employees staying with Genel for more than five years, and 30% of our people have been with the Company for over a decade. 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.

### A voice to all employees

In order to maintain an inclusive workplace and to encourage continuous improvement, it is crucial to Genel that the opinions and views of our employees are heard and acted upon. Informal channels are available throughout the business, though the formal avenue to empower Genel's workforce remains our Whistleblowing Policy.

This policy has been in place for over a decade now and was expanded in 2020 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. Alongside our Whistleblowing and Grievance Policy, Genel operates a whistleblowing hotline service, which is available in a number of languages, and which enables employees and third parties to report concerns on a range of matters. Further details of this policy are provided in page 30 of this report.

Additionally, Townhall meetings have regularly provided all staff with updates on our ongoing and upcoming activities, as well as giving immediate access for employees to raise questions with Genel's Executive Committee. Given the changing operational footprint in KRI and the increase of activities in Somaliland throughout 2023 these periodic Townhall meetings, chaired by Genel's CEO, provided a valuable conduit for sharing of information throughout the business.

# Human rights and modern slavery

Genel's ongoing commitment to conducting our business in a manner that respects human rights across all areas of operation remains a common and constant thread for all our activities, irrespective of geographic location or of the prevailing business environment. 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 and supply chain. Our policies, internal training, public disclosures and grievance mechanisms on this topic ensure that it remains firmly as a business-as-usual and fit-for-purpose element of Genel's operations.

Where we have the ability to do so, we require the same high standards from our contractors, suppliers and other business partners with regard to respecting human rights. As part of our supply contracting processes, the Company policy requires that 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.

In line with a human rights compliance assessment undertaken in 2021, of our performance against the UN Guiding Principles on Business and Human Rights ('UNGPs') and in order to ensure the policy remains current, periodic updates are made to Genel's Human Rights Policy to better reflect the evolving business landscape within Genel's areas of operation. Furthermore, in reflection of the considerable significance Genel attributes to this topic, we were pleased to be an early adopter to the United Nations Global Compact: Communication on Progress, which is a non-binding United Nations pact to encourage businesses to adopt sustainable and socially responsible policies (including human rights), and to report on their implementation.

## Whistleblowing and Grievance Policy

Genel is aware of the potential compliance risks which exist in relation to our operational activities and in acknowledgement of this, Genel encourages a culture of openness and accountability. This culture is formalised through our Whistleblowing and Grievance Policy. This policy has evolved in recent years in the 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 policy applies to all individuals working with Genel, including directors, officers, employees, and to contractors, and any stakeholder third parties. The policy is communicated to Genel employees through internal training and is available for all stakeholders on Genel's website.

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

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.

# Community engagement

The relationships developed with our host communities have always been of great value to Genel. Engagement with these communities provides the foundation of our operations and we remain committed to our local partnerships and to developing local capabilities. Our focus on community engagement helps demonstrate how responsible investment in natural resources can provide substantial benefits to the quality of life in host countries, and we are proud of the positive impacts we continue to make to local communities.

The increase of Somaliland field activities throughout 2023 was enabled - in part - by the community relationships that had been developed in this region over the previous decade, and this engagement remained a key priority throughout the year.

## Local economic development

Supporting local economic development is a key objective for Genel and is an essential component of our broader sustainability strategy. It has long been a central tenet of Genel's operations that our projects are supported by a community workforce which enable training and skills transfer within that workforce. Our in-country community liaison teams are guided by Genel's Local Content Policy in their engagement with local communities, while also interacting with applicable regulators to understand expectations.

Not only do we acknowledge our responsibility to host communities, but we also appreciate the opportunity to work alongside community members to enable capacity building that will provide long-term benefit to the regions in which we operate. In 2023, the following opportunities contributed to a direct positive impact on economic development within the respective communities:

- Somaliland civils infrastructure work supported four local companies and provided contracted value of \$5.2 million
- Between January and July 2023, Genel's operations supported 58 individual local companies at Sarta with a combined contract value of approximately \$15 million. Additionally, two local companies supported the cuttings and fluids treatment and disposal project at the end of the year; a project which provided a combined contract value of \$1.9 million.

Empowering a community workforce as stakeholders within Genel's operations, and by adding value to the local economy through their participation, enables ownership of the long-term well-being of these regions. Furthermore, we also encourage our contractors to hire from the communities in which we operate, and support training if the necessary skills are absent.





## Community engagement in Somaliland

During 2023, Genel's Community Engagement project was conducted in partnership with the Somaliland Ministry of Energy and Minerals (MOEM) on the SL10B13 Licence and formed an integral part of the civil infrastructure construction operations in preparation for the drilling of the Toosan-1 exploration well. The project objectives were to build relationships with local communities in the area of our operations, identify and resolve any concerns or issues raised, and support the distribution and award of local hiring and contracting for goods and services. The project included 20 villages within a 50km radius of the well location. Throughout the project, a field team of Genel and MOEM staff regularly visited the villages to directly engage with the local communities, supplemented with local and regional townhall meetings at key stages of the project.



## Grievance mechanisms

Genel is proud of the positive economic impact our operations can have on local communities, through direct employment, skills sharing, and training opportunities. However, we are also acutely aware of the limitations in scope and scale of these activities and accordingly, of the potential community grievances that can result from this. For example, an expectation of employment opportunities can materialise far beyond the scale of Genel's operations.

Meaningful community engagement is a key part of understanding and managing community expectations and grievances, and our in-country liaison teams work with local communities to ensure that this process is undertaken in a timely and respectful manner. The process provides an opportunity not only for Genel to understand any grievances as operations increase, but also to understand the needs of the host communities.

### Somaliland

Genel's community engagement activities in Somaliland rose in line with the increase in operational activities, as we recorded a total of 237 community engagements throughout the year. Of these engagements only two grievances were recorded and of the two grievances recorded, one was in relation to waste disposal practices, and one in relation to the potential drilling of a water well.

### KRI

Prior to ceasing production from Sarta, Genel maintained emphasis on engagement with local communities. The expectations of local community stakeholders resulted in three grievances received, all of which were in relation to employment opportunities, though Genel worked to resolve these issues with affected stakeholders.

## Land compensation

Genel acknowledges the significance that land compensation represents within 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 Genel's operations is compensated in line with the applicable policy in KRI or Somaliland. Furthermore, any temporary or 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 for example, Genel compensated over \$3 million by means of land and crop compensation.

Developing future talent for Kurdistan  
by providing 20 students with  
a life-enhancing education



## Genel20 Scholars

2023 saw the first full year the Genel20 Scholars programme, which provides a university scholarship at the American University of Kurdistan ('AUK'). The programme was launched in 2022 for 20 talented high school graduates from disadvantaged backgrounds, and Genel is pleased to be providing full funding for tuition and living expenses. A range of courses were taken up by the students, including Petroleum Engineering, Nursing, Accounting and Finance Management, and Electronics and Telecommunication Engineering. This programme is one of great pride for Genel and provides an example of the meaningful and long-term impact of our social investments. Genel has committed to an annual average investment of approximately \$250,000 per year for four years.

Genel was fortunate enough to visit the AUK in 2023 to meet with the scholars following their first year of academic studies. This was an engaging and worthwhile trip at which the optimism and enthusiasm of the students was abundantly apparent.

Genel is pleased to receive regular updates from the scholars in AUK and feedback presented from the first year of study was overwhelmingly positive. Further details from two of the Genel20 Scholars is provided below, and Genel thanks them for sharing their stories.



### Balen Abdalla: Computer Software and Security

The Genel scholarship has provided me with a high-quality education and many opportunities to get involved with the university through volunteering or other means. The American University of Kurdistan keeps getting more advanced, and Genel has provided an opportunity to be a part of this journey. I have been presented with countless networking opportunities, and because of my studies I was able to secure a summer internship with a leading global cybersecurity organisation. With this education opportunity, I want to bring awareness of cybersecurity in Kurdistan and promote it throughout our communities, because as technology advances we will need this progressively more.



### Rozh Abdalla: Accounting and Finance Management

The Genel20 scholarship has made my journey at AUK smooth and less stressful, allowing me to fully commit to the university and dedicate all my energy to my studies. Last semester, I achieved a GPA of 3.67 while taking five courses and I was pleased to be elected as group leader for two projects in two courses; Principles of Management and Ethics and Social Responsibility.

I have also initiated the University Environmental Club, which focuses on raising environmental awareness. I am also proud to be an AUK student Ambassador and currently hold the role of student career service officer in the current student government. The Genel20 scholarship has reinforced my commitment to social responsibility and a sense of belonging, leading to better and improved relationships. It has fostered a sense of unity and collective success, where the accomplishments of one can benefit all. My long-term aspirations, which existed even before receiving the scholarship, continue to be focused on making a positive impact on my community.

# Social investments

Investment in our host communities remains a hugely important feature of Genel's business and in 2023 we continued to build on the progress of previous years. Our social initiatives provide us with an opportunity to deliver meaningful investments in our host countries and improving the wellbeing of community members remains a significant driver for Genel, which forms an important element of our social responsibility.

Genel's Corporate Social Responsibility ('CSR') policy provides guidance to our CSR strategy, and application of this policy helps Genel to understand community expectations, and to implement the most impactful possible social investments. These investments are only made possible through the work of Genel's dedicated country teams working alongside our trusted in-country partners, who support in implementing these important projects.

## Guided by UN SDGs

Genel's social investment initiatives are broadly guided by the five UN Sustainable Development Goals considered to be of most relevance to our business, and to our regions of operation. These are reviewed periodically in line with any changes to our business, and in 2023 we tailored our social projects to align with these goals.

UN Sustainability Goal	Rationale and initiatives
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> <li>Supporting health initiatives is a key foundation of community wellbeing, especially in regions of Genel's operations that lack first-class healthcare infrastructure or suffer from external events. The response to the Turkey earthquakes of February 2023 is an example of this.</li> </ul>
 <p>4 QUALITY EDUCATION</p>	<ul style="list-style-type: none"> <li>Ongoing initiatives in KRI (specifically Genel Scholars) have proved successful, and a focus on education provides an opportunity for a long-term positive impact.</li> </ul>
 <p>6 CLEAN WATER AND SANITATION</p>	<ul style="list-style-type: none"> <li>Formed the basis of much of Genel's previous social investments in Somaliland and represents a potential ongoing need for investment in Genel's regions of operation.</li> </ul>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> <li>This was emphasised repeatedly during Genel's materiality assessment by a range of stakeholders; the need for capacity building and knowledge sharing in supporting economic growth.</li> </ul>
 <p>15 LIFE ON LAND</p>	<ul style="list-style-type: none"> <li>In acknowledgement of the requirement to promote support of sustainable ecosystems and protect of biodiversity.</li> </ul>

### Somaliland

In Somaliland, Genel made a broad range of investments in 2023 which involved engaging new in-country partners to roll out these important projects. By using partners in country, there is a benefit to the local communities not only through the outcome of the projects themselves, but also from the employment of the people who deliver them. Genel made \$325,000 investments in Somaliland throughout 2023, the details of which are summarised below.

- **Mobile medical clinic:** the flagship initiative in Somaliland was a mobile medical clinic programme which targets communities with few or no existing medical support services.
- **Educational supplies:** in continuation of our focus on education, Genel has also funded a programme of supplies to existing schools within the Odewayne block, which will benefit approximately 1000 students across 20 schools.
- **Burao Academy of Science and Technology:** Genel made a donation to Burao Academy of Science and Technology, which provides a science-based education to students from across the region.
- **Orphanage upgrade:** Genel also funded improvements to an orphanage in Burao, which included upgrading the solar power system, and provision of special needs materials and toys.



## Earthquake donations

2023 saw devastating earthquakes in both Türkiye and Morocco, and Genel was able to make donations to support the immediate emergency response to these events. In the case of Türkiye Genel also made contributions to provide longer-term support for vulnerable groups through the valuable work of Darussafaka Society, Turkish Education Foundation and the Tohum Autism Foundation, all of which supported educational needs for vulnerable individuals from the earthquake-affected zones.

## Looking ahead

Social investments have always formed the foundation of Genel's responsible operations, and as we welcome 2024 these investments will continue to be supported across the entire business. In the coming year Genel is looking forward to continuing our productive engagements in Somaliland with our host communities and our in-country partners who have supported us in implementing our social investments. Through these engagements, we look forward to providing meaningful and long-term community benefit through needs-assessed social investments.

We are also eagerly anticipating how the ambition of the Genel20 scholars will materialise over the next few years and look forward to seeing how these individuals will help contribute to the future growth and prosperity of the KRI.



# Responsible governance

Integrity is one of Genel's core values and it is this core value when combined with our ongoing commitment to transparency that enables Genel to conduct our business in a responsible and ethical manner. This approach is supported by a series of procedures and policies which are applicable for the nature of our activities and our diverse geographical footprint. These provide robust guidance to the rules which govern our organisation and furthermore, allow us to meet a broad range of regulatory requirements, and prepare for unplanned eventualities. This chapter provides details of the measures taken by Genel in our pursuit of responsible and ethical governance.

## Business ethics

Our unwavering commitment to transparency and integrity are the critical attributes which support Genel's ethical business practices, and we place great significance on upholding these values. We are mindful of the ambitious operational targets that we set for ourselves, but we are acutely aware that it is the manner in which we conduct our business that will ultimately define us as an organisation.

## Legal compliance

We all play our part in demonstrating a collective commitment to fostering a culture of compliance which is underpinned by the Genel Code of Conduct and our corporate values. We have established a Legal and Compliance programme which addresses anti-bribery, financial and trade sanctions and export controls, preventing the facilitation of third-party tax evasion, anti-money laundering, modern slavery, and human rights. Set out below are the six essential elements of Genel's Legal Compliance Programme.

1. Leadership and top-level commitment
2. Policies and procedures
3. Risk assessment
4. Due diligence
5. Training and communication
6. Oversight

Genel hosts all-staff legal compliance training each year, which incorporates a broad range of compliance topics and includes training given through a combination of online and in-person sessions.

With our risk-based approach, we also 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 commitment to conducting our business ethically, lawfully, and responsibly.

In particular, 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 to preventing, detecting, and deterring corruption in all its business dealings.** We maintain an unmoved position to this commitment.

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 Procedure are publicly available on our website and provide guidance for staff on assessing risks, understanding applicable anti-bribery laws, and reporting concerns via the applicable channels.

Genel's Anti Bribery Policy and Procedure are fully endorsed by the Board and Senior Management and are further supported by collaboration amongst the Company's stakeholders.



## Code of Conduct

Our Code of Conduct underpins all that we do and provides the foundation to guide all employees on being an ethical business. Our Code of Conduct refers to our corporate values and outlines their application in our daily operations and decisions.

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. 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.

The Code of Conduct forms a key component of our on-boarding for every new employee and any failure of our employees to adhere to this, or to 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 an understanding to adhere to our values as part of the approval process of registration.

## Crisis and Emergency Management

Genel has robust emergency response and crisis management processes and plans in place. Throughout 2023, where operational activities required it, we continued to maintain in-house capabilities such as spill response equipment, a fire response vehicle and an array of rescue equipment.

We have also developed business continuity plans based on impact analysis for all critical functions and these plans are regularly tested for operational preparedness. Emergency preparedness was one of Genel's core competency requirements for selected field staff in 2023 and included training in firefighting, spill response, and crisis management capabilities. Hydrogen sulphide (H<sub>2</sub>S) level 2 training remained as mandatory for all personnel working at Genel operations and is delivered by a competent H<sub>2</sub>S services contractor. Other trainings included on-scene commander Major Emergency Management Initial Response (MEMIR), care for people, and relative response.

On account of Genel's changing operational footprint in both KRI and Somaliland during 2023, operational emergency management procedures, including medical emergency response (MERP), emergency response plan, and incident and investigation reporting procedures underwent a comprehensive review in order that they remained fit-for-purpose.

### Trucking and spill mitigation

In recognition of vehicle truck movements representing one of Genel's key risks, we continued to enhance our tier 1 and 2 spill response capabilities in order to support our response to any potential incident. We provide spill response training to Genel personnel as well as the trucking and production facility operating contractors. Genel's crude 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.

In 2023 these trucking activities included transporting crude oil from Sarta, when the facility was operational, and transportation of waste drilling fluids during the cuttings and fluids treatment and disposal project at the end of the year. In both cases and in acknowledgement of the potential risk this represents, Genel mandated the use of an in-vehicle monitoring system in all vehicles transporting crude or waste fluids.

# Regulatory compliance

As a London-listed exploration and production company, Genel is subject to a wide range of sustainability-related regulations, and we operate in a regulatory landscape that is subject to frequent changes. Moreover, our diverse geographical locations require that we remain conscious of applicable national and local regulations which can influence our boundaries of operation. Our approach to regulatory compliance is well established in Genel and provides a foundation for all our activities.

## **In-country regulatory engagement**

A key element of our approach to regulatory compliance is ongoing in-country engagement with host governments and regulatory bodies. This process not only enhances our social licence to operate but also allows Genel to take a proactive role with regulators in supporting the protection of the natural environment and enhancing the wellbeing of our local communities. This is applicable for the entire lifecycle of any of Genel's operational activities and in each instance our country manager will lead this engagement, supported by our local country teams.





# Supply chain management

Genel is pleased with the meaningful progress we have made in identifying, managing, and mitigating ESG risks in our direct operations and it is intended that our approach for ongoing management of this risk will evolve in line with our business. However, we have also recognised the need to extend consideration of ESG performance beyond our own operations and to our supply chain.

This is already being considered in Genel's GHG emissions reporting, by bringing emissions from suppliers under scrutiny (i.e., Scope 3 emissions), and this level of supply-side scrutiny is progressively extending beyond emissions reporting to encompass a broader suite of ESG topics.

Genel has included key ESG metrics in our current contractor screening process and to build on the initiatives already in place, we established a two-year roadmap to support identification of ESG risks in the supply chain, with the intention of achieving the following:

1. Identify and minimise ESG risks in Genel's supply chain.
2. Engage with contractors to increase awareness of ESG risk within their own operations.

Based on the existing mechanisms in place, the tasks within the roadmap are formed around each of the following three themes.

<b>Procurement and contracting</b>	<p><b>Identification</b> of ESG material topics that are to be incorporated into Genel's existing tender process.</p> <p><b>Inclusion</b> of ESG criteria in Genel's established procurement process, with applicable weighting applied for each tender.</p>
<b>Audit and evaluation</b>	<p>Desktop or site audits of contractors to be undertaken focusing specifically on the relevant ESG elements.</p>
<b>Management</b>	<p>The following internal management tasks are incorporated into the roadmap:</p> <ul style="list-style-type: none"> <li>– Raise internal awareness within procurement and technical teams and communicate intended timeline of implementation of measures.</li> <li>– Review and communicate emerging legislation relevant to ESG supply chain risk.</li> <li>– Develop ESG contractor evaluation register.</li> </ul>



# Managing and monitoring sustainability risks

The preceding pages of this report presents Genel's approach to identifying and managing sustainability risks throughout our business. The following pages provide a summary of the existing controls in place to mitigate these risks, and also provide the key sustainability metrics which Genel uses to monitor our progress against these risks.

## Managing sustainability risks

Managing and mitigating sustainability risks is a priority which is underpinned by strong commitment from Genel's Board and senior management, evident through our approved ESG strategy which encompasses a broad range of environmental, social, and governance elements. Genel's internal policies and procedures guide how we manage these risks and underlining this process is an alignment with Genel's risk management approach, which is described from page 16 of Genel's 2023 Annual Report.

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. Genel aims to approach all stakeholder engagement in an open, honest, and transparent manner that seeks to build relationships and helps understand the needs and expectations of all individuals. The Board monitors Genel's stakeholders and their impact on key strategic objectives and decisions, and how the Company engages with each of them. Further information on stakeholder engagement and how the Board has complied with s172(1) of the UK Companies Act 2006 is available on page 25 of Genel's 2023 Annual Report.

Genel's ESG strategy helps inform the annual ESG workplan which outlines specific tasks and action items to serve as a performance indicator of how well we are mitigating the identified sustainability risks. Successful execution of our annual ESG workplan continues to be embedded in the remuneration schemes for all employees, representing a percentage of the total annual bonus. Sustainability has been integrated into the agenda of our Board meetings and Genel's ESG Manager chairs quarterly ESG meetings with the Executive Committee, which provides a platform to increase awareness of these risks, and any changes required in our approach to mitigate them. The following table presents each of Genel's material sustainability topics and summarises the management approach and policies and procedures relevant to each topic.

Material topic	Management approach	Policies and procedures
<b>ENVIRONMENTAL FACTORS</b>		
<b>GHG emissions</b>	Provide assurance that Genel's business is sustainable from a climate and economic standpoint. In doing so, demonstrate that the life-of-field carbon emissions of operated assets can be minimised through active gas management or other emission abatement measures. Furthermore, our Scope 1 emissions are reported on an equity share approach, ensuring that GHG emissions from non-operated assets are accounted for.	<ul style="list-style-type: none"> <li>- GHG Emissions Management Standard</li> <li>- GHG Accounting &amp; Reporting</li> <li>- Equity share Scope 1 emissions reporting</li> <li>- Annual CDP Climate Change submission</li> <li>- Alignment with TCFD recommendations</li> </ul>
<b>Water and wastewater management</b>	Water availability, disposal and management is factored into our planning for all new and operated assets. We identify potential water risks through the ESIA process and develop site-specific ESMPs, which includes considerations to manage water resources, to minimise impact, and to recycle wastewater whenever possible.	<ul style="list-style-type: none"> <li>- HSE Policy</li> <li>- Environmental Procedures</li> <li>- Annual CDP Water Security submission</li> </ul>
<b>Ecological impact</b>	Biodiversity considerations form part of the ESIA process to ensure biodiversity impacts are identified, avoided, or minimised, where possible.	<ul style="list-style-type: none"> <li>- Genel's Biodiversity Management Standard</li> <li>- HSE Policy</li> <li>- Biodiversity Management Plan</li> </ul>
<b>Air quality</b>	Air quality monitoring against regulatory standards and ESIA commitments is achieved through routine continuous air quality monitoring stations and routine field measurements at operated assets, which is established as part of the ESMP.	<ul style="list-style-type: none"> <li>- Environmental Social Impact Assessments</li> <li>- Environmental Social Monitoring Plan</li> <li>- Routine continuous air quality monitoring at operated assets</li> </ul>

Material topic	Management approach	Policies and procedures
<b>SOCIAL FACTORS</b>		
<b>Health and safety</b>	<p>Genel's HSE management system is underpinned by our HSE policy. Our HSE plans, training, procedures, and tools provide guidance to identify and manage hazards, and subsequently to conduct safe operations. These policies and procedures are subject to regular review.</p> <p>Contractor HSE systems are evaluated and bridged to Genel's expectations, and audits and inspections are conducted regularly. Incidents are reported, investigated, actions implemented, and lessons shared.</p>	<ul style="list-style-type: none"> <li>- HSE Policy</li> <li>- HSE Management System</li> <li>- HSE Plan</li> <li>- Permit to Work Procedure</li> <li>- Occupational Health Procedures</li> <li>- HSE Risk Registers</li> <li>- HSE Reports</li> <li>- Process safety and Integrity Management</li> <li>- Asset integrity management plan</li> <li>- Management of change</li> </ul>
<b>Human rights &amp; modern slavery</b>	<p>Genel management at all levels is 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 assessed and, where necessary, put in place to ensure elements such as air quality, noise monitoring, and road safety factors are considered.</p>	<ul style="list-style-type: none"> <li>- Human Rights Policy</li> <li>- Modern Slavery Act Statement</li> <li>- Code of Conduct</li> </ul>
<b>Community engagement</b>	<p>Through provision of employment opportunities, training, skills transfer and knowledge sharing with local community members Genel aims to generate revenue and economic opportunities for our host communities.</p>	<ul style="list-style-type: none"> <li>- Local Content Policy</li> <li>- Workforce Development Plan</li> <li>- Anti Bribery Policy</li> </ul>
<b>People and diversity</b>	<p>Genel's dedicated Human Resources team supports line managers to implement policies and procedures. We prioritise localisation where possible and localisation details are presented in this report.</p>	<ul style="list-style-type: none"> <li>- Diversity &amp; Equal Opportunities Policy</li> <li>- Recruitment Policies for each location</li> </ul>
<b>Social investments</b>	<p>Partnering with local NGOs and community organisations in our regions of operation to build trusted relationships and enable investment in meaningful social investment projects. These projects are implemented through collaboration with local communities, governments, contractors, and suppliers.</p>	<ul style="list-style-type: none"> <li>- CSR Policy based on ISO 26000</li> <li>- Local Companies Engagement Plan</li> <li>- Anti Bribery Policy and Procedure</li> <li>- Communications &amp; Stakeholder Engagement Plan</li> <li>- Corporate Social Investment (CSI) Plan</li> </ul>
Material topic	Management approach	Policies and procedures
<b>GOVERNANCE FACTORS</b>		
<b>Anti Bribery &amp; corruption</b>	<p>Genel's Anti Bribery Policy and Code of Conduct are fully endorsed by the Board and senior management, and annual compliance training is completed by all staff.</p>	<ul style="list-style-type: none"> <li>- Code of Conduct</li> <li>- Anti Bribery Policy</li> </ul>
<b>Regulatory compliance</b>	<p>Compliance with 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 compliance with emerging sustainability regulatory requirements also forms part of the responsibility of the ESG Manager.</p>	<ul style="list-style-type: none"> <li>- HSE Policy</li> <li>- Environmental Procedures</li> <li>- UK listing rules</li> <li>- TCFD recommendations</li> </ul>
<b>Crisis and emergency management</b>	<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>	<ul style="list-style-type: none"> <li>- Emergency Response &amp; Crisis Management Plan</li> <li>- Medical Emergency Response Plan</li> <li>- Spill Response Plan</li> <li>- Fire Safety Plan</li> <li>- Off-site Emergency Response Plan</li> </ul>
<b>Supply chain management</b>	<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>	<ul style="list-style-type: none"> <li>- Local Content Policy</li> <li>- CSR Policy</li> <li>- Workforce Development Plan</li> <li>- Anti Bribery Policy</li> <li>- Community Grievance Mechanisms</li> </ul>

# Sustainability metrics

The preceding pages of this report have presented Genel's approach to identifying, managing and mitigating sustainability risks throughout our business. It is also important that we monitor our progress against these risks and presented below is summary of our key sustainability metrics with performance from previous years shown for context. The figures presented in this table are reported on an operational control basis, unless otherwise stated.

ESG Topic	Indicator	Unit	2023	2022	2021
Climate <sup>1</sup>	Total Scope 1 & 2 emissions	tonnes CO <sub>2</sub> e	61,533	192,813	190,509
	Scope 1 emissions	tonnes CO <sub>2</sub> e	61,274	192,637	190,277
	Scope 2 emissions	tonnes CO <sub>2</sub> e	259	176	232
	Scope 3 emissions	tonnes CO <sub>2</sub> e	41,926	264,686	356,857
	Methane emissions	tonnes CO <sub>2</sub> e	2,439	4,217 <sup>2</sup>	9,006
	Carbon intensity	kgCO <sub>2</sub> e/bbl	13.6	17.56	16
	Flaring intensity	kgCO <sub>2</sub> e/bbl	6.28	9.18	9.66
Air quality <sup>3</sup>	SO <sub>2</sub>	tonnes	718	3,286	4,357
	NO <sub>x</sub>	tonnes	88,704	186,856	186,639
	NMVOc	tonnes	127	488	539
Water usage	Fresh water withdrawn	Cubic meters	2,869	42,624	124,586
	Produced water reinjected	Cubic meters	9,019	32,865	499,398
Hydrocarbon spills	Number of spills	#	2	6	9
	Spill size	1-10 barrel	1	0	0
	Total quantity spilled	Barrels	2.7 <sup>4</sup>	<1	<1
Waste	Total waste generated	Cubic meters	7,890	32,494	48,885
	Total non-hazardous waste generated	Cubic meters	1,830	6,371	46,207
	% non-hazardous in landfill	%	23% <sup>5</sup>	0%	0%
	% non-hazardous recycled	%	35%	63%	95%
	% non-hazardous incinerated	%	42%	37%	5%
	% non-hazardous stored	%	0%	0%	0%
	Total hazardous generated	Cubic meters	6,060	26,123	2,678
	% hazardous in landfill	%	0%	0%	0%
	% hazardous stored	%	0%	27%	15%
% hazardous recycled or remediated	%	100%	73%	85%	

ESG Topic	Indicator	Unit	2023	2022	2021
Health & Safety	Hours worked	Million	1,170,116	2,276,371	2,599,799
	Number of employee fatalities	# per year	0	0	0
	Number of contractor fatalities	# per year	0	0	0
	Process safety events Tier 1	# events/year	0	0	0
	Process safety events Tier 2	# events/year	0	1	0
	Lost Time Injuries (LTIF)	# per year	0	0	1
	Lost Time Injuries Frequency (LTIF)	Per million hours worked	0	0	0.38
	Total Recordable Injuries (TRIR)	Per million hours worked	0.85	0.90	1.92
	High-Potential events (HiPos)	# per year	2	6	6
	High-Potential events frequency (HiPoF)	Per million hours worked	1.71	2.69	2.3
	Kilometers driven	Thousands	720,633	2,023,676	3,664,587
	Motor vehicle collision rate	Per million km driven	4.16	0	0.191 <sup>6</sup>
	HSE training completed	%	74%	90%	90%
Total HSE training	Number of attendees	1,360 <sup>6</sup>	3,113 <sup>6</sup>	784	
Gender diversity	Women in workforce	%	30	26	34
	Women on Board of Directors	%	17	17	22
	Women on Executive Committee	%	20	17	12.5
	Women in management	%	27	23	20

<sup>1</sup> Climate-related figures are reported on an equity share basis, with the exception of Scope 3 emissions, which is reported on an operational control basis

<sup>2</sup> Figure corrected from 2022 Sustainability Report

<sup>3</sup> Air quality figures are reported on an equity share basis

<sup>4</sup> 2.5 bbls of oily sludge was spilled on 27 December 2023. 0.2 bbls of crude was spilled within a produced water spill on 31 March 2023

<sup>5</sup> All allocated to Somaliland activities

<sup>6</sup> Includes all site trainings conducted for contractors

GRI reference tables

Topic	Reference	Indicators	Internal response and reference
GRI STANDARD   GRI 2: GENERAL DISCLOSURES 2021			
1. The organisation and its reporting practices	2-1	Organisational details	Genel Energy PLC, London, United Kingdom Nature of ownership: 2023 Annual Report p.118-120 Countries of operations: 2023 Annual Report p.3
	2-2	Entities included in the organisation's sustainability reporting	2023 Annual Report p.5, 159
	2-3	Reporting period, frequency and contact point	Annual Reporting cycle, unless otherwise stated the information contained in this report covers the period 01 January - 31 December 2023. <a href="https://www.genelenergy.com/contact-us/contact-us/">https://www.genelenergy.com/contact-us/contact-us/</a>
	2-4	Restatements of information	Restatement of 2022 methane emissions provided on pg. 43 No other restatement of information from previous reporting cycle.
	2-5	External Assurance	2023 Scope 1 and Scope 2 GHG emissions, carbon intensity, and associated energy use figures disclosed on p.8 of this document have been subject to independent assurance by ERM CVS.
2. Activities and workers	2-6	Activities, value chain and other business relationships	p.31-3, 41 2023 Annual Report p.3, 4, 31-32
	2-7	Employees	p.27-29
	2-8	Workers who are not employees	p.29
3. Governance	2-9	Governance structure and composition	2023 Annual Report p.84-87
	2-10	Nomination and selection of the highest governance body	2023 Annual Report p.94-95
	2-11	Chair of the highest governance body	2023 Annual Report p.84-85
	2-12	Role of the highest governance body in overseeing the management of impacts	2023 Annual Report p.84-85
	2-13	Delegation of responsibility for managing impacts	2023 Annual Report p.19-23, 85
	2-14	Role of highest governance body in sustainability reporting	p.66-67, 2023 Annual Report p.22
	2-15	Conflicts of interest	2023 Annual Report p.76, 97
	2-16	Communication of critical concerns	p.17, 31-32, 42. 2023 Annual Report p.25, 77
	2-17	Collective knowledge of the highest governance body	p.41-42, 2023 Annual Report p.22
	2-18	Evaluation of the performance of the highest governance body	p.43. 2023 Annual Report p.6, 7
	2-19	Remuneration policies	2023 Annual Report p.103-117
2-20	Process to determine remuneration	2023 Annual Report p.100-117	
2-21	Annual total compensation ratio	Genel does not disclose on account of the size of our company	
4. Strategy, policies and practices	2-22	Statement on sustainable development strategy	p.1, 3, 4-5
	2-23	Policy Commitments	p.41-42
	2-24	Embedding policy commitments	p.41-42
	2-25	Processes to remediate negative impacts	p.17, 20, 29, 42
	2-26	Mechanisms for seeking advice and raising concerns	p.30, 32
	2-27	Compliance with laws and regulations	p.39
	2-28	Membership associations	No membership associations to report in the reporting period
	2-29	Approach to stakeholder engagement	p.39. 2023 Annual report p.55
	2-30	Collective bargaining agreements	Not Applicable. Genel does not have any employees covered by collective bargaining agreements

Topic	Reference	Indicators	Internal response and reference
<b>GRI STANDARD   GRI 3: MATERIAL TOPICS 2021</b>			
Disclosure of material topics	3-1	Process to determine material topics	p.4
	3-2	List of material topics	p.4
	3-3	Management of material topics	p.5-40
201: Economic performance 2016	201-1	Direct economic value generated and distributed	p.33-36
	201-2	Financial implications and other risks and opportunities due to climate change	p.11-16
204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	p.31-32
205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	p.37, 42
	205-2	Communication and training about anti-corruption policies & procedures	p.37, 42
	205-3	Confirmed incidents of corruption and actions taken	p.37
302: Energy 2016	302-1	Energy consumption within the organization	p.8
303: Water and Effluents 2016	303-1	Interactions with water as a shared resource	p.18
	303-2	Management of water discharge-related impacts	p.18-19, 41
	303-3	Water withdrawal	p.43
	303-4	Water discharge	p.43 re-injected figure provided. Remainder to evaporation ponds.
	303-5	Water consumption	p.43
304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	p.20 No applicable sites in 2023
	304-2	Significant impacts of activities, products, and services on biodiversity	p.20, 41
	304-3	Habitats protected or restored	p.20
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	p.20 Not applicable in 2023
305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	p.8
	305-2	Energy indirect (scope 2) GHG emissions	p.8
	305-3	Other indirect (scope 3) GHG emissions	p.9
	305-4	GHG emissions intensity	p.8
	305-5	Reduction of GHG emissions	p.8, 16
		Emissions of ozone depleting substances (ODS)	Not reported in 2023
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	p.43
306: Waste 2020	306-1	Waste generation and significant waste-related impacts	p.18, 43
	306-2	Management of significant waste-related impacts	p.18, 43
	306-3	Waste generated	p.43
	306-4	Waste diverted from disposal	p.18, 43
	306-5	Waste directed to disposal	p.18, 43
307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Genel has not identified any non-compliance with environmental laws or regulations within the reporting period
308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	p.40, 42

Topic	Reference	Indicators	Internal response and reference
<b>GRI STANDARD   GRI 3: MATERIAL TOPICS 2021</b>			
401: Employment 2016	401-1	New employee hires and employee turnover	p.27-28
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p.28-29
	401-3	Parental leave	p.28
403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	p.22-25, 42
	403-2	Hazard identification, risk assessment, and incident investigation	p.23-25
	403-3	Occupational health services	p.29
	403-4	Worker participation, consultation, and communication on occupational health and safety	p.22-23, 25
	403-5	Worker training on occupational health and safety	p.22-23, 42
	403-6	Promotion of worker health	p.25, 29
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p.28-29, 42
	403-8	Workers covered by an occupational health and safety management system	p.23-24, 42
	403-9	Work related injuries	p.44
	403-10	Work related ill health	p.44
404: Training and Education 2016	404-1	Average hours of training per year per employee	Data per employee not available
	404-2	Programs for upgrading employee skills and transition assistance programs	p.29
	404-3	Percentage of employees receiving regular performance and career development reviews	p.29
405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	p.28
	405-2	Ratio of basic salary and remuneration of women to men	Genel does not disclose on account of the size of our company
406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	p.28-29
409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	p.30, 40
412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	p.30, 42
	412-2	Employee training on human rights policies or procedures	p.37, 42
413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	p.32, 33-36
	413-2	Operations with significant actual and potential negative impacts on local communities	p.31-32
414: Supplier Social Assessment 2016	414-1	New suppliers screened using social criteria	p.40, 42
	414-2	Negative social impacts in the supply chain and action taken	p.40, 42



## SASB Index

Code	Metric	Reference	
<b>GREENHOUSE GAS EMISSIONS</b>			
EM-EP 110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	p.8	Scope 1: 4% methane
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	p.8, 43	Flared hydrocarbons: 53% Other combustion: 33% Process emissions: <1% Other vented emissions: <1% Fugitive emissions: 13%
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.8, 10, 16	
<b>AIR QUALITY</b>			
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.43	Excluding PM10 Non-methane VOC provided
<b>WATER MANAGEMENT</b>			
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.18, 43	
EM-EP 140a.2	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	p.43	Re-injected figure provided. Remainder to evaporation ponds.
EM-EP 140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used		Not applicable to Genel
EM-EP 140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline		Not applicable to Genel
<b>BIODIVERSITY IMPACTS</b>			
EM-EP 160a.1	Description of environmental management policies and practices for active sites	p.20, 41	
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 to Genel
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 to Genel
<b>SECURITY, HUMAN RIGHTS &amp; RIGHTS OF INDIGENOUS PEOPLES</b>			
EM-EP 210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict		Not applicable to Genel
EM-EP 210a.2	Percentage of (1) proved and (2) probable reserves in or near Indigenous land		Not applicable to Genel
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.30, 42	
<b>COMMUNITY RELATIONS</b>			
EM-EP 210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	p.31-32, 42	
EM-EP 210b.2	Number and duration of non-technical delays		Two non-technical shutdowns at Sarta facility in 2023, totalling 14 days.
<b>WORKFORCE HEALTH AND SAFETY</b>			
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.23-25, 44	
EM-EP 320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	p.22, 25, 44	

Code	Metric	Reference	
<b>RESERVES VALUATION &amp; CAPITAL EXPENDITURES</b>			
EM-EP 420a.1	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	p.9	
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	-	No revenue from renewable sales.
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.13, 14	Also discussed in 2023 Annual report p.22
<b>BUSINESS ETHICS &amp; TRANSPARENCY</b>			
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.37, 42	
<b>MANAGEMENT OF THE LEGAL &amp; REGULATORY ENVIRONMENT</b>			
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.39, 42	
<b>CRITICAL INCIDENT RISK MANAGEMENT</b>			
EM-EP 540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	p.22, 44	
EM-EP 540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	p.38,42	
<b>ACCOUNTING METRICS</b>			
EM-EP 000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas		
EM-EP 000.B	Number of offshore sites	-	Detailed in 2023 Annual report p.3, 14-15.
EM-EP 000.C	Number of terrestrial sites	-	

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