

OQGN



# Partners in Progress

Sustainability Report 2024

# ABOUT THIS REPORT

Welcome to OQ Gas Network SAOG (OQGN)'s second annual sustainability report. The report details our ongoing commitment to the highest standards of environmental, social, and governance (ESG) performance, and it highlights our progress towards key sustainability issues most material to our business and to our stakeholders.

## Reporting Frameworks and Sustainability Standards

The report has been prepared with reference to Global Reporting Initiative (GRI) standards. It also takes other sustainability-related standards and ambitions into consideration, such as Muscat Stock Exchange (MSX) ESG disclosure guidance, sector specific Sustainability Accounting Standards Board (SASB) Standards (now part of the IFRS Foundation), United Nations Sustainable Development Goals (UN SDGs), Oman Vision 2040, and the expectations of ESG rating agencies.

The report has been developed by a cross-functional team of subject matter experts within OQGN and reviewed and approved by our executive team.

## Report Scope and Boundary

All Key Performance Indicators (KPIs) disclosed in this report pertain

exclusively to OQGN's operations within the Sultanate of Oman.

Unless otherwise noted, the scope of this report covers the calendar year 1 January 2024 to 31 December 2024. Information from previous years' reports is included where necessary, and financial data is expressed in Omani Rials (OMR). OQGN is variously referred to as "we," "our," or "the company" throughout this report.

## External Assurance

This report has not been audited externally. However, OQGN currently upholds third-party assurance through the implementation and certification of internationally recognized management system standards, including ISO 9001 (Quality Management), ISO 14001 (Environmental Management System), and ISO 45001 (Occupational Health and

Safety Management). We also plan to achieve ISO 50001 (Energy Management System) certification by 2025.

While these certifications offer external validation of key components of our sustainability practices, we are actively exploring the potential for broader third-party assurance to encompass more comprehensive sustainability reporting in the future.

## Materiality

The content of this report has been informed by a materiality assessment, an annual review of peer sustainability reporting practices, and alignment with globally recognized reporting frameworks. OQGN conducts a high-level review on an annual basis to ensure that the report's content remains relevant and applicable to the business.

## Feedback

We welcome feedback on this report and on OQGN's sustainability practices. To share comments or questions, please contact us by email at [ir@oqgn.com](mailto:ir@oqgn.com).



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

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

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# BOARD OF DIRECTORS MESSAGE

As OQGN advances through its next chapter of growth, 2024 has reaffirmed the strength of our foundation and our ability to deliver value through strategic foresight and disciplined execution.

Sustainability is deeply embedded within our strategy, guiding both our decision-making and long-term planning. More than one year into our public listing, our focus remains on governance, risk management and sustainable value creation for our stakeholders. This ability to balance operational excellence with sustainability and financial resilience has been key in strengthening our position as the Sultanate's premier gas transmission network operator and our disclosure of ESG performance via the MSX platform has set a precedent for corporate transparency in Sultanate of Oman.

This year has further demonstrated our ability to not only meet but exceed expectations in safety, operational performance and corporate responsibility. The milestones highlighted in this report underscore our commitment to excellence and adherence to the highest industry standards. Our steadfast dedication to safety and efficiency, continues to reinforce OQGN's position as a trusted partner in the Sultanate's energy landscape.

We are strengthening our governance frameworks, ensuring regulatory compliance and fostering a corporate culture built on integrity, accountability and stakeholder engagement. By embedding ESG principles into our core operations, we aim to ensure that OQGN delivers shareholder value and contribute to the broader energy transition. From a financial perspective, our disciplined approach to capital allocation and operational efficiency has allowed us to maintain a strong balance sheet while pursuing strategic investments.

The energy sector is evolving and OQGN is staying ahead by leveraging innovative technologies, strengthening our asset base and identifying new growth avenues. Our role in enabling Sultanate of Oman industrial development remains crucial, and we continue to explore opportunities in hydrogen transportation and carbon

capture infrastructure to support the nation's net-zero ambitions.

As we navigate an evolving energy landscape, we remain committed to driving economic growth while contributing to Sultanate of Oman transition towards a more sustainable future. Our role as a national infrastructure leader places us at the forefront of enabling energy security, industrial development, and technological innovation. Through strategic foresight, sound governance, and a commitment to excellence, we will continue to enhance our position as a key player in the region's energy sector.

We extend appreciation to our shareholders, leadership team and employees for their dedication to OQGN's continued success.

**The Board of Directors**  
**OQGN**





## CEO MESSAGE

With this milestone came new responsibilities – to our investors, our partners, and the communities we serve. We have embraced these responsibilities with a focus on innovation, efficiency, and transparency, ensuring that OQGN continues to lead Oman's energy infrastructure development.

At the core of our progress is our determined attention to sustainability. We took a major step forward by becoming one of the first nine companies in Oman to disclose our ESG performance via the MSX platform.

Transparency and accountability remain key drivers as we strive for a strong sustainability rating from a globally recognized agency. This step aligns with Oman Vision 2040 and positions us as a responsible industry leader contributing to national energy transition goals.

Our operational achievements reflect our strategic focus on efficiency, safety, and innovation. The completion of the

Remote Techno Plug (RTP) operation on our 48" gas transmission pipeline – the first of its kind in Oman – shows just how willing and able we are to embrace advanced technology while enhancing the reliability of our infrastructure. Through implementing this technology, we successfully avoided 83.5 thousand standard cubic meters of gas from being flared or released to the atmosphere. Our drive to continuously improve our operating efficiency also resulted in a 45.7% reduction in Scope 1 and 2 emissions in 2024 compared with baseline emissions.

Equally important is our workplace safety, culminating in 14.9 million safe manhours, a testament to our rigorous health and safety culture. These accomplishments underscore the dedication and expertise of our workforce, whose commitment to excellence has been instrumental in delivering strong operational performance. We also recorded zero

2024 has been a landmark year for OQGN as we continue our journey toward sustainable growth and operational excellence. Following our successful listing on the MSX in 2023, this year marked our first full year as a publicly traded company.

incidents of discrimination in our workplace and were proud to achieve a 76% employee satisfaction score for the year – a further demonstration of our focus to creating a safe, inclusive, and engaging work environment.

Beyond our operational successes, we remain focused on digital transformation and enhancing the resilience of our business model. In 2024, we launched an AI-driven surveillance initiative that uses satellite imagery and predictive analytics to detect encroachments and potential gas leaks in real time—improving network security, cutting operational costs, and enabling proactive risk management. This reflects our broader strategy of integrating advanced monitoring tools, pipeline diagnostics, and modern asset management systems to ensure OQGN is agile and future ready. We are also actively exploring opportunities in hydrogen and carbon capture infrastructure, aligning with global

energy trends shaping the future of our industry.

Looking ahead, we are poised to play a central role in Oman's energy future. As we invest in network expansion, digitalization, and decarbonization initiatives, we remain aligned with Oman's Vision 2040 and its sustainability goals. Our stakeholders can be assured that we are not just building a company, but an enduring legacy of innovation and responsibility.

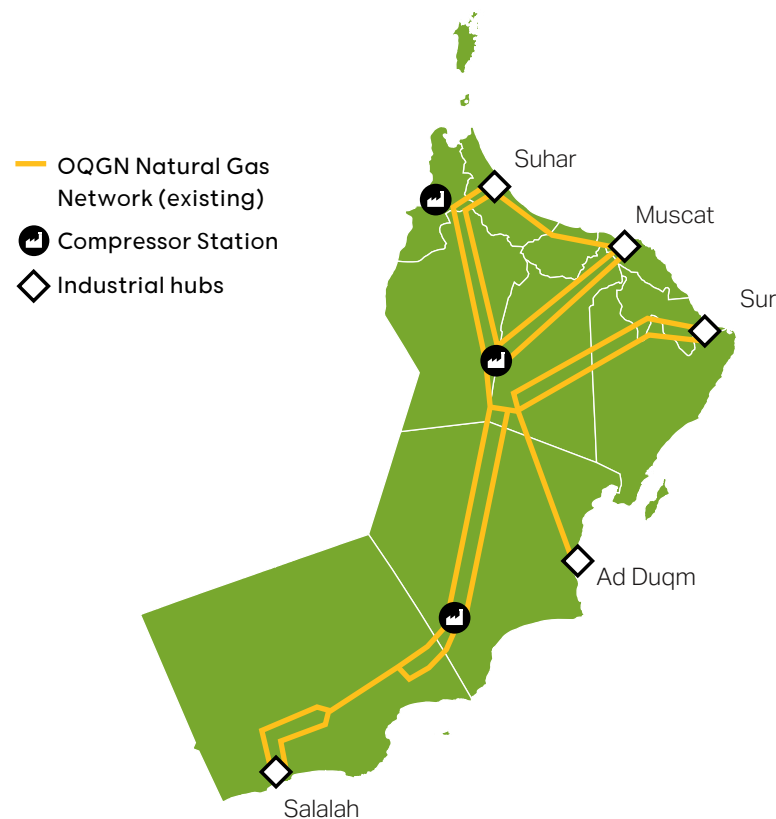
I extend my gratitude to our dedicated employees, partners, and shareholders for their continued trust and our shared success. Together, we will continue driving forward, a sustainable and prosperous future for Oman.

**Mansoor Al Abdali**  
Chief Executive Officer, OQGN

## ABOUT OQGN

Standing at the forefront of the Sultanate of Oman's energy sector, OQ Gas Network SAOG (OQGN) is the exclusive owner and operator of the country's natural gas transmission network. The company was initially incorporated as Oman Gas Company in 2000, before being rebranded as OQGN, a subsidiary of the OQ SAOC Group owned by the Oman Investment Authority (OIA).

Over the past twenty-four years, we have become a critical part of Oman's infrastructure with a dedicated workforce of 469 employees, and a pipeline network of more than 4,235 km, three compressor stations, and twenty-nine gas supply stations seamlessly serving more than 130 gas consumers with an impressive 99.99% gas availability rate for the past decade. In 2023, we reached a significant milestone when the company executed one of Oman's largest successful initial public offering (IPO) on the MSX.



**Our Vision** is to be the national champion of energy infrastructure through innovative and **sustainable** solutions.



**Our Mission** is to transport energy in a reliable, efficient, safe, and **sustainable** way.

## Our Journey

**2000**

Incorporation, with 80 percent ownership held by Omani Government and 20 percent by OQ (previously Oman Oil Company (OOC))

**2004**

First gas exported to Dolphin Energy in the UAE

**2008**

First imported gas received through the Dolphin Energy pipeline

**2013**

New ownership, after 100 percent acquisition by OQ

**2014**

Launch of new business streams, led by Salalah LPG project

**2016**

Receipt of all government-owned gas assets

**2023**

Converted to public joint stock company and listed in Muscat Stock Exchange (MSX) under the symbol OQGN

**2022**

Formation of new Board with 40 percent female representation

**2021**

Acquisition of selected assets owned by Madayn and Salalah Free Zone (SFZC)

**2020**

- Renamed as OQ Gas Networks
- Acquisition of assets owned by the Government and operated by BP

**2019**

Ringfencing of gas transportation business by divesting subsidiaries and non-regulated assets

**2018**

Adoption of Regulated Asset Base (RAB) Framework, and new revenue and tariff mechanisms based on asset ownership and booked capacity

**2024**

Celebrated the one-year anniversary of OQGN's listing on MSX, an important milestone in our journey towards achieving our mission to transport gas for a prosperous Oman.



## Awards and Recognition

OQGN was recognized with several awards and honors in 2024, including:

- **Oman's Most Trusted Brand Award 2024** Recognized for excellence and credibility in the national market.
- **CEO of the Year Oil & Gas** Awarded to Eng. Mansoor Ali Al Abdali, CEO of OQGN, at the CXO Awards 2024.
- **Chief Human Resources Officer (CHRO) of the Year** Awarded to Eng. Faisal Ali Al Mamari, VP of People, Technology, and Culture at OQGN, at the SXO Awards 2024.
- **Inspirational Woman in Energy** Awarded to Faiza Al Jahwari, Head of Finance and Chairwoman of OQGN's Women's Community.
- **Innovative Solutions in Gas Management Award** Received at the Al Mar'a Excellence Awards 2024.

- **Gold Sponsor** of the Fifth Duqm Forum.
- **Best Performing Company Large Cap Category** Recognized at the Alam Al Iktissad Excellence Awards 2024.
- **IFN Equity and IPO Deal of the Year 2023** and **IFN Oman Deal of the Year 2023** at the Islamic Finance News (IFN) 2023.
- **Best Use of Technology for Asset Integrity Award** in the Operation Technology category at the Asset Reliability and Integrity Show 2024.
- **Operational Excellence Best Practice Award 2024** from OPAL for the innovative MUEEN Smart Pipeline Surveillance and Intrusion Platform.



## Strategic Business Objectives

OQGN's strategy was revitalized in 2024 to shape the company's trajectory over the next five years. Fully aligned with Oman Vision 2040, this strategy reflects OQGN's solid operational foundation and ambitious outlook for the future. It was shaped through a collaborative effort across the company, ensuring it reflects both internal strengths and external market dynamics.

In the coming years, OQGN will focus on solidifying its position as a critical infrastructure provider by expanding its existing gas network, becoming the partner of choice in energy transition initiatives, and reinforcing its role in national and regional sustainability efforts.

OQGN's strategic direction is anchored on six key pillars:



### Gas Network Growth:

Expand our gas network by acquiring gas and Natural Gas Liquids (NGL) transportation assets, developing storage and distribution, and exploring regional growth options.



### People and Culture Development:

Attract, develop, and retain top talent by fostering a strong corporate culture, upgrading learning programs, and offering competitive conditions.



### Energy Transition Infrastructure Development:

Grow our H2 transport and storage networks and CO<sub>2</sub> transport systems in alignment with national hydrogen and CCUS development agendas.



### Sustainability Leadership:

Develop and execute a comprehensive sustainability strategy to ensure ESG compliance and progress toward Net Zero goals.



### Business Excellence:

Improve operational efficiency through excellence, innovation, digitization, and by establishing a collaborative operating and governance model.



### Financial Excellence:

Ensure long-term financial stability, focusing on compliance, green financing, and collaborating with regulators on commercial frameworks development.



# SUSTAINABILITY IN OQGN

Sustainability is an integral part of OQGN's mission, vision, and corporate ethos. Every year we seek to deepen our understanding of our environmental, social, and economic impacts, and to enhance our approach to measuring, managing, mitigating, and transparently communicating our performance to our stakeholders.

### Sustainability Governance

OQGN's Board of Directors holds responsibility for our corporate ESG and sustainability performance with support from our Sustainability Management Committee led by the CEO.

#### Our sustainability governance structure

##### Board of Directors

Guides OQGN's sustainability strategy, direction, and performance against sustainability targets



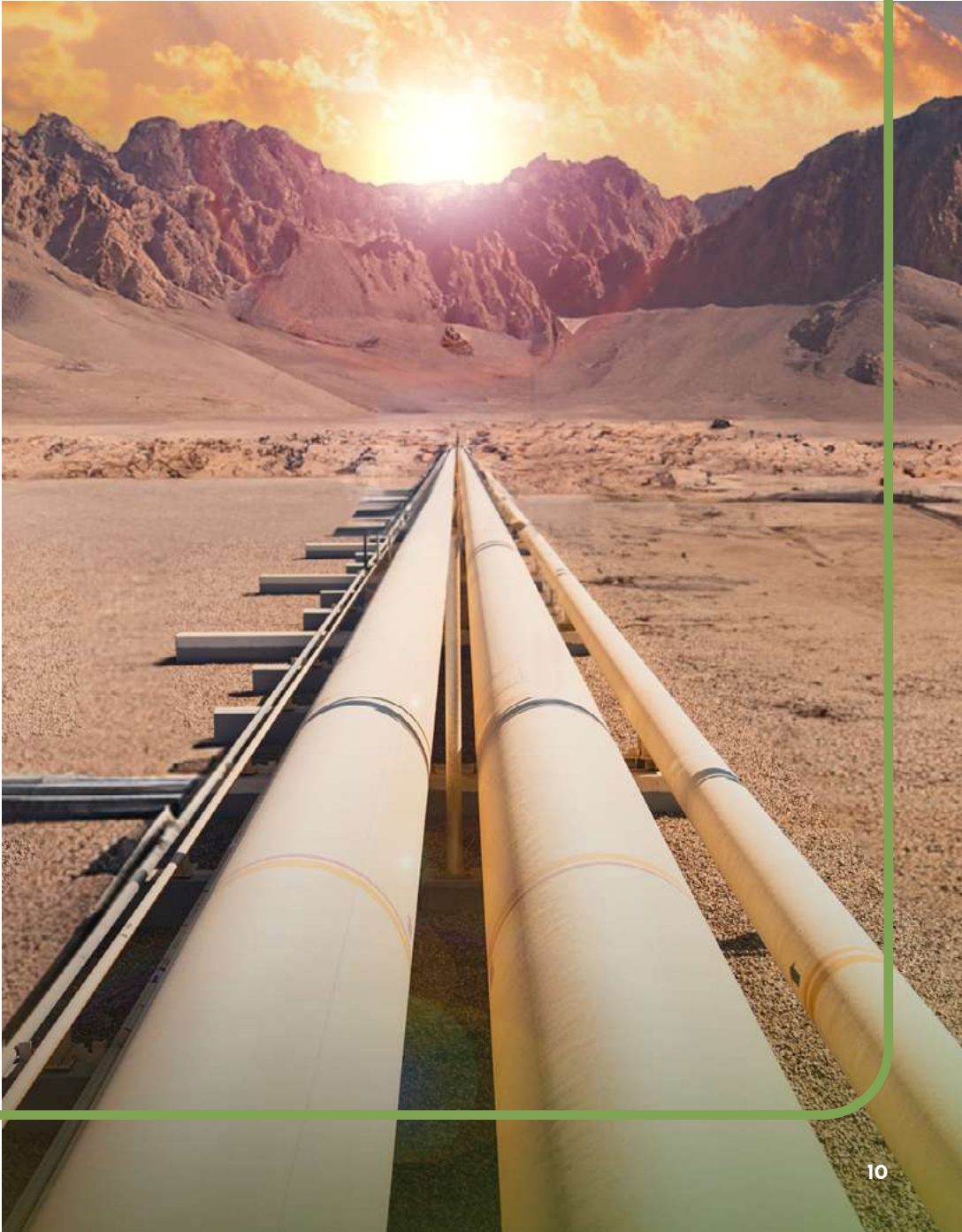
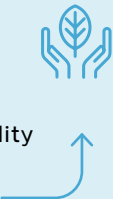
##### Sustainability Committee

Chaired by the CEO and members of the executive team, the Committee oversees development of our sustainability strategy and oversees its implementation.




##### Sustainability Department

Responsible for operationalizing our sustainability strategy and developing and implementing initiatives and innovations designed to drive measurable progress towards our sustainability performance targets.




Our Sustainability Committee is chaired by the CEO and consists of the following members: the Vice President of QHSSE, the Head of Legal and Compliance, the VP of Operations, the Vice President of People, Technology & Culture (VP of P, T & C), the Vice President of Business Development & Commercial (VP of BD & C), and the Management Secretary: Head of Sustainability. The Committee has an oversight of OQGN's sustainability activities and holds responsibility for the full implementation of our sustainability strategy and commitments.

**The Committee's responsibilities include:**




Reviewing and endorsing our sustainability policies, roadmap, and KPIs, and reviewing the company's performance against KPIs.



Making recommendations to the Board on all ESG matters, including strategy.



Reviewing and approving our sustainability materiality assessment and actions taken in relation to the ESG risks and opportunities identified through our materiality assessment practices.



Overseeing implementation of sustainability initiatives to ensure their robustness and effectiveness.



Maintaining communication with the Board on ESG issues, challenges, and opportunities, and reviewing and approving OQGN's annual sustainability report.



Steering HSE initiatives, performance, and improvement across all OQGN assets (including KPIs, incidents, road safety, contractor performance and issues etc.), plus governing HSE digitalization and competency development, and approving the HSE budget.



Reviewing the status of environmental compliance and initiatives (e.g. GHG emissions, waste management, compliance).



Overseeing significant sustainability-related risks and opportunities within the company, particularly climate-related risks and relevant emerging sustainability issues, with consideration for all relevant laws, regulations and national strategies such as Oman's Net Zero plan.

The activities of the Sustainability Committee are actively supported and enabled by our dedicated Sustainability Department. The department leads the implementation of our strategy, helping drive new sustainability initiatives and working across the company to embed ESG principles and practices across our operations.

**Measuring Performance**


Sustainability is fully integrated into our company's executive management scorecard, with sustainability performance serving as an important lever in aligning our leadership activities with our long-term strategic objectives. While sustainability metrics have an influence on executive remuneration KPIs and are factored into executive performance evaluations, they are not directly used to determine specific remuneration outcomes.




## Our Sustainability Policy

We recognize the importance of sustainable development as a strategic priority in the energy transmission industry, and we continuously strive to minimize our environmental footprint, promote social responsibility, and maintain high standards of corporate governance.


Our sustainability policy sets forth this commitment by establishing our operational principles, practices and approach. The policy's key mandates include:




Integrating ESG considerations into our strategic planning, decision-making, and day-to-day operations in alignment with global and national sustainability goals including UN SDGs, Oman Vision 2040, and the Oman Net Zero plan.



Encouraging responsible, sustainable sourcing and working closely with suppliers and business partners to ensure adherence to our sustainability principles and expectations.



Prioritizing the health, safety, and well-being of our employees, contractors, and communities by providing a culture of safety, providing the necessary training, and implementing best practices for occupational health and safety.




Engaging with all groups of key stakeholders to identify, understand, and address their concerns and expectations regarding our ESG performance, with the aim of incorporating their feedback into OQGN's sustainability strategy.



Minimizing our environmental impact through energy-efficient technologies, GHG emissions reduction, optimizing resource efficiency, conserving biodiversity, and implementing effective waste and water management practices.




Promoting innovation and investment in the research and development of sustainable technologies, processes, and practices for improving environmental performance and long-term resilience for our company and our industry.




Providing a diverse, inclusive work environment that encourages equal opportunities for all employees and supports professional development and growth.



Upholding high standards of ethics, integrity, and transparency across our business practices including compliance with all applicable laws, regulations, and industry standards.



Establishing clear ESG performance targets and objectives along with regular monitoring with the aim of continuous performance improvement.



Regularly reviewing and updating our sustainability policy and practices to ensure their continued efficacy, relevance, and alignment with evolving industry trends, stakeholder expectations, and best practices.

### Approach to Materiality

Our sustainability strategy and approach is rooted in our commitment to anticipating and responding to the priorities, needs, and expectations of our stakeholders—including employees, customers, suppliers, regulators, and communities. To ensure a consistent understanding of these evolving expectations, we regularly assess the material relevance of our business strategies and practices, ensuring that we fully consider what matters most to both our stakeholders and our operations.

Our materiality assessment process began in 2022, leveraging the established methodology of our parent company, OQ SAOC. This approach includes stakeholder identification, diverse engagement methods such as ESG-focused surveys, broad topic identification through internal and external analysis, and a dual evaluation of significance from both stakeholder and business perspectives. These steps typically culminate in a materiality matrix that guides our strategic focus.

In 2023, we tailored and refreshed this methodology to reflect the specific context and operational priorities of OQGN. The process involved an initial screening of topics by our Sustainability Department, followed by a prioritization workshop with the Sustainability Committee to ensure alignment with stakeholder concerns and the company's business impact. This exercise led to the formal endorsement of 17 material sustainability topics, including six identified as high-priority.

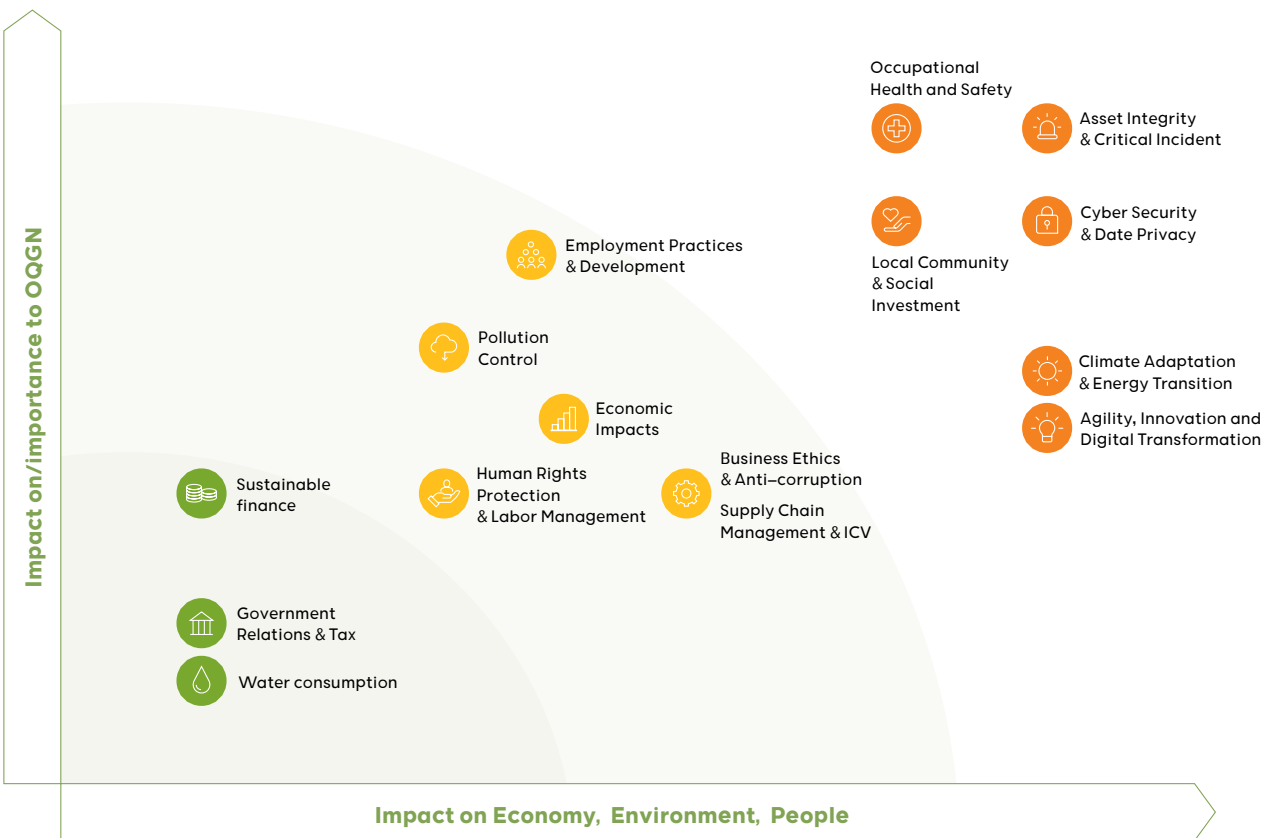
To ensure the strategic direction and actions taken to address each of these topics are fully embedded within our operations—with measurable performance

targets—our sustainability team collaborated closely with functional leaders to define KPIs, establish initiatives, and develop clear reporting and follow-up mechanisms. The relevance and applicability of these topics are reviewed annually, and a

comprehensive refresh of our materiality assessment is planned for 2025.

More details on our materiality process and outcomes are available in our **2023 Sustainability Report**.

### Materiality Matrix





## Sustainability Framework

OQGN's sustainability framework provides a structured approach for driving our sustainability strategy forward and embedding ESG principles and practices throughout our company. As sustainability is one of OQGN's strategic objectives for the 2025–2029 period, the framework plays a key role in supporting and advancing this strategic focus. The framework informs and guides the way we operate by organizing our sustainability commitments around four core pillars that closely align with our company's vision and mission. We use the framework as a decision-making and guidance tool for developing and implementing impactful strategies, amplifying our sustainability performance through new initiatives and innovation, effectively managing our key sustainability issues, and ensuring the transparent monitoring, measuring and reporting of our progress.



### Promoting Environmental Stewardship & Supporting Energy Transition

- Climate Adaptation & Energy Transition
- Waste Management & Pollution Control
- Biodiversity
- Water Consumption



### Protecting & Empowering Our Workforce

- Employment Practices & Development
- Diversity, Equity, & Inclusion
- Human Rights Protection & Labor Management
- Occupational Health & Safety
- Asset Integrity & Critical Incident Management



### Supporting Local Economic Development

- Economic Impacts
- Local Community & Social Investment
- Government Relations & Tax
- Supply Chain Management & ICV



### Establishing Effective Governance, Risk Management & Innovative Practices

- Corporate Governance
- Risk Management
- Business Ethics & Anti-corruption
- Cybersecurity & Data Privacy
- Agility, Innovation & Digital Transformation

## Alignment with the UN SDGs



### SOCIAL – SOCIAL WELFARE

- Maintained a robust HSE Management System aligned with ISO 45001.
- Achieved 14.9 million safe manhours with zero employee injuries in 2024.
- Implemented the HSE Passport system.
- Launched annual HSE Forum, Behavioral Safety Program, and mental health support initiatives.
- Provided health insurance, gym access, and wellness programs.



### SOCIAL – INCLUSIVE SOCIETY

- Promoted diversity with 11 nationalities and 12.5% female representation in middle management.
- Ran a Women's Committee to foster engagement and professional development.
- Implemented inclusive policies and maintained a gender pay equity ratio of 1.00.
- Celebrated 11 nationalities and ran inclusive initiatives like cultural events and ITHRAA knowledge sharing.



### ENVIRONMENTAL CLIMATE CHANGE

- Installed solar systems across eight valve stations and integrated energy efficiency within projects standards.
- Enabled hydrogen and CO<sub>2</sub> pipeline development through partnerships with Hydrom.
- Conducted feasibility studies for renewable infrastructure integration.



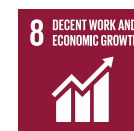
### ECONOMIC – HUMAN CAPITAL DEVELOPMENT

- Delivered over 23,000 employee training hours, a 22% increase from last year.
- Implemented Open Learning Day and digital/VR learning platforms.
- Ran HIMMA, ITHRAA, and IRTIQA'A programs to enhance career readiness and learning culture.
- Promoted local talent through internships and leadership development.



### ENVIRONMENTAL – SUSTAINABLE DEVELOPMENT

- Reduced water consumption by 63% and quadrupled water recycling in 2024.
- Installed advanced wastewater treatment unit at Nimr site.
- Maintained full compliance with discharge standards over the last four years.



### ECONOMIC – DIVERSIFICATION OF THE ECONOMY

- Employed 469 full-time employees with approximately 94% Omanisation and invested OMR 149,219 in social projects.
- Supported local SMEs and awarded 24% of contracts to them.
- Maintained 29% local procurement spending and increased training and employee satisfaction.



### ECONOMIC – INFRASTRUCTURE DEVELOPMENT

- Maintained ISO 55001 certification for asset management and expanded use of AI/tech in monitoring.
- Achieved 24.4% pipeline inspection rate in 2024 and implemented SCADA upgrades.
- Adopted risk-based pipeline inspection intervals and a new emergency response strategy.



### ENVIRONMENTAL – SUSTAINABLE DEVELOPMENT

- Reduced Scope 1 & 2 emissions by 46% from 2021 baseline.
- Launched three decarbonization action plans: energy efficiency, innovation, and electrification.
- Introduced solar energy, waste audits, environmental campaigns, and recycling systems.



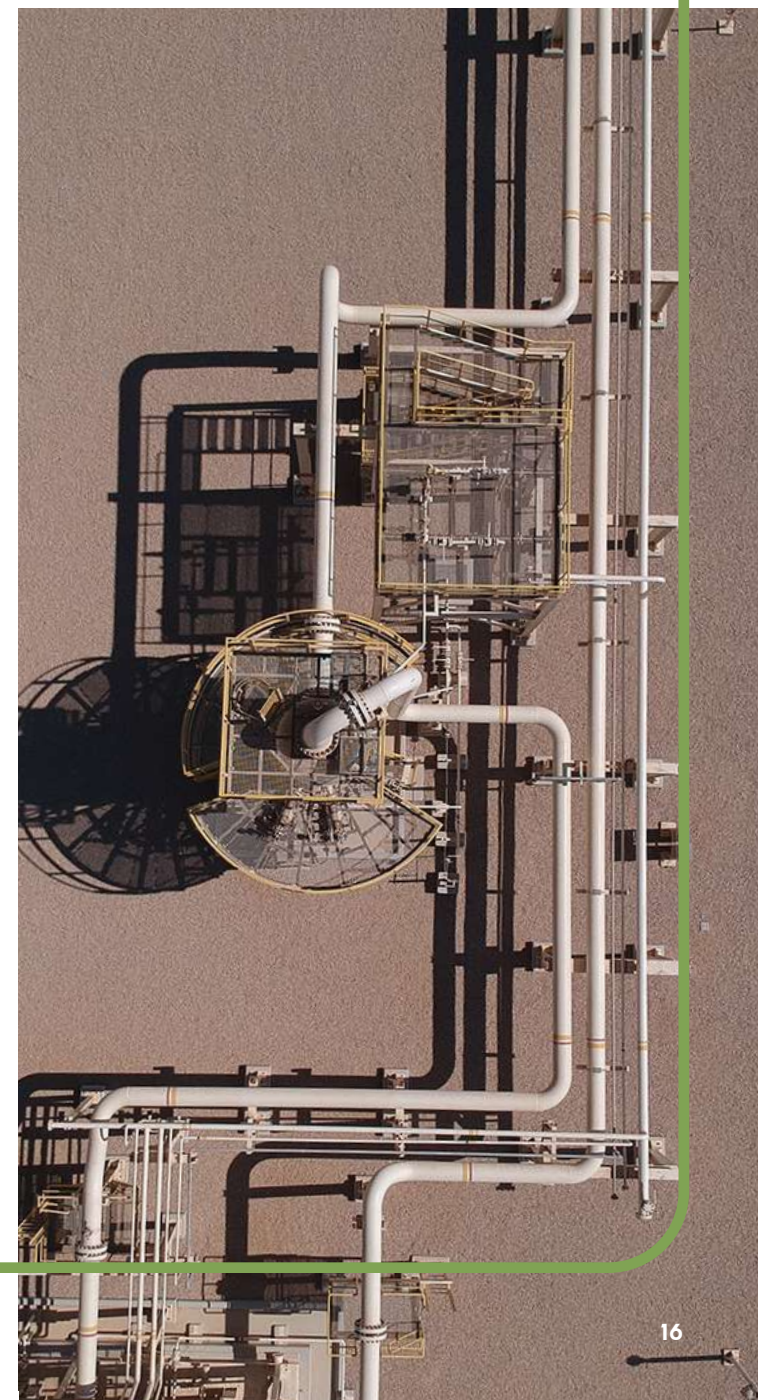
### ENVIRONMENTAL – CLIMATE CHANGE

- Integrated climate strategy targeting Net Zero by 2050 with milestones for 2030 and 2040.
- Transitioned to electric vehicles and optimized gas heaters, reducing flaring and venting.
- Deployed satellite-based AI for network surveillance and predictive risk management.



### SOCIAL – SECURITY AND JUSTICE

- Achieved 100% board governance training and maintained zero corruption incidents.
- Strengthened ethical culture through the ILTIZAM campaign and new Anti-Bribery Policy.
- Launched a public whistleblowing channel and ensured GRI-aligned ESG reporting.



# 2024 SUSTAINABILITY HIGHLIGHTS

In 2023, OQGN achieved several significant milestones in our ongoing commitment to sustainability, underscoring our dedication to environmental stewardship, social responsibility, and corporate governance.

## Promoting Environmental Stewardship & Supporting the Energy Transition



**46%**

reduction in Scope 1  
and 2 emissions



Recycled more than  
**3400m<sup>3</sup>**  
of wastewater



**63%**

reduction in  
water consumption

## Supporting Local Economic Development



Invested around  
**OMR 150,000**  
in social and  
community projects



Procurement of local  
content (In-Country Value)  
increased by  
**2%**



**29%**

procurement spent  
on local suppliers

## Establishing Effective Governance, Risk Management, & Innovative Practices



**98%**

of the Board participated  
in anti-corruption and  
bribery training



**100%**

of the board completed  
corporate governance training



**Zero**

confirmed incidents of  
corruption



**100%**

of employees completed  
the Cybersecurity  
Awareness Program

## Protecting & Empowering Our Workforce



**22%**

increase in training hours



**76%**

employee satisfaction score



**11**

**nationalities**  
presented  
in our workforce



**13%**

of our female employees are  
full-time middle managers



**Zero**

incidents of discrimination



**14.9 million**

safe manhours



# PROMOTING ENVIRONMENTAL STEWARDSHIP & SUPPORTING ENERGY TRANSITION

Through our environmental stewardship practices and decarbonization initiatives we are actively working to enable Oman's energy transition and support the nation's 2040 Vision ambitions and 2050 Net Zero target.

## MATERIAL TOPICS

- Climate Adaptation & Energy Transition
- Waste Management and Pollution Control
- Biodiversity
- Water Consumption

## OMAN VISION 2040

- Environment and Natural Resources

## UN SDGS





## How We Manage Environmental Performance

We take a structured and purposeful approach to managing our environmental performance from the top down, beginning with OQGN's Quality, Safety, Security, and Environment (QHSSE) policy, which governs our overall management approach. One of the key commitments outlined in this policy is to "drive sustainability in all business lifecycles," ensuring that our environmental focus extends across our products and services, distribution and logistics, waste management, key business partners, and mergers and acquisitions.

The QHSSE policy is then enacted via our Health, Safety, and Environment (HSE) Management System. To support these management systems, our Environmental Procedures and Guidelines also set forth clear parameters for factoring environmental performance into our operations and activities, including environmental protection, pollution prevention and resource conservation, environmental monitoring, and legal compliance.

To ensure that the protocols outlined in our management approach reflect globally recognized standards, our systems are certified under ISO 14001:2015 (Environmental Management System). We are also preparing to certify our systems in alignment with ISO 50001 (Energy Management System), and in 2024, we conducted targeted training for dedicated employees to raise awareness and establish a structured Energy Management System, enabling continuous improvement in energy performance and alignment with international best practices. Environmental Impact Assessments (EIA)

or Environmental Social Impact Assessments (ESIA) are conducted for all major projects we undertake to ensure alignment with national and international best practice. We see these assessments as both a commitment and a baseline requirement for each of our projects. Based on current regulations, they help identify and address potential environmental or social issues and compliance needs. In order to drive positive impacts, we also develop mitigation plans based upon outcomes from each assessment to manage all impacts a project may potentially pose to the surrounding environment and society.

In 2024, we implemented a comprehensive environmental monitoring program, covering: stack emissions monitoring to ensure air quality compliance, ambient air quality assessments to measure external environmental conditions, and noise monitoring at different locations and stations at OQGN to maintain safe and controlled operational environments.



**OQGN HAS  
MAINTAINED  
A SPOTLESS  
ENVIRONMENTAL  
COMPLIANCE  
RECORD OVER  
THE PAST FOUR  
FISCAL YEARS.  
WE ARE PROUD  
TO REPORT ZERO  
ENVIRONMENTAL  
VIOLATIONS, AND  
NO FINES OR  
PENALTIES RELATED  
TO ECOLOGICAL  
OR ENVIRONMENTAL  
MATTERS.**

## MANAGING RISK

Surveying and addressing emerging or potential environmental risk and opportunities is a continual process, and we regularly revise our approach to encompass operational changes, service modifications, or potential emergency conditions. We identify and manage risks through our dynamic Environmental Aspects and Impacts register. All identified risks are added to the register, enabling regular monitoring and action if necessary. As part of our sustainability risk management approach, we also use Best Available Technique (BAT) requirements to all plant activities – from design to decommissioning – to identify and implement best practices that are technically and economically feasible, and that maximize environmental protection. BAT requirements also contribute to continuous improvement and efficiency management, ensuring that our operations are not only safe but also optimized for performance.

## ENSURING COMPLIANCE

Our governance practices encompass a rigorous focus on compliance with all environmental laws and regulations including permitting, certifications, and licenses for projects to environmental monitoring and reporting. Our comprehensive monitoring protocols include the site inspection and monitoring of environmental commitments on site, the inspection of waste streams, emissions, and contaminated environments, including the identification and documentation of parameters for each release source. In addition, our environmental sampling and analysis procedures align with legal and international standards and include the regular calibration of our monitoring equipment.

Across our geographical operations in Oman, OQGN currently holds all required and valid Environmental Permits to Operate.

**OQGN MAINTAINED  
FULL COMPLIANCE  
WITH ALL  
APPLICABLE  
ENVIRONMENTAL  
REGULATIONS AND  
LAWS IN 2024.**





## Climate Adaptation & Energy Transition

From weather extremes to access to resources, to damage to critical infrastructure, the impacts of climate change on people and countries around the world are becoming increasingly dire. Aware of the potentially catastrophic consequences of climate change on our region, Oman is playing a growing role in the international drive to achieve Net Zero emissions by 2050 through the National Strategy for an Orderly Transition to Net Zero, which defines a comprehensive decarbonization roadmap for the country.

As one of the country's highest emitting sectors, the energy sector (particularly oil, gas, and power generation) has a crucial role to play in accelerating national progress towards Oman's Net Zero 2050 target. To address these impacts, Oman is investing in advanced technologies like low-carbon hydrogen and CCUS. In 2024, we began working closely with key industry stakeholders to establish ourselves as the partner of choice for hydrogen and CO<sub>2</sub> pipeline transportation, and we began collaborating with CCUS developers to create commercial-scale CCUS projects designed to meet CO<sub>2</sub> transportation requirements. We also launched detailed feasibility studies focused on establishing the technical, commercial, and regulatory aspects of the pipeline networks.

In collaboration with Hydrom, we are actively leveraging our pipeline expertise to develop the country's hydrogen and CO<sub>2</sub> transportation infrastructure, propelled by our vision of an open-access pipeline linking green hydrogen (produced by wind and solar) concession blocks with derivative plants positioned in coastal locations for ease of processing and export. This hydrogen pipeline network is being evolved in concert with Hydrom's planned developments in Duqm and Salalah as well as Al Jazir, and as domestic demand for low-carbon hydrogen grows, the network will expand to feed industrial clusters in northern and eastern Oman. In an additional step, an open-access CO<sub>2</sub> pipeline transport network will also link CO<sub>2</sub> emission sources to sinks. As natural gas demand declines stranded natural gas pipelines may then be repurposed and recommissioned as part of the green hydrogen transportation network as well.



### OUR DECARBONIZATION PATHWAY

We have a multi-faceted long-term Decarbonization Strategy in place designed to accelerate company-wide reduction of our GHG emissions. The strategy drives us towards the goal of Net Zero by 2050 with ambitious milestone targets of reducing 42% of GHG emissions by 2030, and 82% by 2040. These milestones have been determined with consideration for emerging technologies, evolving regulations, changing stakeholder expectations, and our investment strategy, as well as the practical need to balance urgency with feasibility.

Closely aligned with Oman's Net Zero 2050 goal and the ambitions of Oman's Vision 2040 plus the decarbonization targets established by the Intergovernmental Panel on Climate Change (IPCC), and the Science Based Targets initiative (SBTi), the strategy focuses on three levers of decarbonization. Each lever has an associated action plan that outlines detailed measures for intervening and reducing emissions by source. In 2024, we successfully executed the action plans for each lever and implemented the following initiatives/projects.



#### Process Optimization and Energy Efficiency

including pilot gas flare reduction, heater optimization, integrating efficient lighting standard requirements in new projects and enhancing maintenance practices in our compressor stations.



#### Data and Innovation

including leveraging AI to automate energy consumption monitoring, which helps us better manage and reduce our energy use.



#### Clean Energy and Electrification

Installation of solar panels that provide electricity for remote 8 new Block Valve Stations, and ongoing studies to explore the electrification of compressors and heaters.

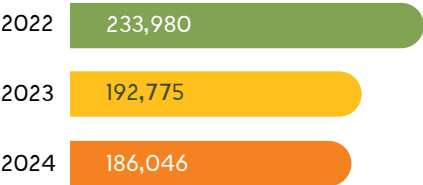


**GHG EMISSIONS PERFORMANCE**

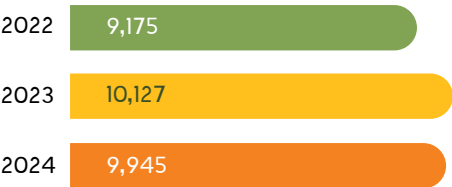
Measuring, monitoring, and reducing our GHG emissions are critical to our decarbonization strategy. In 2024, we revised our GHG emissions data from 2021 onwards in alignment with the applicable emission factors and global warming potentials per the IPCC assessment report 6, and in adherence with the GHG Protocol Framework and IPCC sourcing emissions factors tailored specifically for OQGN.

We achieved a 47% reduction in Scope 1 emissions and an 11% reduction in Scope 2 emissions in 2024 based upon our 2021 benchmark, resulting in a total combined Scope 1 and 2 reductions of 45.7%. The elimination of fugitive emissions from different sources, then heaters optimization and flaring reduction initiatives was a major contributor to this significant decrease.

**Direct GHG emissions (Scope 1) (mtCO<sub>2</sub>eq)**



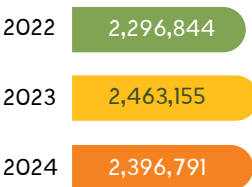
**Indirect GHG emissions (Scope 2) (mtCO<sub>2</sub>eq)**



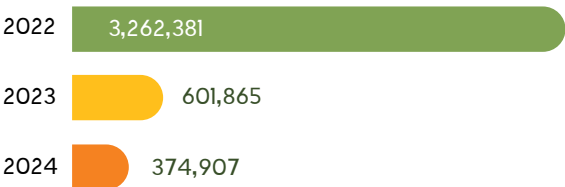
As part of our GHG reduction efforts, we have also reduced total flared gas by approximately 44% and achieved a significant 96% decrease in total vented gas since 2021.

We monitor our performance targets on a monthly basis using the in-house reporting platform developed by our talented Integrated Digital Solutions (IDS) team. For the first time, we have also introduced AI into the reporting of our electricity and fuel consumption, minimizing human intervention and ensuring high levels of accuracy.

**Total flared gas (Cubic meter)**



**Total vented gas (Cubic meter)**



**SPOTLIGHT**



**Electric Vehicle Transition**

Transitioning our transportation fleet from traditional combustion engine vehicles to electric vehicles (EV) aligns with our forward-looking business strategy, positions OQGN for long-term growth, and supports a range of sustainability performance benefits.

The initiative engages employees in the promotion of innovation and environmental responsibility across our operations, while delivering an array of immediate environmental benefits. Most significantly, the adoption of EV strengthens our support for Oman's 2050 Net Zero target by directly reducing our carbon footprint: the vehicles are responsible for a significant savings in emissions compared with our petrol vehicles.

Our transition to energy-efficient vehicles is also generating a cost-savings through reduced energy consumption reduced downtime resulting from less maintenance, greater reliability, and advanced fleet monitoring.





## SPOTLIGHT

### Energy Efficiency and Energy Use

Given the nature of our business, where most of our assets are dispersed throughout Oman, achieving maximum energy efficiency is an opportunity and a challenge.

The transition to LED technology is driven by growing environmental concerns associated with traditional lighting systems—such as Sodium, Fluorescent, and Halogen fixtures—which demand more rigorous disposal management due to their hazardous components. In addition, rising energy costs have intensified the need for more economical and sustainable solutions. Technological advancements have further supported this transition, making LED lighting more accessible, cost-effective, and reliable.

A certified vendor has been added to the OQGN Approved Vendor List to supply both explosion-proof (EX) and non-EX type LED fixtures. All recently completed projects (including the 32" SGDN and the 48" rich and lean gas projects) have incorporated LED requirements into their engineering scope of work, ensuring full alignment with energy-efficient standards.

The LED initiative aimed to:

- Reduce Engineering, Procurement, and Construction (EPC) costs
- Minimize energy consumption
- Lower long-term operating expenses
- Enhance overall economic performance
- Encourage the integration of environmentally friendly solutions in all future projects

By promoting the use of LEDs, the initiative supports extended equipment lifespans and lower power usage, hence reducing our indirect GHG emissions.



## SPOTLIGHT

### Solar Power

Transition to solar power supports the company's broader goals of reducing GHG emissions, minimizing reliance on fossil fuels, and enhancing energy security across its gas facilities.

In 2024, OQGN actively sought out advanced solar technologies. These enhancements were successfully implemented in the 32" SGDN and 48" rich and lean gas projects, covering eight block valve stations (BVSS). The adoption of solar systems has not only reduced reliance on traditional energy infrastructure and associated logistics but also significantly lowered carbon emissions.



## SPOTLIGHT

### Reducing Emissions by Reducing Flares

While flaring systems are highly regulated and essential for releasing unburnt gas into the atmosphere, reducing flaring drives direct reductions in GHG emissions. Using flared gas data collected across our network, we identified several high-impact opportunities to reduce flaring. In 2024, we began exploring key flare reduction initiatives:

1. Conducting feasibility studies on Flared Gas Recovery Systems at our compressor stations to evaluate the potential for recovering and rerouting gas released by compressors and compressor seal systems during routine changeovers and shutdowns back into our pipelines.
2. Introducing Remote Techno Plug (RTP) technology to enhance the reliability of its gas network while maintaining operational integrity and minimizing environmental impact. This initiative ensures uninterrupted gas supply and supports reduced flaring, improved operational efficiency, and greater stakeholder confidence. The project's core objective was to separate the 48" SRCCP pipeline to OLNG and the 48" SNGP pipeline to Sur into two dedicated lines—one for rich gas and the other one for lean gas—achieved through integration with the Gas Network Hub and the installation of new pig traps. As a result, this technology allowed us to significantly reduce the planned gas flaring from around 83794 m to just 245 m<sup>3</sup>.
3. Optimizing pilot gas flow at the compressor stations facilities, significantly reducing waste and improving system reliability. With a collaborative approach within our operation team we have successfully reduced the burned gas without compromising the safety or reliability of our equipment. These adjustments have led to a significant decrease in emissions from the same source.



## SPOTLIGHT

### Optimizing Oil Sampling

In 2024, we refined our oil sampling procedure for the standby compressor at one of our compressor stations. Previously, the compressor had to be fully started before oil sampling, leading to unnecessary gas depressurization. Following internal and external collaboration, the procedure was modified so that the compressor now operates in crank mode during sampling, ensuring the oil is heated without excessive energy use. This adjustment has already improved reliability and reduced gas flaring.





## SPOTLIGHT



### Improving Gas Fired Heaters

Gas fired heaters and compressors are two major sources of GHG emissions at OQGN. Both consume significant amounts of gas due to their essential functions: gas fired heaters play a vital role in maintaining operational conditions that meet customer demands while preventing condensate buildup in the system, while compressors increase gas pressure to ensure efficient flow over long distances. These processes are crucial for maintaining the safe, efficient, and reliable transmission of gas.

In 2024, we successfully completed a gas heater optimization initiative to tackle these emissions directly. Guided by careful data collection, analysis, and process simulation, we adjusted the gas heaters– set points while remaining in full compliance with all regulatory and contractual requirements. The goal was to reduce the gas consumption in the fired gas heaters, consequently lowering Scope 1 emissions, while maintaining the temperature within the agreed Natural Gas Supply Agreements limits.

This success was achieved through the efforts of our talented and skilled technical and operational teams, who played a critical role in implementing these changes. Their dedication and expertise were instrumental in realizing significant cost savings and reducing heaters emission.



Waste Management & Pollution Control

The processes and functions necessary for maintaining and operating our gas transmission network generate waste and involve the handling of hazardous materials. Aware of the potential environmental impacts of our generated waste and of any hazardous materials associated with our activities, we have a waste management plan in place along with a detailed waste stream register. We also maintain a comprehensive set of requirements for managing both hazardous and non-hazardous waste. These requirements reflect best-in-class waste management practices and ensure our full compliance with all rules and regulations governing waste in Oman. These requirements include comprehensive record-keeping for reporting and auditing purposes, and the classification and identification of all hazardous waste in accordance with the Omani Ministerial Decision 18/93.

To ensure the secure storage of waste until proper treatment or disposal is possible, we may sometimes require the set-up and maintenance of interim industrial waste storage facilities. When such facilities are necessary, we ensure all necessary permits are in place, and work with fully vetted and approved third-party providers for specialist handling, treatment, and disposal services.

In 2024, as part of our Waste Segregation Program, we implemented separate bins for hazardous and non-hazardous waste, ensuring that all waste is disposed of through approved contractors. Consignment notes are maintained for hazardous waste disposal, and regular monitoring ensures that no waste-related impacts are identified. In addition,

waste batteries and waste oil are now collected and sent to recycling companies, reinforcing our commitment to circular economy principles.

To further enhance governance, a specific procedure on waste management was issued in 2024, building upon the general principles established in our 2023 Environmental Guidelines.

We also set target for us to conduct waste audits and environmental monitoring programs to assess compliance and identify areas for improvement. Key initiatives in 2024 include:

- Conducting three waste audits to assess waste management performance.
- Launching air and noise monitoring programs at four operational stations.
- Developing and updating three environmental procedures to ensure continuous improvement.

Ensuring that employees and contractors are fully engaged in waste management best practices is a critical part of our approach. In 2024, we expanded our waste management training efforts, integrating them into the Intelix Training Module, in alignment with the Training Matrix for HSE and operations employees across all regions.

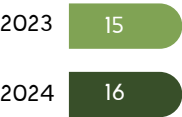
We also launched a company-wide Environmental Campaign during the 1st Annual HSE Forum, involving both employees and contractors. The campaign featured educational initiatives and a friendly competition, where two regions and four contractors were awarded for their participation in tree planting and clean-up competitions. Employees across different regions also engaged in awareness-building activities.



Total non-hazardous waste disposal (metric tonnes)



Total hazardous waste disposed (metric tonnes)



•Value includes direct contractors' generated waste.

Biodiversity

We strive to protect biodiversity of our region through baseline surveying, assessing, and monitoring biodiversity across the sites prior to any major construction activities, and on implementing robust mitigation measures where necessary. Our biodiversity approach ensures that all our projects align with the highest environmental standards. To achieve this, we adhere to these essential biodiversity actions, mitigations, and studies:

- Conducting EIA or Environmental and Social Impact Assessments (ESIA) studies for all relevant projects, based on project sensitivity and regulatory requirements.
- Ensuring early-phase planning for all EIA and ESIA

studies to integrate biodiversity considerations into project planning and design.

- Repeating EIA and ESIA studies whenever required by environmental authorities due to changes in jurisdiction or operational conditions.
- Allocating the necessary resources within projects to carry out comprehensive biodiversity studies.

Data and insights from our thorough EIA are used to determine appropriate interventions and steps for the protection of ecological and biological diversity. These measures are integrated into an Environmental Management Plan for each project.

In 2024, we integrated biodiversity protection as a core element of our Environmental Management Guidelines which provides structured guidance on:

environmental protection, pollution prevention, and resource conservation; compliance with legal requirements and other environmental obligations; and continuous improvement in biodiversity performance and sustainability measures. An environmental audit and site visit were also conducted for the 42” pipeline project located within the Assaleel Natural Park Reserve.

We are active participants in global and national biodiversity awareness programs. In 2024, we took part in the annual celebration of World Biodiversity Day, highlighting our efforts in protecting biodiversity and implementing effective environmental controls.

Biodiversity	Units	2023	2024
Total area of disturbed land (includes land that is owned, leased or operated)	Hectares	18.442	0.357 <sup>1</sup>
Percentage of land area affected by operations that was restored during the reporting period	Percentage	46.35%	43.94%
Percentage of land owned, leased, or operated within/ adjacent to protected and/or key biodiversity areas	Percentage	0.90%	0.81% <sup>2</sup>

<sup>1</sup>This figure is derived from the total volume of excavation activities. The decrease is attributed to a lower volume of excavation works in 2024, as most major project excavations were completed during their initial phases in the previous year.

<sup>2</sup>During 2024 our pipeline has expanded i.e. Saib Project in Dhofar of 208 Kms, while maintaining same pipeline portion in the biodiversity protected area.





Water Consumption

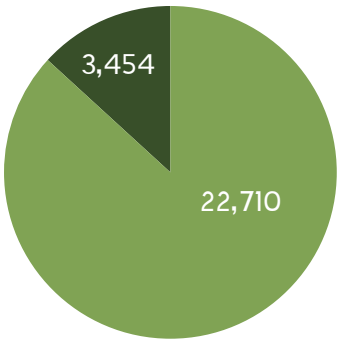
While OQGN's operations are not water-intensive, our location in a region affected by water scarcity means that water conservation measures are still a priority. We have a variety of water control measures in place to maximize our water efficiency and minimize water waste, including a sewage water treatment plant in Nimr, which we use to recycle water for the irrigation of local flora, and the release of used hydrotest water into designated evaporation ponds. On some occasions this water may also be discharged to land, and in these instances, we procure consent from local authorities via a No Objection Certificate.

WE HAVE HAD  
ZERO INSTANCES OF  
NON-COMPLIANCE  
WITH RELEVANT  
DISCHARGE  
STANDARDS FOR  
WASTEWATER AND  
EFFLUENTS  
FOR THE PAST  
FOUR YEARS.

15%  
OF THE WATER  
CONSUMED IN 2024  
WAS RECYCLED

Water impacts are also fully assessed as part of the EIA and EISAs conducted for new projects, and appropriate controls are documented as part of this process.

In 2024, we reduced the amount of water consumed by our business by 63%, while also quadrupling the volume of water recycled. This improvement was made possible by the commissioning of the new water treatment unit in late 2023.



- Total water consumption (m3)
- Total water recycled (m3)

SPOTLIGHT



Nimr Staff Accommodation Project  
MANAGING ON-SITE WASTEWATER

Previously, our Nimr site staff accommodation's wastewater and sewage were managed by a third-party contractor who transported it to the nearest Sewage Treatment Plant.

In 2024, we installed a state-of-the-art wastewater treatment unit at the Nimr camp to promote water recycling and reduce the environmental impact of staff accommodation. We have partnership with local technology provider who is Certified to ISO 9001 and ISO 14001, the unit uses anaerobic bacteria to bioengineer wastewater from the camp into high-quality effluent that can be repurposed for camp irrigation and reducing the environmental impact of transportation. The new on-site treatment plant allowed us to reduce freshwater consumption, and enhanced health and safety through a 90% reduction in tanker trips.

SPOTLIGHT



Green Space Initiative

Part of our commitment towards managing our environmental impacts and creating green spaces, we took the Nimr Staff Accommodation Project further and successfully reused treated wastewater for planting over 114 native and drought-tolerant trees utilizing treated wastewater generated from the new STP installed in the Nimr region. In addition to that, we have extended the initiative in the head office where we planted more than 120 native trees, including Sidr, Ghaf, Neem, Mango, Lime, and Acacia.

# PROTECTING & EMPOWERING OUR WORKFORCE

By providing opportunities for growth and success within a diverse, equitable and inclusive work environment, we strive to ensure our employees are valued and empowered.

## MATERIAL TOPICS

- Employment Practices & Development
- Diversity, Equity, & Inclusion
- Human Rights Protection & Labor Management
- Occupational Health & Safety
- Asset Integrity & Critical Incident Management

## OMAN VISION 2040

- Health
- Well-being and Social Protection
- Labor Market and Employment
- Education, Learning, Scientific Research and National Capabilities

## UN SDGs



## Employment Practices & Development

We believe that the success of our employees is one of the most important investments we can make. Within the inclusive, welcoming and equitable atmosphere of our work environment, we offer a comprehensive range of training programs, career advancement opportunities, health and wellness initiatives, and open communications channels designed to enable each and every employee to thrive.

We offer a range of targeted training and professional growth opportunities throughout the year, including our HIMMA Program, which focuses on enhancing our organizational culture, improving collaboration, increasing employee engagement, and empowering our future.

HIMMA initiatives and opportunities in 2024 featured more than 20 culture-building events, including a car maintenance workshop for women, and a new Energizer Initiative. Held by each floor of our offices on a monthly basis and organized by two employees from each team, Energizers are short, interactive activities designed to break monotony and foster a dynamic, engaging, and collaborative work environment by boosting energy and motivation. Through the HIMMA SANAA'H initiative, every four months throughout the year we invite an SME with a particular Sanaa'h skill to provide a relaxing workshop for employees, enabling them to release stress, connect with colleagues, and learn new skills such as pottery making, candle art, coffee art, and planting. To boost physical fitness and mental health, our 2024 HIMMA initiatives included a football league, a table tennis tournament with over 150 participants, and a walking steps competition

during Ramadan, along with a series of professional education workshops.

Additional programs such as HIMMAH ELMAAM focused on communication and workplace etiquette through educational workshops. The Culture Engagement Roadshow connected regional offices with leadership, fostering dialogue and responsiveness. "Behind the Title" sessions offered employees the chance to hear from and interact directly with senior leadership, promoting transparency and inspiration across teams.

We regularly evaluate our employee development and training programs, as well as our development practices, through a comprehensive Development Needs Analysis (DNA). The process encompasses three key areas of training and development:

1. Ensuring organizational alignment with our long-term business objectives through an assessment of training needs based upon business goals, cultural values, strategic focus, and anticipated business growth.
2. Rigorously reviewing the performance standards, operational challenges, and business and project plans of each department to identify specific competencies and gaps that may require enhancement. This enables us to address both the immediate and strategic needs of each functional area within the company.
3. Conducting personalized evaluation of skills, abilities, knowledge levels and performance as well as future potential. These individual assessments enable us to develop bespoke programs designed to cultivate personal and professional growth.

BY YEAR-END 2024, WE HAD

**492**

WORKERS, COMPRISING  
**469 FULL-TIME  
EMPLOYEES AND  
23\* CONTRACTORS.**

AMONG THE FULL-  
TIME EMPLOYEES, THE  
**OMANISATION RATE**  
WAS APPROXIMATELY

**94%.**

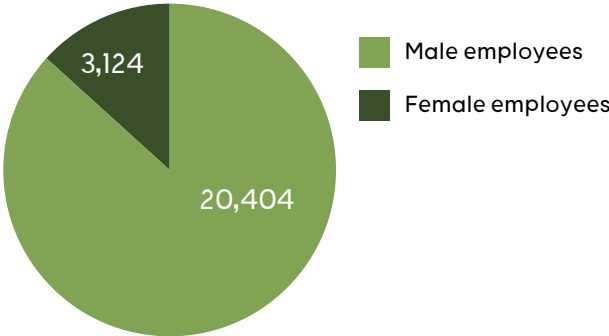
\*Manpower contract only.

# 100%

## of employees received performance review

Our Competency Management System uses insights from our DNA process to identify, plan, and manage competency development across the company. The system includes a new E-Learning Platform that makes online learning and professional development accessible to all members of the OQGN community.

To further enable employees to pursue fulfilling careers within OQGN, we also use individual Talent Development Plans (TDP) to help map professional and personal development with a focus on skill-building and knowledge development.



IN 2024, OUR EMPLOYEES COMPLETED AN AVERAGE OF 50 HOURS OF TRAINING – **22%** MORE THAN LAST YEAR – INCLUDING MANDATORY HSSE TRAINING, PROFESSIONAL DEVELOPMENT, LEADERSHIP AND MENTORING, CONFERENCE PARTICIPATION, AND PERSONAL DEVELOPMENT.





# Harness the Power of Visualization

Making Complex Simple - Driving Business Forward

OQGN



## SPOTLIGHT



### Digital Learning

In 2024, we revolutionized our employee training programs with the introduction of digital learning through e-modules and virtual reality (VR). The initiative aims to boost operational efficiency, reduce training costs, and provide immersive, and engaging learning experiences. Traditional training methods were often costly and time-consuming. By integrating e-learning modules and VR technology, we have created a flexible, interactive, and impactful training program that empowers employees.

A series of self-paced e-modules now cover key topics such as sustainability, performance management, and cybersecurity, ensuring that employees receive targeted, role-specific training. In addition, VR modules allow employees to simulate real-world work environments, starting with office safety, giving them hands-on experience in a safe, controlled setting.

Looking ahead, we plan to expand VR training modules to cover an even wider range of topics, further enhancing the effectiveness and long-term impact of its training programs.

## SPOTLIGHT



### Knowledge Sharing

The ITHRAA program is designed to focus on the exchange of information and expertise between our employees. The program encourages subject matter experts within the company to share their skills and knowledge.

The dynamic internal training network offers both physical and virtual sessions to maximize participation. Presenters receive recognition and constructive feedback, further enhancing the quality of knowledge-sharing sessions.

Since its launch, the program has boosted engagement, improved knowledge retention, and enhanced workforce morale, motivating employees to contribute actively. As reliance on internal expertise grows, ITHRAA continues to evolve as a sustainable investment in organizational development, ensuring a more skilled, adaptable, and cost-efficient workforce. In 2024, 352 employees took part in more than 16 ITHRAA sessions.



## SPOTLIGHT



### Open Learning Day

In 2024, we kicked off the OQGN Open Learning Day, a new interactive event aimed at enhancing our culture of continuous learning and creating an enriching learning environment by providing diverse and innovative educational tools and opportunities. The event also celebrated the talents of all OQGN employees, bringing together to take part in a range of learning sessions throughout the day, including:

- Regulated Asset Based (RAB) Business Model
- SAP Success Factors Features
- Sustainability
- Process Safety Management
- Enterprise Service Management (ESM)
- Contracting & Procurement
- Photography
- Continuous Improvement



Sustainability  
in OQGN

Promoting Environmental  
Stewardship & Supporting  
the Energy Transition

**Protecting &  
Empowering our  
Workforce**

Supporting  
Local Economic  
Development

Establishing Effective  
Governance, Risk Management  
& Innovative Practices

## SPOTLIGHT

### Tailored Coaching

The IRTIQA'A platform is an innovative coaching platform that gives employees access to nine professional coaches for career guidance, professional growth and personal development coaching. The platform serves as a comprehensive repository of information, resources, and activities designed to enable employees to benefit from the objectives, principles, and values of effective coaching as a tool for career advancement.

The platform's Internal Coaching Zone allows employees to tailor their coaching experience by choosing their preferred coach and scheduling sessions at their convenience.

The flexibility of IRTIQA'A ensures that coaching sessions are accessible and tailored to fit each employee's schedule and learning style. Employees have greater autonomy in managing their personal and professional growth. This approach fosters a culture of self-improvement, collaboration, and mutual support.



### SUCCESSION PLANNING

We support and cultivate future leaders from within our organization through a focused succession planning process that helps us maintain operational excellence over time. The process involves identifying potential successors for the leadership roles which are crucial to business continuity, then conducting thorough leadership assessments using a 9–box succession planning matrix, a tool for evaluating and mapping the performance and potential of candidates, enabling their future growth. Candidates are further supported through training, and development opportunities, and managers' evaluations designed to guide their continued development. To ensure our succession plans support the evolving needs of our business and our workforce, our succession planning approach is reviewed annually.

#### Employee satisfaction score



### EMPLOYEE ENGAGEMENT

We recognize employee engagement as a critical indicator of how successfully we are maintaining a dynamic, open, welcoming and inclusive culture. We monitor our performance and employee satisfaction through annual engagement and satisfaction surveys, town hall meetings, roadshows, and engagement sessions. These events also serve as platforms for communicating significant organizational changes and as an opportunity to ensure open, two–way engagement with employees.

Our annual employee survey monitors employee satisfaction, motivation, and loyalty based on eight main drivers including reputation, management at all levels, working conditions, job content, training and development, remuneration, cooperation, and cultural aspects at the individual, team, and company levels.

Every year, we also cultivate employee engagement through a range of initiatives delivered via some of our key employee–focused programs, including HIMMAH, ITHRAA, and the IRTIQA'A learning platform. These include career counselling services, upward feedback systems, leadership coaching, and mentoring programs, as well as workshops and team–building events.

In 2024, we also delivered more than 15 sessions designed to help employees explore and determine their career paths based upon personal interests, skills, values, and goals. For example, one session was conducted by OQGN's VP of P, T&C, who shared insights from his own career journey and challenges, while another featured a self–development workshop led by capacity–building trainer and business consultant.

IN 2024, WE  
ACHIEVED  
AN EMPLOYEE  
SATISFACTION  
SCORE OF

76%

UP FROM 54% IN 2021.





## EMPLOYEE HEALTH & WELLNESS

In addition to employee professional growth and career development, we place an equal priority on supporting personal wellbeing through a range of benefits designed to support health, wellness, and quality of life. These benefits include parental leave policies that provide 98 days of maternity leave and seven days of paternity leave.

Employees also have the option of medical coverage for themselves and their family members, including access to various hospitals, medical facilities, and other services.

We provide expatriate employees with benefits designed to ease their transition into new roles and living environments, including gratuity, medical insurance, annual air tickets to their home countries, and new employee welcome packages featuring relocation benefits and other supportive information.

Regular inspections of sites and worker accommodation are carried out to ensure all working and living conditions meet the highest standards of safety and comfort. Site inspections are conducted monthly, and accommodation inspections are conducted on a quarterly basis. Inspections are integrated into our Intelex system, enabling subsequent action plans and reviews during Safety Committee meetings.

To support employees' personal health and wellbeing, we provide access to gym facilities, offer flexible working hours and remote working options. Our Happy Thursday Initiative enables employees to leave the office early if they don't have urgent commitments, or they can work online. Our regional facilities also include a games room, swimming pool,

and sports fields for employees. We also run regular health awareness campaigns, and an annual blood donation drive to foster a healthy and supportive work environment.

## TALENT DEVELOPMENT AND PARTICIPATION IN INTERNATIONAL EXPERTS GATHERINGS

Talent development at OQGN is not only limited to internal initiatives but also extends to participation in internationally renowned conferences and expert gatherings. In 2024, OQGN facilitated the attendance of its employees at key global conferences to help them elevate their professional expertise and align their knowledge with the company's strategic goals. These conferences offered invaluable opportunities for employees to engage with industry leaders, acquire insights into pioneering advancements, and bring back knowledge that drives innovation within the organization.

Some of the key conferences attended include:

- 19th Pipeline Technology Conference – Berlin
- Honeywell User Group (HUG) Conference – Madrid, Spain.
- Gastech Conference – Houston.
- OPEX Annual Shutdown Turnaround Outage Maintenance & Asset Integrity Summit – London.

These efforts highlight OQGN's commitment to investing in employee development, providing opportunities for learning, growth, and leadership within their fields. This ensures that OQGN stays at the forefront of industry trends while nurturing a culture of continuous improvement and innovation.

## SPOTLIGHT

### Long Service Award

By recognizing the dedication of committed team members, these awards ignite employee morale and develop a strong sense of commitment and belonging. They enrich the company culture with an atmosphere of appreciation and pride, inspiring others to build lasting careers within the organization. This year, OQGN recognized and rewarded 24 employees who have served for more than 20 years. Looking ahead, the company plans to extend this recognition to employees with over 5 years of service, reinforcing its commitment to appreciating and valuing its workforce.



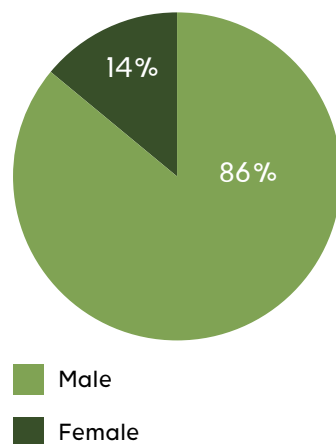
## Diversity, Equity & Inclusion

We believe in the power of diversity to propel our company forward in an increasingly global marketplace. Bringing together a broad range of perspectives, backgrounds, and experiences with employees at every stage of their career fuels innovation, strengthens our relationships with our stakeholders, and builds our resilience. Most of all, it enriches our workplace culture, making OQGN a dynamic and engaging environment for professionals at every level.

Improving the gender balance of our workplace remains a work in progress, and in 2024 we continued taking steps to actively cultivate a more balanced workforce. At year end, our workforce consisted of 402 male and 67 female employees, with 12.5% of female staff represented in full-time middle management roles, reflecting our ongoing efforts to promote gender diversity in leadership.

From an age diversity perspective, 83% of our employees are between the ages of 30 and 50. However, in 2024 we continued our efforts to attract younger talent to OQGN, with 13.3% of our new hires falling below the age of 30.

**Full time employees by gender**



IN 2024, WE WERE PROUD TO HAVE  
**11** NATIONALITIES REPRESENTED  
WITHIN OUR COMPANY.



Full-time employees breakdown by  
employment level

Employees in senior management



Employees in middle management



Employees in non-managerial level



Full-time employees breakdown  
by age group

Under 30 years old



30 To 50 years old



Over 50 years old



SPOTLIGHT



Investing in Women

Formed in 2023, OQGN's Women Committee was established to support the professional growth of women within our company, with the broader aim of setting a positive example for Omani society. Throughout the year, the Committee runs programs and events designed to empower, engage, educate, and inspire the women of OQGN—equipping them with the skills and knowledge needed to thrive in their careers and contribute to the energy sector more broadly.

In 2024, the Committee expanded its impact through a series of purposeful initiatives. In addition to encouraging participation in leadership development programs, the Committee hosted targeted sessions on mental health awareness and digital detox strategies, supporting the holistic well-being of female employees.

As part of their growing community engagement efforts, members of the Committee visited a local elderly care center, fostering meaningful intergenerational connections and demonstrating OQGN's commitment to social inclusion. Participation in these events continued to grow, reflecting the Committee's increasing influence on shaping a more inclusive and supportive workplace culture.





### Human Rights Protection & Labor Management

OQGN is unequivocally focused on respecting and upholding human rights in our workplace, and we strive to promote and ensure fair treatment and fair working conditions for all employees and contractors. In addition, to maintain full compliance with all applicable Omani labor laws, we continuously assess and evaluate our labor management practices and standards in accordance with international standards for fair labor and human rights. To instill this within the company, human rights training sessions are provided to employees as part of policy engagement.

While we do not set specific targets for gender diversity, we encourage equal employment opportunities that emphasize diversity in skills and experience, regardless of gender or background. As per company policy, the salary scale is determined based on grade and position, with no gender-based pay difference.

On an operational basis, we have the Code of Conduct in place that sets forth our zero-tolerance approach to any form of harassment, corruption, bribery, fraud, or unethical behavior. Individuals working at OQGN are required to uphold the Code of Conduct and submit an acknowledgment on it at onboarding and annually. The third-party Code of Conduct for vendors, suppliers and contractors is incorporated into all agreements and is also made available on our website.

In line with Oman Labour Law, employees have the right to establish labor unions independently. OQGN does not restrict employees from doing so,

and all employees can also be represented by the General Federation of Oman Workers. Furthermore, employees have the right to present complaints and grievances directly to the Ministry of Labour without requiring an independent intermediary. The company is committed to treating all employees fairly, with no discrimination based on gender, nationality, or any other factor, in accordance with its internal policies.

**14 GRIEVANCES**  
WERE REPORTED IN  
2024 THROUGH OUR  
REPORTING CHANNELS.

# Zero incidents of discrimination occurred during 2024



## Occupational Health and Safety

Protecting the health and safety of our employees and contractors is paramount to our values, and a fundamental part of our dedication to our employees, contractors, customers, communities and other stakeholders.

We take an intentional approach to managing occupational health and safety throughout the business under the umbrella of our QHSSE Policy. Built upon ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, the QHSSE Policy also aligns with the recent Royal Decree No. 53/2023, serving as the country's Labour Law,, and Ministerial Decision 286/2008, a regulation of Occupational Health and Safety for Establishments Governed by the Labor Law.

OQGN has established a mature QHSSE Management System guided by the QHSSE policy and cascaded

through a comprehensive QHSSE plan monitored monthly and periodically reviewed by the Leadership Team, supported by a dedicated QHSSE function led by a VP reporting directly to the CEO and reinforced by HSSE committees across Operations and Project Delivery.

OQGN has developed the Occupational Health Framework Manual to establish minimum requirements for occupational health and industrial hygiene best practices. As part of this framework, Occupational Health Risk Assessments are conducted alongside health promotion, disease prevention, surveillance, and monitoring efforts, ensuring comprehensive support until full recovery.

Our QHSSE Plan clearly defines our health and safety objectives and provides a framework for upholding the standards set forth by our QHSSE

Policy. Employees at every level are actively engaged in developing, implementing, and evaluating the plan, which is implemented through our Safety Management System (SMS). The SMS provides an operational structure for managing health and safety on a day-to-day basis.

To drive the continuous improvement and oversight of all our safety management practices, we consistently monitor the progress of our QHSSE plan and hold monthly leadership reviews of our safety approach and practices. In addition, our Safety Committee conducts bi-weekly meetings that include direct engagement and consultation with our workforce with the aim of strengthening our Beyond Zero Harm commitment.



WE ACHIEVED  
**14.9**  
million

We proudly celebrated a significant safety milestone at OQGN in 2024, achieving a total of 14.9 million safe manhours across our operations. Among these, a standout accomplishment was reaching 4 million safe manhours at one of our major projects – the Sur 48” Rich and Lean Gas Pipeline, managed by a local contractor. This achievement reflects our unwavering commitment to health and safety, and the dedication of our employees, business partners, and project personnel who continuously foster a culture of care, vigilance, and responsibility.

SAFE MANHOURS,  
DEMONSTRATING  
OUR STRONG  
COMMITMENT  
TO HEALTH  
AND SAFETY  
STANDARDS.

To further strengthen our safety performance, we also enhanced our HSE framework by redefining a comprehensive HSE index that integrates Tier 1 & 2 process safety events, Total Recordable Injury Frequency (TRIF), and QHSE plan completion. This data-driven approach enables the company to measure both leading and lagging indicators effectively.

Other key initiatives during the year included: a new three-year Behavioral Safety Culture Program, management safety visits, and the launch of a comprehensive HSE Training Matrix.

## SPOTLIGHT

### Annual HSE Forum 2024

OQGN proudly hosted its Annual HSE Forum 2024 under the theme “Beyond Zero Harm.” The forum brought together senior specialists, industry experts, and strategic partners to exchange insights and explore innovative approaches to elevate HSE performance and standards. During the event, OQGN unveiled three key initiatives:

- **Road Safety Initiative** – Aimed at addressing road-related risks and promoting safe driving behaviors across the company and its stakeholders.
- **Contractor Safety Campaign** – Focused on enhancing safety performance and ensuring full compliance with operational safety best practices throughout the contractor network.
- **Environmental Campaign** – A broad-based initiative targeting the reduction of environmental impacts from industrial operations, with an emphasis on sustainability, conservation, and responsible resource management. Launched in October, the campaign actively engaged OQGN employees, contractors, and partners in its implementation. Awareness efforts were also extended to our external stakeholders.

“Our annual HSE Forum reflects OQ Gas Networks’ deep-rooted commitment to the safety and wellbeing of our employees, contractors, and the broader community. It stands as a testament to our proactive culture of environmental responsibility and operational excellence.”

**Eng. Mansoor Al Abdali, CEO of OQGN**





## SAFETY PERFORMANCE

We make every effort to maintain a strong safety performance from year to year. As a result of our ongoing safety measures, we recorded zero fatalities and zero recordable injuries for our employees, and only one contractor had recordable injury. The successful reinforcement of preventive strategies and enhancements in the incident classification and investigation processes led to a marked improvement in our overall safety performance—with one high-potential incident recorded in 2024, a significant reduction from 16 incidents in 2023. In 2024, OQGN successfully reduced its Lost Time Injury Frequency (LTIF) from 0.22 to 0 for both employees and contractors. LTIF is a key performance indicator included in the company's scorecard and is independently verified by a third-party auditor. This level of assurance is mandated by the Financial Services Authority (FSA), as part of OQGN's obligations as a publicly listed entity on the MSX.

Our employees also reported a number of safety observations – 4,980 in total, 1% less than last year, and with an impressive 87% of follow-up actions successfully closed out during the year.

OQGN continuously monitors safety trends through the Intellex system, identifying a slight increase in pipeline-related incidents and a rise in motor vehicle incidents, primarily due to insufficient awareness of defensive driving rules. In response, we have introduced Defensive Driving and Road Safety Awareness programs to enhance employee and contractor safety. On-site inspections ensure safe working conditions, with findings reviewed in safety committee meetings.

In 2024, no high-consequence injuries were reported, and risk assessments were regularly conducted through Job Safety Analysis (JSA) and Task Risk Assessments, reinforced in Toolbox Talk meetings.

To strengthen Emergency and Crisis Preparedness, OQGN continually improve its Emergency Management Plan in November 2024, identifying key risks and refining response strategies. A Level 3 desktop exercise was conducted in December 2024, with a full-scale drill planned for September 2025. Weekly training sessions ensure emergency teams remain prepared for any scenario.

## HAZARD IDENTIFICATION AND RISK MANAGEMENT

Our ability to identify and manage risks is critical to keeping our employees, business partners, and communities safe, and recognizing, managing and mitigating safety risks and potential hazards is an obligation shared by every member of OQGN.

To make this process an integral part of our operations and approach to all our projects and activities, we use the Job Safety Analysis (JSA) Guideline, which provides employees with a consistent methodology for conducting risk assessments as part of our Permit to Work System. The guidelines clearly define risk assessment requirements via task risk assessments (TRAs) for low-risk jobs and work activities, and JSA for high-risk jobs and work activities. The JSA methodology systematically outlines the steps required for each risk assessment, and each step is scrutinized for hazard identification by a select team using the OQGN Risk Matrix. We also employ a Wheel of Hazard analysis, which provides a comprehensive

assessment of various energy conditions that may lead to the release of hazards.

Following the completion of all JSA and hazard identification assessments, we further apply a strict Hierarchy of Controls Measures Guide to ensure all potential risks are mitigated to the level of ALARP – As Low as Reasonably Practicable. These control measures are then assigned to the parties responsible for action, and residual risk is further evaluated. If any residual risk does not meet ALARP criteria, the job cannot proceed.

When a project or job is cleared to proceed, we institute Toolbox Talks (TBTs) near the worksite with all associated employees, contractors, and vendors to highlight key concerns and points identified via risk assessment, and to go through all essential documentation for the job. Toolbox Talks are designed to encourage and facilitate two-way dialogue with all personnel on the job, ensuring they understand the identified hazards and control measures in place. TBTs are conducted every shift for jobs that extend over multiple days and repeated in the event that additional hazards arise during the job. Job reviews are also posted to highlight areas of strength and opportunity for improvement, and insights from each review are integrated into our procedures as part of our continuous improvement protocol.

The **HSE Risk Management Procedure** and **Job Safety Analysis Guidelines** guide our hazard identification and mitigation, and we have implemented Intellex, an electronic platform to report, investigate and track incidents and observations.

## SECURITY PROCEDURES

We introduced induction videos and risk assessments in 2023 focused on security, along with a visitor management system to manage security compliance and ensure comprehensive risk management and mitigation prior to entering company's premises or assets.

In 2024, we further updated and enhanced our security practices by implementing a centralized security system designed to connect remote administration buildings to a core security management center. We also introduced a visitor management system to ensure compliance with security protocols and eliminate potential risks before entering company premises or accessing critical assets. Induction videos and risk assessments have been used to further reinforce security awareness among employees and visitors.

## PROVIDING A CULTURE OF HEALTH, SAFETY & SECURITY

Every year we take steps to strengthen our safety-first culture through a range of initiatives designed to improve our health, safety, and security protocols and practices. In 2024, these included:

- Management safety visits to engage employees and ensure the efficacy of our safety strategies and practices.
- Developing and conducting targeted HSE training using the HSE training matrix.
- Regular reviews of all safety and security policies and procedures including revisions or updates commensurate with new regulations, insights, or needs.
- Hosting an annual HSE Forum.
- Conducted 13 contractor health and safety audits.
- Continuing our Life Saving Rules campaign and

Incident Classification System, which uses Pareto analysis, a statistical decision-making technique that helps prioritize safety efforts by identifying the “vital few” causes that contribute to the majority of safety problems – enabling employees to assess, prioritize, and focus on tasks with the most significant overall effect.

- Implementing our electronic permit to work system (E-PTW), a digital platform for managing work permits and ensuring all safety procedures are in place prior to commencing work.

Throughout 2024 we also continued to implement ongoing campaigns to educate and engage employees on Process Safety, Environmental Responsibility, Behavioral Safety, and Road Safety.

## SPOTLIGHT

### Using Satellite Imagery for Wide Network Management

To address increasing encroachments within our gas network due to urban expansion and third-party non-compliance, in 2024 we launched an advanced AI-driven surveillance initiative. We deployed satellite technology for aerial inspections and an AI-powered platform to analyze, predict, and prevent potential violations in real time. Our pilot project demonstrated this cutting-edge approach enhances network security, reduces operational costs, and strengthens proactive risk management by detecting gas leaks and alerting operators instantly.



## SAFETY TRAINING

Safety training is central to our efforts to maintain a safety-focused culture throughout the company. We use an HSE Training Matrix to identify, develop, and deliver targeted safety training in alignment with our organizational needs and requirements, ensuring employees remain up to speed on current safety protocols, practices and standards. In 2024 we delivered a range of safety training programs including HSE induction, H2S Awareness, Gas Testing, JSA, Confined Space Entry, E PTW Awareness Levels 1 & 2, and LT&T (Lockout Tagout & Tryout). We also began using our Intelix system to manage all HSE training requirements and records, and to monitor delivery of training programs and certifications.

**86%**  
OF OUR EMPLOYEES  
RECEIVED OCCUPATIONAL  
HEALTH AND  
SAFETY TRAINING.



## SPOTLIGHT



### HSE Passport

In a significant step towards digitalizing and streamlining our operations, we officially launched the E-HSE Passport in 2024. The E-HSE Passport is a secure, centralized platform that enables employees to access and track their HSE training history, certifications, and compliance status. Aimed at enhancing the way we manage HSE training and compliance data, the platform is designed to foster a more transparent and efficient approach to HSE management by further streamlining administrative duties, ensuring timely updates, and improving accessibility to important training records. Key benefits of the E-HSE Passport include:

- Easy access to HSE training data for employees, including a comprehensive view of training history and records, certifications, and completion dates.
- Real-time updates that include the tracking and monitoring of upcoming certification renewals or expired certifications, ensuring employees remain in full compliance with HSE requirements.
- Secure, centralized storage, management, and access to all HSE training records.



## SPOTLIGHT



### Road Safety

Road transportation is a key enabler of our day-to-day operations between and within our sites and projects. That means keeping drivers safe and engaging our transportation team on skill building and safety awareness is mission-critical for employee safety – and for our business. Our approach to transportation safety management is guided by our Road Safety Policy and the Oman Energy Association Road Safety Standard Procedure. In 2024, we also had a range of transportation safety controls in place to ensure safe transportation practices at all times. These included specialized Defensive Driving training for our drivers with a focus on safely navigating a range of driving conditions and scenarios, minimizing risks and ensuring the availability of timely emergency response (if needed) through comprehensive journey management planning, equipping our vehicles with In-Vehicle Monitoring Systems (IVMS) to track and analysis driver behavior and vehicle usage, and the rigorous monitoring of safety violations with driver counselling where appropriate.

## SPOTLIGHT



### Intelex

Following the successful rollout of our Intelex system in 2023, we expanded the implementation and application of Intelex throughout 2024 with a focus on enhancing our digital and HSE management capacity. The system provides some key HSE benefits for OQGN, including:

- Streamlining collaboration and facilitating holistic safety management by seamlessly integrating various HSE modules.
- Fostering a safer workplace by pinpointing high-risk areas using historical incident data analysis
- Providing real-time access to incident and safety data, enabling quick responses and informed decision-making
- Enabling prompt incident handling and remote collaboration by making HSE data accessible via mobile devices and computers
- Cultivating a robust safety culture by automating routine tasks and freeing HSE professionals to focus on strategic safety initiatives
- Enhancing safety practices and collaboration between contractors and OQGN
- Accelerating reporting and improving the data accuracy critical for assessments and compliance
- Continuously improving the safety of our work environment by guiding preventive measures using data-driven insights and risk mitigation

**Fire Warden**

# Our Asset Management System is certified according to the ISO 55001 Asset Management System standard.

## Asset Integrity & Critical Incident Management

Asset integrity and critical incident management performance have a direct and significant impact on the efficiency, quality, and safety of our operations. To minimize risk and enhance reliability, we have a portfolio of rigorous programs and plans in place to ensure the optimal performance of our assets.

In 2024, OQGN recorded 10 reportable pipelines incidents, one of which was classified as significant. This critical incident involved a gas leak caused by unauthorized drilling activity on the 16" Suhar pipeline in September. The event triggered a Level 2 emergency response, during which our team's preparedness, rapid coordination, and adherence to emergency protocols were clearly demonstrated.

The response involved close collaboration with national emergency services, including the Civil

Defence and Ambulance Authority (CDAA) and the Royal Oman Police (ROP). Together, the teams acted swiftly to contain the leak, ensure site safety, and maintain uninterrupted natural gas supply to our clients. The incident was officially categorized as a Tier 1 process safety event, underlining its severity; however, due to the prompt and effective response, it was resolved without harm to personnel, the public, or the environment.

## ASSET INTEGRITY

We have an Asset Integrity Policy in place to guide the management of our physical assets across all facilities. The policy is enacted through our Asset Integrity Management System. Aligned with international standards, the system includes detailed practices outlined in various Code of Practice documents and our Strategic Asset Management Plan.





As part of our overall asset management approach, our Technical Services and Operations and Maintenance teams conduct annual Fitness for Service assessments for all our pipelines and related facilities including critical physical assets such as electrical and mechanical equipment, instrumentation at key facilities like compressor stations, gas supply stations, and pressure limiting stations. These assessments record each asset's condition, plus identify and prioritize maintenance and repair actions necessary for the optimal performance of each asset. All assessment data is recorded in our annual Pipeline and Facility Integrity & Reliability Status Report, which is reviewed and approved at the executive level.

Because the integrity of our pipeline system is essential to the functionality and safety of our infrastructure, we conduct regular and comprehensive assessments in collaboration with third-party partners. These include in-line inspection (Smart Pigging) for the main piggable pipelines, direct assessment for non-piggable pipelines, and other non-destructive testing methods for pig traps and block valve station piping such as Ultrasonic Testing.

We have implemented condition-based in-line pipeline inspections, guided by fitness-for-service assessments and remaining life calculations. Pipelines with high susceptibility are inspected at a minimum interval of 2 years, those with medium susceptibility every 5 to 7 years, and those with low susceptibility every 8 to 10 years.

IN 2024 WE INSPECTED  
**14%**  
OF PIGGABLE  
PIPELINES, AND  
CARRIED OUT DIRECT  
ASSESSMENT OF  
20% OF THE NON-  
PIGGABLE PIPELINES.



Our approach to asset management encompasses the regular monitoring and infrastructure reviews of all on-plot facilities, with a focus on pressure-containing elements such as pressure vessels, process piping, and safety relief valves. Outcomes from these reviews are detailed in regular Facility Integrity Status Reports, and the insights from these reports are used to drive continuous improvement.

PROCESS SAFETY

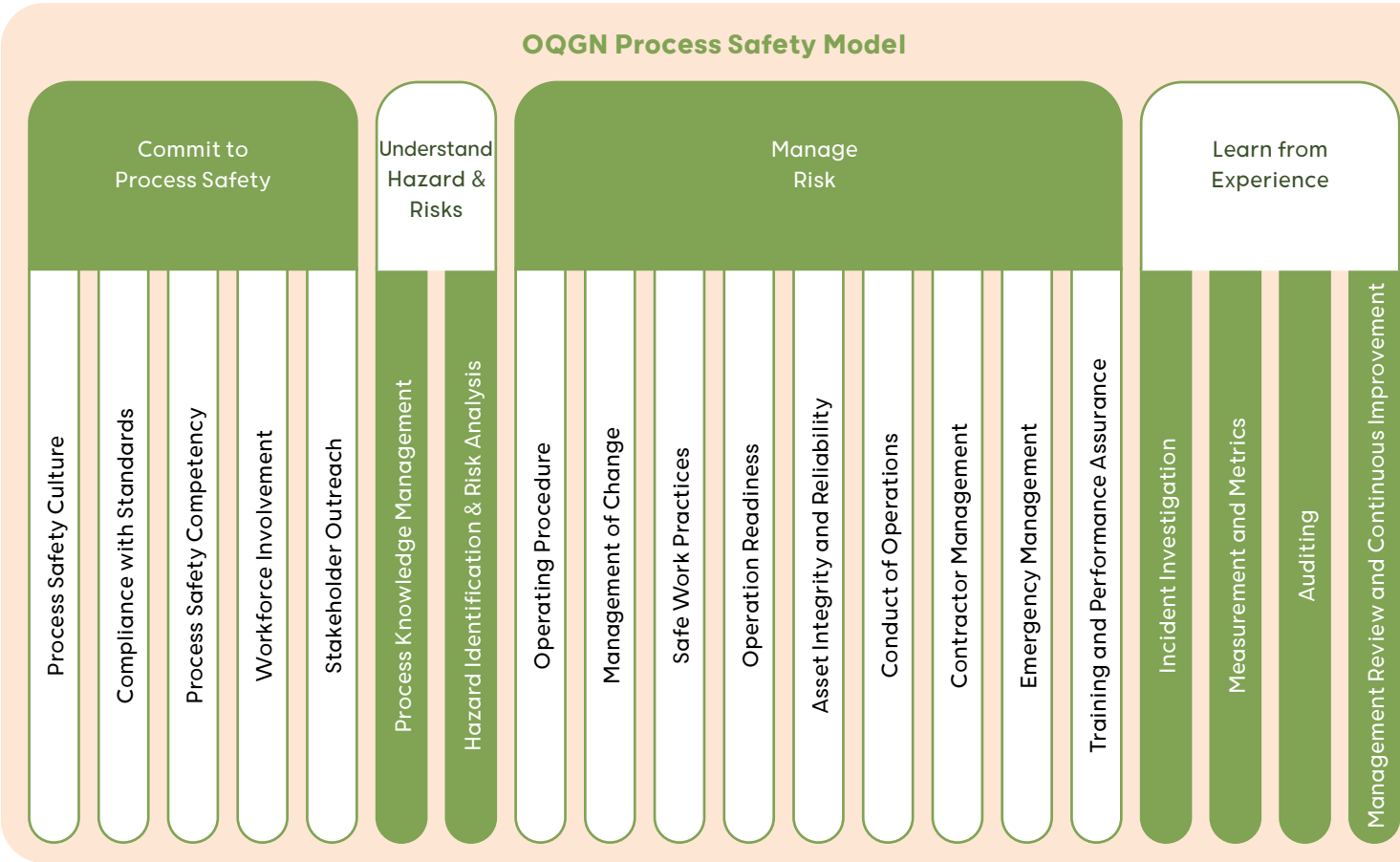
Our approach to process safety uses a four pillars risk-based model developed by the Centre for Chemical Process Safety.

- 1. Upholding a commitment to process safety by cultivating a safety-first culture in which everyone makes safe choices even when they are not supervised.
- 2. An understanding of hazards and risks that enables the effective prioritization of resources to efficiently and effectively mitigate risk.
- 3. Managing risks through careful operation and maintenance of processes that keep risks at a tolerable level, effectively managing change, and ensure full preparedness for incident response and management.

- 4. Learning from experience and driving continuous improvement through diligent monitoring and response to internal and external sources of information regarding process safety.

We recorded one Tier 1 and zero Tier 2 process safety events in 2024. However, we did experience nine Tier 3 events, which primarily involved minor losses of containment resulting in leaks. These incidents, while less

severe, have prompted us to take decisive action to enhance our safety measures and prevent future occurrences.



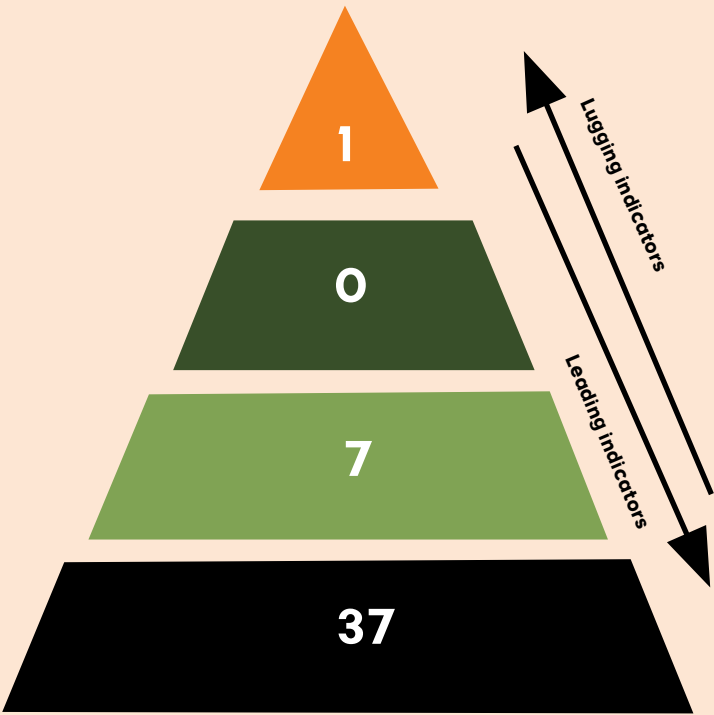
# Process Safety performance indicators

## SPOTLIGHT

### Process Safety Model

In 2024, we successfully launched a Process Safety Management (PSM) Dashboard, a cutting-edge digital solution designed to enhance real-time monitoring of Process Safety Performance Indicators (PSPIs), incidents, and compliance status. This initiative streamlined data collection by integrating large volumes of safety data into a single, interactive platform, improving accuracy, decision-making, and operational efficiency.

Developed in-house by leveraging young Omani talent, the dashboard reduces manual data processing time, ensuring faster, data-driven insights for enhanced safety management. Future enhancements include AI-powered analytics and expansion across all OQGN projects. Recognized for its innovation and industry impact, the project was presented at the Global Process Safety and Big Data Conference in Germany, reinforcing our commitment to digital transformation and operational excellence in process safety.



TIRE 1 YEAR TARGET
0.0

TIRE 1 YEAR TARGET
0.0

TIRE 3 YEAR TARGET	
Activation of SIL Loops/ESD Failure on Demand SIL Loops/ESD Small Loss of Primary Containment (LOPC) Repeated Incidents	Open

TIRE 4 YEAR TARGET	
% Unknown integrity status of the gas lines	20%
Alarm Rate	10 alarms/panel operator/hr
Asset integrity and reliability recommendations implementation	70%
Contractor competency compliance	2
HAZOP/PPF Recommendation Closeout compliance	75%
Integrity Operation Windowdown (IoW) Compliance	85%
Management of Change (MoC) compliance %	65
Process Safety Walk	10
Temporary Repair (TR) compliance %	75
Update Emergency Operating Procedure (EOP)	50%
Update Standard Operating	100%



## CRITICAL INCIDENT MANAGEMENT

We are dedicated to continuously improving and learning from critical incidents. Should an incident occur, we immediately undertake a systematic analysis of each event to identify root causes and embed lessons learned into our operational practices.

Our comprehensive Incident Management Strategy guides the way we prepare for, respond to, and recover from incidents, plus mitigate any impacts associated with an incident. The plan outlines three levels of Emergency Response Procedures that escalate according to the severity and impact of an incident. These procedures are designed for rapid execution to mitigate immediate hazards, protect lives, and secure property. Dedicated teams have clearly designated responsibilities for each level of incident severity. All emergency response procedures and strategies meet all recognized international standards and align with best practices for the oil and gas industry. The release of hazardous materials is also covered by these procedures.

Knowing prevention is the frontline of safety, we have also made significant investments in advanced technologies designed to facilitate early detection and early intervention through the accurate identification and quantification of leaks. In 2024, we also continued a competency development initiative to ensure our teams are fully equipped with the knowledge and skills to proactively uphold stringent safety prevention practices at all times.

We also have an Emergency Pipeline Repair System (EPRS) in place with detailed guidance for selecting and executing the appropriate pipeline

repair methods based on potential failure scenarios associated with various hazards.

Our emergency response team participates in weekly training sessions to ensure continuous readiness should an incident occur. These training sessions include Level 1, and 2 drills planned throughout the year to fully test and refine our response capabilities. These drills involve all relevant parties, including our contractors, to ensure these tests closely mimic the processes and requirements of a real-time incident.

### Level 1 Incident

An incident which has the potential to threaten assets, but which can be managed or contained by the onsite resources including the Incident Response Team (IRT) and the Incident Management Team (IMT).

### Level 2 Incident

When the incident will or has the potential to span beyond the capability of the business, a Level 2 Emergency will be declared.

### Level 3 Incident

When the incident will or has the potential to span beyond the influence and actions of the Emergency Management Team (EMT), or when not sure of the next steps, escalation potential or reputation will be negatively impacted, the Crisis Management Team (CMT) are activated.

## SPOTLIGHT

### Critical Incident Readiness

In 2024, we conducted 11 Level 1 and 8 Level 2 drills. We also conducted a desktop Level 3 drill in December 2024 in collaboration with Oman's Civil Defense and Ambulance Authority, the Royal Oman Police, and our own emergency response team. This large-scale drill aimed to ensure the readiness of joint response teams, evaluating our response times and our interaction and communication. The drill provided critical insight into practice training needs to help us avoid panic and confusion in the event of a real emergency.

We completed a revision of our Emergency Response Plan in November 2024 and immediately began implementation of the approved plan. Some of the major changes incorporated into the revised plan include the identification of all vulnerabilities and threats to OQGN including technological, societal, natural, and economic disasters, refining drill frequencies for different levels of emergency (levels 1, 2, and 3), and weekly training for our Tactical Response Team in addition to weekly training for our Emergency Response Team.



# SUPPORTING LOCAL ECONOMIC DEVELOPMENT

We aim to take a transformative role in enhancing the socioeconomic landscape of our local communities by investing in community development, ensuring robust governance relations and tax compliance, and effectively managing our supply chain and in-country value (ICV).

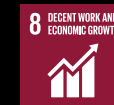
## MATERIAL TOPICS

- Economic Impacts
- Local Community & Social Investment
- Government Relations & Tax
- Supply Chain Management & ICV

## OMAN VISION 2040

- Economic Leadership and Management
- Economic Diversification and Fiscal Sustainability
- Development of Governorates and Sustainable Cities

## UN SDGS



Economic Impacts

Expanding and enhancing Oman’s natural gas infrastructure is the primary driver of our economic impact, and we are vigilant in ensuring our growth is not only sustainable for our business but also generates value and benefit for our communities and our stakeholders.

Our financial strategy is shaped by managing climate-related risks and opportunities, ensuring long-term sustainability and resilience. As the company transition towards energy-efficient and low-carbon solutions, upfront investments will be required. In the short term, this will necessitate increased financing through loans and accrued cash, with expected returns materializing after 2030.

Maintaining and enhancing OQGN’s nationwide network remains a top priority, particularly in response to climate-related challenges. Capital expenditures (CapEx) to strengthen infrastructure are recovered through tariff allowance, supporting our long-term economic stability. In 2024 we strengthened our economic impact through two marquee projects:

SAIB PROJECT

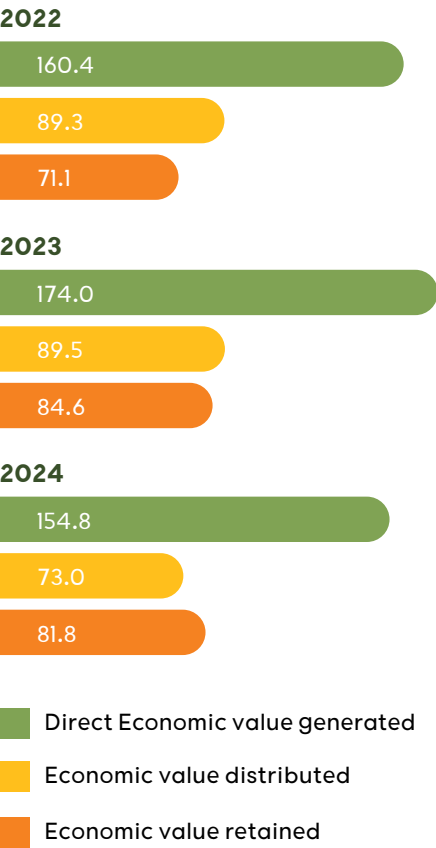
We inaugurated our new Saib Project under the patronage of HH Sayyid Marwan bin Turki Al Said at Millennium Resort in the Dhofar Governorate. The project is designed to expand the network’s capacity to meet the escalating needs of a rising population, urban development, and economic growth in the Governorate.

The project consists of two loops: Loop 1 –32 KM at Hubara, in the wilayat of Haima and Loop 2 –176 KM from Harweel to Raysut station in Salalah with a total of 208 km of 32-inch pipeline alongside the existing 24-inch pipeline. The project will drive a 60% increase in network capacity to Dhofar Governorate from 10 million cubic meters to 16 million cubic meters per day. It reflects an investment of more than OMR 76 million spent in local materials and services, and the employment of more than 380 Omanis for the project execution.

CENTRAL 48” PROJECT – REMOTE TECHNO PLUG (RTP)

We achieved our Remote Techno Plug (RTP) operation in 2024 as part of the 48” Project at the Gas Network Hub in the central Sultanate of Oman. The operation marks the first of its kind in the country. Executed on a high-pressure pipeline for a size 48” gas transmission, this remarkable achievement utilized the innovative RTP to successfully complete the 48” tie-in on our Saih Rawl Central Processing Plant (SRCPP) and Saih Nihayda Gas Processing (SNGP) to complete the gas blending station at GNH (Gas Network Hub). This success enables us to strategically segregate rich and lean gasses, adding value to the gas chain and reinforcing our economic contributions to Oman.

Economic Performance (OMR million)



## Local Community & Social Investment

Directly investing in the social and economic development of our local communities is at the heart of our corporate ethos and a central aspect of our organizational values. We are focused on investing in projects and initiatives that are most beneficial to the communities we serve, ensuring that our contributions are meaningful and aligned with our overall mission to support and enhance the well-being of local populations.

Corporate Social Responsibility (CSR) is deeply embedded in our operational framework, prioritizing long-term community engagement and sustainable development. To enhance the effectiveness of our CSR initiatives, we established a Corporate Social Investment (CSI) Committee to oversee and guide our social investment strategies.

This is supported by a comprehensive Terms of Reference (ToR) that ensures clarity in decision-making, alongside a digital dashboard that tracks budget allocations, regional support distribution, and alignment with key focus areas:

- Education & Health
- Economic Prosperity
- Youth
- Environmental Stewardship.

To assess and maximize the impact of our initiatives, we conduct Social Impact Assessments (SIA) to identify and effectively manage our social impacts. These assessments evaluate both the positive and potential adverse effects of our projects, ensuring alignment with community needs and delivering long-term, sustainable benefits.

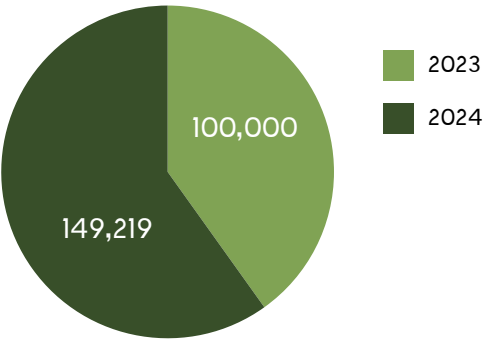
In 2024, employee volunteerism played a key role in advancing our social responsibility efforts, with 439 employees contributing 659 hours across environmental clean-ups, health and safety awareness workshops, elderly care visits, and tree-planting initiatives. Through these efforts, we directly benefited over 6,167 people and distributed 1,550 trees to employees and community members.





# WE HAVE IMPLEMENTED LOCAL COMMUNITY ENGAGEMENT ACTIVITIES ACROSS NEARLY 50% OF OUR OPERATIONS.

Amount of Community Investment (OMR)



In 2024, we invested OMR 149,219 in social and community projects. Highlights included:

- Eid Initiative, we brought joy to children receiving medical care at The Royal Hospital, Nizwa Hospital, and Ibra Hospital.
- Omani Tree Day, we promoted environmental awareness and sustainability by offering employees the opportunity to plant trees. Employees were invited to choose two tree varieties to receive and plant.
- OQGN Innovation Hub establishment in Al Dakhiliyah Governorate to benefit two schools in the Wilayat of Samail. The state-of-the-art hub fosters creativity and innovation among students and educators, featuring upgraded laboratory infrastructure and advanced technological tools.
- Murshid's Educational Pack, a cartoon magazine introducing business concepts to students in grades 1 to 6.
- We also sponsored 400 government school students to participate in the Muscat Marathon 2024, promoting health and well-being in communities near our pipeline network.
- We supported the Al Kamil wal Al Wafi Summer Camp in North Al Sharqiyah, a capacity-building program designed to enhance problem-solving skills among young students.

- Our focus on community well-being was further reflected in a unique initiative in Dhofar, where Omani bike riders toured Salalah to raise awareness about pipeline right-of-way safety. During Khareef Dhofar 2024, we distributed safety kits to visitors, reinforcing public safety and environmental protection.

## SPOTLIGHT



### The Tasaeud Program

In collaboration with Riyada, the Authority for SME Development, OQGN launched the Tasaeud Program, a high-impact three-day initiative designed to empower SMEs. The program brought together over 75 participants for a series of educational workshops and strategic networking opportunities, reinforcing OQGN's commitment to local economic growth and inclusive development.

Tasaeud focused on strengthening SME integration into national supply chains while enhancing their contributions to Oman's economic and social progress. It also served as a vital platform for SMEs to connect with major industry players across sectors including tourism, entertainment, trade, hospitality, and industry, creating pathways for collaboration, visibility, and long-term business sustainability.

## FUTURE COLLABORATION

In 2024, OQGN signed Memorandums of Understanding (MOUs) with 12 universities, creating a foundation for cooperation that clarified roles, expectations, and responsibilities. These agreements fostered mutual trust and ensured smooth collaboration on various projects and partnerships. OQGN's strategic partnerships with leading educational institutions unlocked numerous benefits for both parties. These collaborations maximized efficiency and reduced costs through resource-sharing, while driving innovation and development within our organization. These partnerships contributed to long-term growth and showcased OQGN's commitment to innovation and education.



## Sultan Qaboos University

OQGN sponsored the 13th Engineering Students Gathering, organized by the Engineering Society at the SQU College of Engineering. This event provided students opportunities to learn, share their experiences, skills, and innovations with the wider community. Talent Management at OQGN led communication with SQU, resulting in the decision to sponsor the event. We supported the students' projects, evaluated their work, and participated in the ceremony, showcasing our commitment to fostering engineering talent and innovation.



## A'sharqiya University

OQGN recently participated in a special event at A'SHARQIYA UNIVERSITY, introducing students and employees to our environment and the various training opportunities we offer. Our team provided valuable advice on job interview preparation and professional skill enhancement, bridging the gap between students and the labor market.



## Eidaad Program

The Eidaad program, launched by MOHERI in collaboration with PDO, bridges the gap between academia and industry by offering one-year internships to students in their penultimate year. OQGN proudly partners with this initiative, providing participants with hands-on training in the gas network industry to align their skills with market needs. Since its inception in 2020/2021, the program has expanded to include all higher education institutions in Oman. Through OQGN's efforts, five students graduated in 2024, and a new batch of 10 students has been introduced, strategically distributed across various functions to maximize their learning and industry exposure.



## Sohar University

As part of the MOU with Sohar University, a site visit to Al Buraimi station was organized. This visit aimed to provide students with practical insights into the gas pipeline industry and the available equipment and instrumentation. The students found the experience highly informative and engaging.

## Students Capability Development

Furthermore, as part of the MoU execution we have noticed there is a need to enhance students' capability and to merge with market demand and employment opportunities. Our recruitment team started contacting different universities to conduct a session called "CV Creation & Interview Preparation". The goal of these sessions was to strengthen students' abilities in writing effective CVs, preparing for interviews, and optimizing their LinkedIn profiles. We have successfully organized 4 workshops with a total attendee of 189 student.

## Internship Program

In 2024, OQGN's Recruitment team successfully onboarded 81 interns across various functions, providing them with hands-on industry experience. Several workshops were conducted to enhance their professional and technical skills, including Making of a Champion, CV Workshop, Effective Report Writing, Microsoft Power BI, VR Session, and Microsoft Excel. These sessions aimed to equip interns with essential competencies for their future careers.





## STAKEHOLDER ENGAGEMENT

Community engagement remains a core focus, driven by our Stakeholder Engagement Department, which ensures structured and transparent interactions with all stakeholders, including vulnerable groups. Through a Stakeholder Engagement Strategy and Stakeholder Map, we identify key groups, define engagement objectives, and implement tailored communication methods. Our approach categorizes stakeholders based on their level of influence, ensuring decision-makers, regulatory bodies, and local communities are actively involved in strategic discussions and compliance efforts.

## CUSTOMER SATISFACTION

We recognize the importance of customer satisfaction in today's competitive landscape, and we remain dedicated to delivering exceptional services through the continuous refinement of our approach to anticipating and meeting customer needs.

In 2024, we developed an updated Customer Satisfaction Strategy that recognized our key strengths and identified areas of improvement such as communication, metering accuracy, and response times. The resulting Customer Satisfaction Enhancement Plan aims to improve our customer satisfaction survey by enhancing data accuracy, refining customer classification, and ensuring a more insightful analysis through four key initiatives:

**Customer-Specific Surveys** – Tailoring survey content based on customer classification for more targeted feedback.

**Alternative Feedback Channels** – Expanding data collection beyond the annual survey to include real-time feedback mechanisms.

**Third-Party Survey Oversight** – Assigning an external entity to conduct surveys every three years to ensure impartiality and industry benchmarking.

**Survey Refinement** – Improving the questionnaire to capture more actionable insights and enhance customer engagement.

### Survey Methodology and Execution

We continued targeting a broad customer base across all regions to ensure representation from multiple roles within each company for diverse feedback. Throughout 2024 we also implemented corrective actions based on past feedback, with 17 initiatives initiated in our Intelx system to address concerns.





SPOTLIGHT

Brand Health Tracker



To ensure a positive brand equity in the market, we introduced the Brand Health Tracker (BHT) in 2024. It helps us understand OQGN's brand value and perception among partners, employees, customers, vendors, and communities, using stakeholder engagement and brand assessment metrics for strategic insights. The BHT aims to gauge OQGN's positioning against audience expectations, manage its reputation, and protect its operational license. It sets growth targets, identifies ways to enhance brand familiarity, and measures the impact of brand marketing and public relations and campaigns. The 2024 BHT survey showed a strong Net Promoter Score (NPS) of +47, indicating high trust in OQGN. It highlighted OQGN's strengths in trustworthiness, quality, national pride, empathy, and problem-solving, but also pointed out areas needing improvement, such as increasing brand awareness in impacted communities and enhancing customer engagement.

The study also included a brand growth actionable plan for 2025 and 2026 indicating 4 main pillars to focus on such as OQGN's Vision and Mission, Sustainability and CSR, Employer of Choice and Strong Stakeholders' Relation to boost overall reputation of the company.

OQGN

A clear  
brand vision



OQGN is an  
employer  
of choice



An inspiring  
sustainability and  
CSR story



A key enabler to  
suppliers, clients,  
and customers.

### Supply Chain Management & ICV

To uphold ethical standards and compliance across its supply chain, we enforce a Third-Party Code of Conduct, which is publicly accessible on our website, ensuring transparency and responsible business practices among all suppliers and partners. The code is fully incorporated into each tender making compliance mandatory.

In 2024, we strengthened our supply chain management framework by revising and updating our Contracting & Procurement Manual, ensuring clear guidelines for procurement and contracting processes. To enhance efficiency and accountability, we have introduced Key Performance Indicators (KPIs) focused on:

- **Maximizing In-Country Value (ICV):** Supporting local businesses and strengthening Oman's economic ecosystem.
- **Enhancing Tendering Efficiency:** Streamlining processes to ensure timely and effective procurement.
- **Maintaining Stock Availability:** Securing a reliable supply chain to support uninterrupted operations.

To support economic development, 24% of our procurement contracts were awarded to SMEs in 2024, reinforcing support for local businesses in alignment with national economic priorities.

We also increased the number of our local suppliers by 50% over the past two years. During the same period, our procurement of local content (In-Country Value) increased by 2%, reaching OMR 15.30 million in 2024. This helped us to achieve a 29% procurement spend on local suppliers.

While the percentage of procurement spend on local suppliers is slightly lower compared to previous years, this is primarily due to a reduction in overall procurement spending in 2024.

To maximize our ICV, certain thresholds for local contents for the majority of our tenders are embedded into our procurement evaluation criteria. This procurement criteria are supported by detailed analysis, monitoring, and supervision by ICV specialists to ensure compliance. Suppliers must also submit quarterly ICV performance reports by mandate, and these reports are reviewed and validated by our ICV specialists.

29%  
OF PROCUREMENT  
SPENDING IS ON  
LOCAL SUPPLIERS

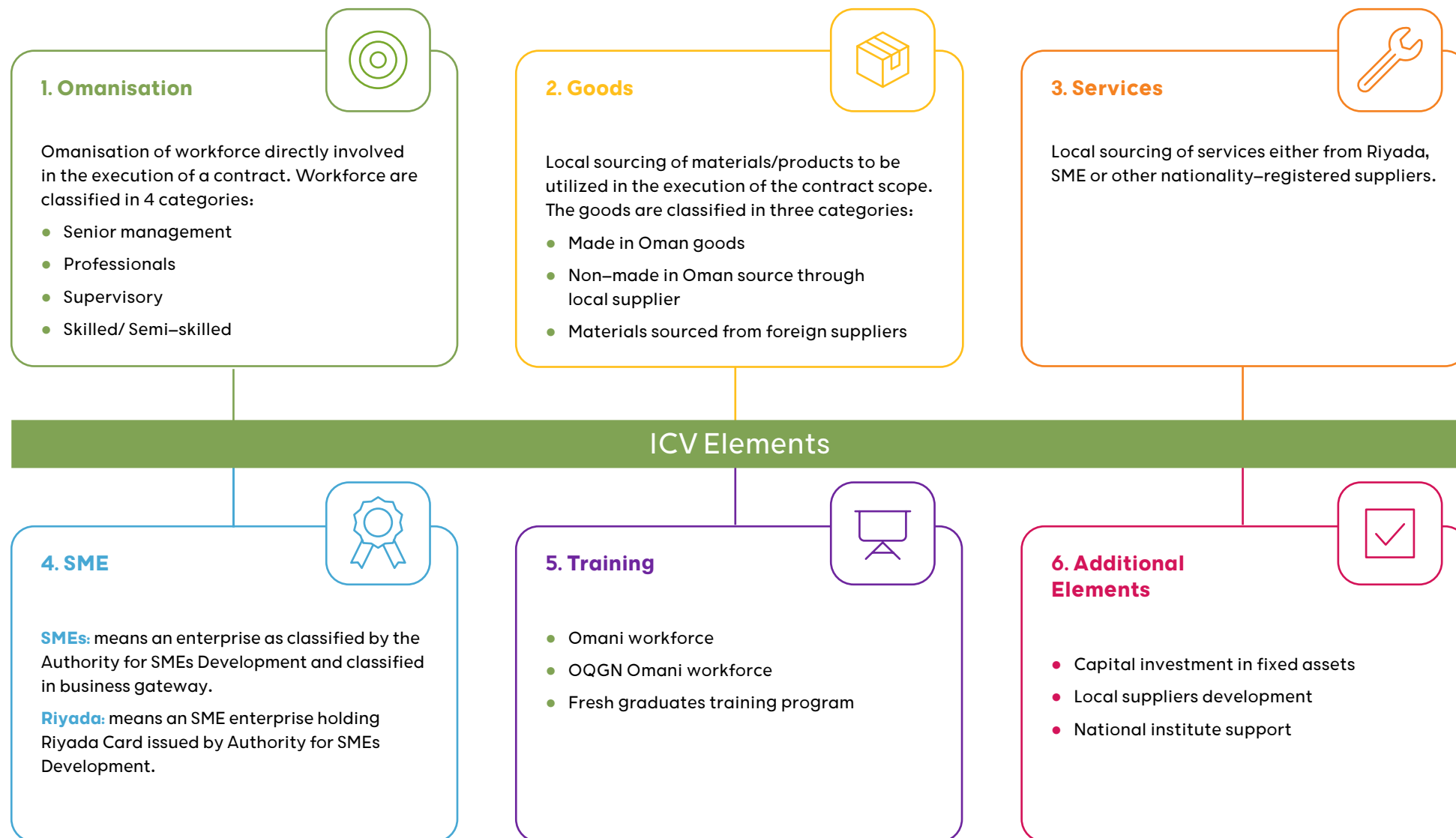
### Government Relations & Tax

We maintain a transparent and cooperative relationship with the Oman Taxation Authorities. We adhere to all tax laws of the Sultanate of Oman and maintain rigorous compliance with Income Tax Law by applying the enacted tax rate of 15% to our taxable income. To ensure the accuracy of our tax filings, our accounting profit is adjusted for tax purposes and these adjustments encompass a variety of income and expense items that are carefully considered under the current interpretation of existing tax laws, regulations, and practices.

#### Total number of local suppliers







# ESTABLISHING EFFECTIVE GOVERNANCE, RISK MANAGEMENT & INNOVATIVE PRACTICES

We build trust and grow value for our stakeholders by upholding strong business ethics, maintaining robust governance and risk management practices, and investing in a culture of innovation.

## MATERIAL TOPICS

- Corporate Governance
- Risk Management
- Business Ethics & Anti-corruption
- Cybersecurity & Data Privacy
- Agility, Innovation & Digital Transformation

## OMAN VISION 2040

- Legislative, Judicial and Oversight System
- Governance of the State's Administrative Bodies, Resources and Projects

## UN SDGS



## Corporate Governance

A rigorous approach to governance and risk management protects the integrity of our business, safeguards our reputation and assets, and amplifies shareholder value by ensuring transparency and accountability, enabling proactive risk identification and management and enhancing organizational stability.

### BOARD OF DIRECTORS

OQGN's Board of Directors is responsible for safeguarding the company's integrity and our stakeholders' interests through oversight of company's strategic direction, performance, and management. The Board's responsibilities include but are not limited to developing a comprehensive framework of controls, risk assessment and management, and compliance with all statutory and regulatory obligations mandated by all applicable laws and regulations.

The Board is led by the Chairman of the Board (the CEO is prohibited from serving in this role). Comprised of seven members including two women and five men, 57% of the Board are classified as independent directors as per the Code of Corporate Governance issued by the Financial Services Authority of Oman as of December 31, 2023. The presence of a majority of independent directors enhances the objectivity, transparency, and accountability of the Board's decision-making processes, ensuring that the interests of shareholders and stakeholders are effectively safeguarded.

### OUR BOARD



Talal Al Awfi  
Chairman



Ayad Al Balushi  
Deputy Chairman



Fathi Al Balushi  
Board Member



Raiya Al Salmi  
Board Member



Hanaa Al Hinai  
Board Member &  
CEO of Liva Insurance



Ben De Waele  
Board Member



Irfan Mian  
Board Member

**A NEW BOARD OF DIRECTORS WAS ELECTED BY  
OQGN SHAREHOLDERS ON 24 AUGUST 2023.  
THIS BOARD IS SET TO SERVE UNTIL THE ANNUAL  
GENERAL MEETING HELD IN 2025.**



## BOARD COMMITTEES

Board-level committees are in place to support and enable the Board's oversight and management activities.

**The Audit and Risk Committee** is responsible for overseeing the company's risk management policies, ensuring the adequacy of internal control systems, and making sure suitable and robust accounting principles, policies, and procedures are in place to detect and prevent financial fraud or forgery. The committee consists of three members including two independent directors, one of whom serves as the committee chairman. It works closely with internal and external auditors, reviewing reports and appointing external consultants as necessary.

**The Executive Committee** acts on behalf of the Board, performing delegated tasks and authorities including reviewing, endorsing, and approving board-level financial, contractual, and strategic documents including OQGN's 5 Year Business Plan, investments, and legal proceedings. The Committee also handles all responsibilities delegated by the Board to evaluate the Board's and Board Committees' performance. It may also address settlements, excluding procurement claims. In 2024, the Committee issued a report on board compliance with the applicable Code of Governance prepared by an external consultant appointed during the 2023 Annual General Meeting. OQGN's external auditors have also reviewed the board's compliance with the same regulation.

## The Nomination and Remuneration Committee

helps the development of transparent, credible, and accessible policies for the remuneration of Board members and executive management. The committee also plays a key role in guiding shareholders during the election of Board members at the Annual General Meeting, ensuring the nomination of qualified directors and candidates best suited for Board roles.

Additional information about our Board of Directors and Board committees is available in our OQGN 2024 Annual Report.

## BOARD SELECTION AND QUALIFICATION

Board members are elected via a secret ballot at the Annual General Meeting, and every shareholder is entitled to a number of votes equivalent to the shares they hold. Shareholders may cast all their votes for a single nominee or distribute them across multiple candidates. This means that the total votes a shareholder can allocate do not exceed the number of shares they own. The nominees who receive the highest number of votes are elected to the Board.

Board membership qualifications are determined according to the Oman Corporate Commercial Law, the Governance Code, and Article 115 of the Regulation of Public Joint Stock Companies, the Oman public joint stock corporation. These regulations ensure all OQGN Board members have the necessary integrity, experience and commitment to uphold our governance standards and drive our strategic vision forward.

## BOARD TRAINING

Board members completed annual training on a variety of critical topics in 2024, including corporate governance, ethics, and business integrity.

In 2024, each board member completed 6.5 training hours. 97.6% of the Board participated in anti-corruption and bribery training, and 100% of the board completed corporate governance training.

**100%**  
OF THE BOARD  
COMPLETED  
CORPORATE  
GOVERNANCE TRAINING

## Business Ethics & Anti-Corruption

Stringent ethical standards and anti-corruption measures are the bedrock of our relationships with our stakeholders and the key to protecting the integrity of our business. We have a comprehensive suite of policies in place to cement our governance practices and embed ethical, responsible behavior across all our activities, from strategy-setting and decision-making to our day-to-day operations. Most of these policies fall under OQ's governance framework, including our Whistleblowing Policy, Anti-Bribery and Corruption Policy, Code of Conduct, and the Audit and Risk Committee Terms of Reference.

## ANTI-BRIBERY AND CORRUPTION POLICY

In 2024, we adopted an Anti-Bribery and Corruption Policy specific to OQGN. Building on the OQ policy, our OQGN policy sets forth our definition of bribery and corruption and comprehensively outlines rules and boundaries for addressing conflicts of interest, dealing with third parties, charitable contributions and sponsorships, and the giving / accepting of gifts and advantages. People can report incidents of corruption through the whistleblowing system available on OQGN's official website. Additionally, the Code of Conduct and Whistleblowing Policy inform employees that they can directly report incidents to the Internal Audit Unit and seek advice from the Legal, Governance and Compliance department.



## SPOTLIGHT



### ILTIZAM Campaign

We launched a purpose-driven campaign in 2024 designed to heighten awareness among employees regarding their ethical responsibilities in daily operations, the campaign used real life examples to explain existing control policies on Anti-Bribery and Corruption, Conflicts of Interest, Insider Trading, Confidentiality, Due Diligence, and Whistleblowing.

"ILTIZAM is about making ethical decisions that shape our identity as a business, but also our personal values. It reflects our dedication to fostering a culture of compliance, transparency, and trust, a culture that should propel us towards realizing our values of growth and excellence, ensuring our ethical obligations are the cornerstone of OQGN."

**Mansoor Al Abdali, Chief Executive  
Officer OQGN**

THERE WERE  
**ZERO**  
CONFIRMED INCIDENTS  
OF CORRUPTION IN 2024.

## WHISTLEBLOWING

In 2024, we established a new Whistleblowing Policy to maintain the accountability and integrity of our company. The policy includes clear provisions for non-retaliation, enabling any employee or contractor to raise issues confidently and securely without fear of reprisal. Our Anti-Bribery and Corruption Policy, Internal Audit Charter, and Audit and Risk Committee Terms of Reference are also in place to combat bribery, fraud, and other forms of corruption. In the same year we launched OQGN whistleblowing channel on our website, and launched awareness campaign to encourage employees to report any suspected misconduct, including but not limited to fraud, corruption, harassment, and any potential legal, regulatory, or internal policy violations, through this channel, which provides a direct means for employees and stakeholders to anonymously report incidents at any time. This dedicated channel ensures all reports are accessible only to authorized personnel and handled with the highest levels of confidentiality and professionalism.

## INSIDER TRADING POLICY

Our Insider Trading Policy states that employees must not commit or facilitate others committing insider trading, and with specific actions they should take if employees were identified as insiders. In 2024, we made the Insider Trading Policy available on the OQGN portal to foster greater transparency and accountability throughout the company.

Stakeholder engagement is a key element of our governance and ethics practice. We actively engage with key government stakeholders in the development of new policies, particularly in instances where we are developing policies for working in new sectors such as hydrogen and CO<sub>2</sub>. We also remain constantly communicating with regulators during engagement sessions and regulatory reviews.

With policies now fully aligned with Financial Services Authority (FSA) requirements, we have strengthened compliance, ethical business conduct, and workforce training. Ongoing policy reviews, digital accessibility, and compliance audits will sustain adaptability to evolving legal and regulatory landscapes.

Now, we will continue to transform our policies to align with our evolving corporate structure and regulatory obligations as a publicly listed company.

FROM 2021 TO 2024,  
THERE WERE NO LEGAL  
ACTIONS PENDING  
OR COMPLETED  
REGARDING  
ANTI-COMPETITIVE  
BEHAVIOR,  
ANTI-TRUST  
VIOLATIONS,  
OR MONOPOLY  
LEGISLATION IN WHICH  
THE COMPANY WAS  
IDENTIFIED AS  
A PARTICIPANT.



## Risk Management

Our Board level Audit and Risk Committee (ARC) is responsible for overseeing risk management across the company with support from our executive management team and key departments. OQGN adopts an integrated Enterprise Risk Management (ERM) Framework that identifies, assesses, and mitigates strategic, operational, financial, and ESG-related risks as part of its enterprise risk framework. This ensures that environmental, social, and governance factors are embedded in our risk identification and decision-making processes.

The company's ERM framework clearly defines the roles and responsibilities of key stakeholders through a structured three lines of defense model:

- The first line of defense comprises business units and operational managers who are directly responsible for identifying and managing risks within their respective areas. They play a vital role in the proactive, day-to-day management of operational risks.
- The second line of defense includes the risk management and compliance functions, which provide independent oversight and support to the first line. These teams are responsible for developing risk policies, conducting assessments, monitoring risk exposures, and ensuring that effective controls are in place.
- The third line of defense is the independent internal audit function, which evaluates the

effectiveness of the entire risk management framework. This function conducts periodic audits, reports findings to senior management and the ARC, and ensures continuous improvement in risk control mechanisms.

The ARC and the Board of Directors are integral to this governance structure. The ARC not only oversees risk management policies and reviews key risks but also ensures alignment with accounting standards and the prevention of financial misconduct.

This multi-tiered approach reflects OQGN's robust risk governance and continuous improvement in the effectiveness and maturity of its risk management practices.



## Cybersecurity & Data Privacy

Strong cybersecurity and data privacy management is a mission critical to our operations in today's fast-evolving digital marketplace. As a gas transmission company operating within the oil and gas sector, OQGN is acutely aware of the risks associated with cyber threats and we have implemented a robust cybersecurity program to protect our digital infrastructure, data, and assets from unauthorized access or exploitation. Designed to protect both corporate and operational technology, the program adheres to all globally recognized standards and best practices for cybersecurity including ISO 27001 and ISO 27002, Information Security Management Systems standards, and Security of the Industrial Controls Systems in Operational Technology standards.

Cybersecurity considerations are fully embedded into every phase of project planning and implementation, and we regularly conduct assessments aimed at identifying and prioritizing cybersecurity risks and implementing suitable controls and mitigation strategies. We also perform ongoing analysis and reviews to ensure our practices comply with all relevant laws, regulations, and industry standards, and we regularly provide updates regarding cybersecurity to OQGN management.

We recognize the threat posed by cybersecurity, and we have implemented robust measures to enhance protection across our operations. These include scenario-based social engineering exercises, quarterly phishing simulations, OT risk assessments, and regular vulnerability testing. We ensure

compliance with FSA, APSR, and CDC regulations, and maintain a Cybersecurity Incident Response framework.

### DATA PRIVACY

Data privacy measures are in place to ensure we comply with all relevant laws and regulations regarding the handling and management of personal and sensitive data. As part of our ongoing effort to ensure regulatory alignment, OQGN is actively preparing for compliance with the Oman Personal Data Protection Law, reinforcing our focus on safeguarding the privacy rights of stakeholders.

### CYBERSECURITY AWARENESS

Raising employee awareness around cyber risks is essential as cyber-attacks and threats continue to pose a serious risk to our employees and OQGN Information and Operational Technologies. In 2024 we introduced the next iteration of our Cybersecurity Awareness Program updated to keep pace with rapidly changing cybersecurity requirements and to reflect feedback received during the previous year's program. Made available through the KnowBe4 platform, the program continues our dedicated effort to build a strong culture of security and safety around our use of digital systems, platforms, and technologies.

All employees were required to complete the programmer's 2024 baseline cybersecurity training in 2024, with necessary actions taken for employees who do not complete the training.





# 100%

OF EMPLOYEES  
COMPLETED THE  
CYBERSECURITY  
AWARENESS  
PROGRAM IN 2024.

The 2024 program also features updated tools and simulations to engage and test employee readiness for identifying and responding to cybersecurity events. These were supported with posters, newsletters, and events designed to drive a high level of awareness and engagement around this critical issue. Dedicated channels are also available to employees for the reporting of suspicious emails and activities.



## Agility, Innovation, & Digital Transformation

OQGN is excited about the potential environmental, social, economic, and competitive benefits that are enabled by harnessing the power of innovation to meet the rapidly evolving needs of our stakeholders. We are actively investing in advanced technologies and digital solutions as pathway for leveraging these benefits, advancing our business and our industry. This forward-thinking approach enables us to swiftly adapt to the market changes while maintaining our leadership position.

In 2024, we launched our Continuous Improvement Digital Platform as a key pillar of our operational excellence program. This platform empowers employees to actively contribute to our continuous improvement journey through two key mechanisms. First, **the idea submission** feature allows employees to easily share suggestions for improvement, fostering a culture of innovation from the ground up. Within the first four months alone, the platform generated 75 ideas, reflecting strong engagement across the organization. To support this, we provided targeted capacity-building programs, including KAIZEN training for 318 employees, Green Belt training for six employees, and Lean Practitioner training for 11 team members, alongside a company-wide e-learning program completed by 348 employees.

The second mechanism, for CI digital platform is to encourage the collaboration between the employees to work cross-functionally with colleagues from other departments to further develop and refine these ideas, transforming them into actionable initiatives that drive measurable impact.

As part of our broader Innovation & Digitalization (IDX) strategy, we are also deploying advanced technologies such as drones, satellites, fiber optics, AI-powered CCTVs, and Leak Detection and Repair (LDAR) systems to enhance asset performance and reduce environmental impact. Our research and development efforts emphasize rapid proof-of-concept testing and scalable deployment, ensuring we remain at the forefront of operational reliability and technical excellence. This innovation ecosystem is strengthened through strategic partnerships with universities and technology leaders, including a collaboration with GUTech University on a hydrogen-powered 3D-printed house, and pilot implementations with drone and AI solution providers.

## SPOTLIGHT

### BAWABAH – OQGN's Internal Services Platform



We introduced a new OQGN Internal Services Platform – BAWABAH – to streamline our internal processes, facilitate seamless communication, and boost efficiency across all departments with the ultimate aim of improving our overall productivity.

Key features of the BAWABAH platform include:

- **A user-friendly services hub.** With an intuitive interface and easy navigation, BAWABAH serves as a centralized hub that enables employees to effortlessly request services from various OQGN functions.
- **Collaborative workspaces.** BAWABAH allows teams to establish dedicated workspaces for collaborating on projects, sharing updates, and coordinating tasks in real-time
- **Resource management.** BAWABAH provides robust tools for managing and allocating resources efficiently. From optimizing resource utilization to facilitating capacity management and tracking availability, these tools empower employees to make informed decisions and maximize our operational capabilities.
- **Customizable workflows.** The system allows for the customization of workflows to align with our unique business needs.

## SPOTLIGHT



### Sustainability Dashboard

Building upon the successful completion of our initial two phases, we have made significant progress in automating the collection and management of key ESG data. Recognizing that the full scope of ESG performance spans a wide range of metrics, our current system strategically focuses on specific, high-priority indicators.

Our IDS team has leveraged in-house talent, expertise, existing software, infrastructure, and tools to develop a fully automated system tailored to these targeted metrics. This system directly collects relevant ESG data into a centralized database, eliminating the need for manual input for the selected indicators. Calculations are performed within the database or through an AI model, with results visualized via interactive Business Intelligence (BI) platform dashboards.

The dashboard is strengthening our sustainability performance management and data reporting in a variety of ways, including:

- An enhanced data accuracy rate of 99.9% through the elimination of human error, greater reliability and improved data quality.
- Dynamic reporting and immediate access to real-time insights and key data via Business intelligence (BI) platform.
- Real-time insights that enable faster decision-making and immediate access to key data via Business intelligence (BI) platform.
- Deeper analysis and sustainability performance monitoring.
- Scalability and adaptability to growing data needs, ensuring long-term relevance and effectiveness.
- Reduced time required for obtaining required ESG data each month.



## SPOTLIGHT



### VR Simulation Program

In 2024, we launched a new Virtual Reality (VR) Simulation Program designed to enhance employee experience through innovative learning opportunities. The program enables employees to interact with artificial 3D visuals and to use virtual simulations as part of their safety training. The first VR training module launched focuses on Office Safety, helping employees to understand its importance, identify hazards, and learn precautionary measures to minimize risk. The VR simulation program is currently used three days a week with times and dates communicated to employees in advance. We look forward to expanding its applications and engaging all employees with this enhanced new training technology.

## SPOTLIGHT



### Automating NDAs

In 2024, we automated our Non-Disclosure Agreement (NDA) process, streamlining legal workflows and improving compliance. Previously, the manual NDA process was prone to human errors, formatting inconsistencies, and inefficiencies in recording and tracking. To address these challenges, we implemented a contract automation tool, ensuring seamless integration with existing enterprise systems. The new system features pre-approved legal clauses and self-service NDA generation, enabling internal teams to create agreements without legal team dependency. Following pilot testing and full deployment, the automation has significantly improved time efficiency, reduced errors, optimized resources, and increased business agility.



# APPENDIX

## Appendix A: Performance Data

### Environmental

Metric	Unit	2021	2022	2023	2024
GHG Emissions					
Direct GHG emissions (Scope 1)	mtCO <sub>2</sub> eq	349,920	233,980	192,775 <sup>*</sup>	186,046
Indirect GHG emissions (Scope 2)	mtCO <sub>2</sub> eq	11,144	9,174	10,127 <sup>*</sup>	9,945
Total flared gas	Cubic meter	4,284,881	2,296,844	2,463,155 <sup>*</sup>	2,396,791
Total vented gas	Cubic meter	10,317,975	3,262,381	601,865 <sup>*</sup>	374,907
GHG emissions intensity	Scope 1 & 2 emissions / throughput thousand cubic meter	0.0097	0.0062	0.0050	0.0046
Total GHG emissions	mtCO <sub>2</sub> eq	361,063.82	243,154.89	202,902 <sup>*</sup>	195,992
Energy Consumption					
Direct energy consumption					
Petrol consumption from operations and vehicles	L	0	1,514	16,096	43,016
Diesel consumption from operations and vehicles	L	216,520	263,474	279,979 <sup>*</sup>	111,889
Gas consumption	Cubic meter	94,423,273	93,440,298	94,377,684 <sup>*</sup>	92,997,032
Total direct energy consumption	GWh	939	930	939 <sup>*</sup>	923
Indirect energy consumption					
Electricity consumption (office, storage, facilities, etc.)	kWh	24,172,067	19,899,893	21,965,183 <sup>*</sup>	21,571,918
Total indirect energy consumption	GJ	87,019	71,640	79,075	77,659
Energy Intensity					
Total energy consumption	GJ	87,360	71,977	79,415	77,994
Energy consumption intensity (direct energy only)	Total direct energy GWh / throughput TWh	3.2	2.9	2.9 <sup>*</sup>	2.7
Water					
Total water consumption	Cubic meter	N/A	N/A	60,871 <sup>†</sup>	22,710
Total water recycled	Cubic meter	N/A	N/A	750	3,454
Total water to be discharged but managed and processed by third parties	Cubic meter	N/A	N/A	3,581	1,230 <sup>†</sup>

Metric	Unit	2021	2022	2023	2024
Waste					
Total hazardous waste disposed	Metric tons	N/A	N/A	15	16
Total non-hazardous waste disposed	Metric tons	N/A	N/A	97	30 <sup>2</sup>
Biodiversity & Land Use					
Percentage of sites covered by an EMS (e.g.: ISO 14001 or EMAS)	%	100	100	100	100
Total area of disturbed land (includes land that is owned, leased or operated)	Hectares	N/A	N/A	18.442	0.357
Percentage of land area affected by operations that were restored during the reporting period	%	N/A	N/A	46.35	43.94
Number of sites owned adjacent to protected and/or key biodiversity areas	#	N/A	N/A	1	1
Percentage of land owned, leased, or operated within/ adjacent to protected and/or key biodiversity areas	%	N/A	N/A	0.90	0.81

<sup>1</sup>Values are restated due to recalculation or change in methodology

<sup>1</sup> This is from camps and office sewage effluent, taken by third party sewage tanker to STP, and reduced in 2024 due to the full operation of Nimr water treatment plant.

<sup>2</sup> In 2023, contractors generated waste was included with OQGN operation, but excluded in 2024.



## Social

Metric	Unit	2021	2022	2023	2024
OHSAS/ISO sites					
Percentage of sites covered by either OHSAS 18001 or ISO 45001 health and safety management system	%	N/A	N/A	100	100
Percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by the organization's OH&S MS	%	N/A	N/A	90	85
Percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by the organization's OH&S MS that has also been internally audited.	%	N/A	N/A	90	62
Percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by the organization's OH&S MS that has also been audited or certified by a third-party.	%	N/A	N/A	90	85
Health & Safety					
Total employee manhours	#	N/A	N/A	844,125	754,697
Total contractor manhours	#	N/A	N/A	8,380,720	6,868,280
Total manhours (millions)	#	N/A	N/A	9,224,845	7,622,977
Employee fatalities	#	N/A	N/A	0	0
Contractor fatalities	#	N/A	N/A	0	0
Total fatalities as a result of ill-health	#	N/A	N/A	0	0
Employee total recordable injuries	#	N/A	N/A	0	0
Contractor total recordable injuries	#	N/A	N/A	2	1
Total recordable injuries as a result of ill-health	#	N/A	N/A	0	0
Total recordable injuries	#	N/A	N/A	2	1
Total recordable injury frequency	#	N/A	N/A	0.22	0.13
Employee lost-time injuries	#	N/A	N/A	0	0
Contractor lost-time injuries	#	N/A	N/A	2	0
Total lost-time injuries	#	N/A	N/A	2	0
Lost-time injury frequency (LTIF)	#	N/A	N/A	0.22	0

Metric	Unit	2021	2022	2023	2024
High Potential Incidents (HPIOs)	#	N/A	N/A	16	11
Number of Safety Observations	#	N/A	N/A	5,027	4,980
Observations Actions Close-Out	%	N/A	N/A	96	87
Total number of reportable pipeline accidents and incidents	#	N/A	N/A	9	10
Number of accidents/ incidents associated with gas transmission, gathering and distribution	#	N/A	N/A	9	10
Audits, training & inspections					
Total number of health and safety audits conducted on contractors	#	N/A	N/A	10	13
Total percentage of natural gas pipelines inspected	%	N/A	N/A	12.20	24.39 <sup>2</sup>
Asset Integrity – process safety events					
Tier 1	#	0	0	0	1
Tier 2	#	1	0	0	0
Tier 3	#	7	5	8	9
Workforce					
Total workforce size	#	N/A	N/A	488	492
Full-time employees	#	N/A	N/A	468	469
Contractors and/or consultants	#	N/A	N/A	20	23
Workforce by employment level					
Full-time employees in senior management	#	N/A	N/A	6	8
Female employees in senior management	%	N/A	N/A	0	0
Male employees in senior management	%	N/A	N/A	100	100
Full-time employees in middle management	#	N/A	N/A	69	80
Female employees in middle management	%	N/A	N/A	7.2	12.5
Male employees in middle management	%	N/A	N/A	92.8	87.5
Full-time employee staff (other levels)	#	N/A	N/A	393	382
Female employee staff (other levels)	%	N/A	N/A	15	14.9
Male employee staff (other levels)	%	N/A	N/A	85	85.1

Metric	Unit	2021	2022	2023	2024
Workforce by gender profile					
Female full-time employees	#	N/A	N/A	64	67
Male full-time employees	#	N/A	N/A	404	402
Workforce by age					
Under 30 years old	#	N/A	N/A	58	35
30 to 50 years old	#	N/A	N/A	377	390
Over 50 years old	#	N/A	N/A	33	44
New Hires and Turnover					
New employee hired by gender					
Female	#	N/A	N/A	14	3
Female new hire rate	%	N/A	N/A	15.5	20
Male	#	N/A	N/A	76	12
Male new hire rate	%	N/A	N/A	84.5	80
New employee hired by age group					
Under 30 years old	#	N/A	N/A	21	2
Under 30 years old new hire rate	%	N/A	N/A	23.3	13.3
30 to 50 years old	#	N/A	N/A	69	12
30 to 50 years old new hire rate	%	N/A	N/A	76.7	80.0
Over 50 years old	#	N/A	N/A	0	1
Over 50 years old new hire rate	%	N/A	N/A	0	6.7
New hire by location					
Oman	#	N/A	N/A	84	15
Oman new hire rate	%	N/A	N/A	94	73
Other – non-G.C.C	#	N/A	N/A	6	4
Another new hire rate	%	N/A	N/A	6	26.7



Metric	Unit	2021	2022	2023	2024
Employee turnover					
Total number of employees who left the company	#	N/A	N/A	31	18
Voluntary leaves	#	N/A	N/A	21	15
Non-Voluntary leaves	#	N/A	N/A	10	3
Part time	#	N/A	N/A	0	0
Total number of employees leaving employment during the reporting period (full-time)					
Male	#	N/A	N/A	8	18
Female	#	N/A	N/A	23	0
Contractor turnover					
Total number of contractors/ consultants who left the company	#	N/A	N/A	7	6
Attrition & absentee rates					
Employee turnover rate (full-time employees)	%	N/A	N/A	4.48	3.19
Employee turnover rate (contractors)	%	N/A	N/A	35	NA
Nationalisation					
Nationals among total full-time workforce	#	N/A	N/A	442	440
Female National full-time employees	%	N/A	N/A	13.68	15
Male National full-time employees	%	N/A	N/A	80.77	85
Training					
Average hours of training that the organization's employees have undertaken					
All employees	Hours	N/A	N/A	19,276	23,528
Male employees	Hours	N/A	N/A	16,275	20,404
Female employees	Hours	N/A	N/A	3,001	3,124
Senior management employees	Hours	N/A	N/A	340	447
Middle management employees	Hours	N/A	N/A	1,125	4,210
Non-management employees	Hours	N/A	N/A	17,811	18,871
Training in Specific Areas (percentage of full-time & part-time employees)					
Occupational health & safety	%	N/A	N/A	33	100
Cyber Security	%	N/A	N/A	N/A	95

Metric	Unit	2021	2022	2023	2024
Performance reviews					
Percentage of employees that received a regular performance review	%	N/A	N/A	100	100
Employee Engagement					
Employee satisfaction score	%	54	66	75	76
Parental leave					
Total number of employees that were entitled to parental leave.					
Female	#	N/A	N/A	64	67
Male	#	N/A	N/A	404	402
Total number of employees that took parental leave					
Female	#	N/A	N/A	35	8
Male	#	N/A	N/A	4	39
Total number of employees that returned to work after parental leave ended					
Female	#	N/A	N/A	34	4
Male	#	N/A	N/A	3	39
Community Investment					
Amount of community investment	OMR	N/A	N/A	100,000	149,219
Total number of employee volunteering hours	Hours	N/A	N/A	20	659

1 The reason for successful reduction of High Potential near miss is improvement in incident classification and investigation process.

2 The increase in 2024 is attributed to enhanced integrity management activities, including the completion of 10 in-line inspections (ILI) for piggable pipelines and 10 direct assessments for non-piggable lines.

## Governance

Metric	Unit	2021	2022	2023	2024
Board					
Total number of board members	#	N/A	5	5	7
Percentage of independent members	%	N/A	0	40	57
Percentage of non-independent members	%	N/A	100	60	43
Percentage of executive members	%	N/A	0	0	0
Percentage of non-executive members	%	N/A	100	100	100
Percentage of board seats occupied by men	%	N/A	60	60	71
Percentage of board seats occupied by women	%	N/A	40	40	29
Percentage of Board committee chairs occupied by a woman	%	N/A	50	50	33
Percentage of Board committee chairs occupied by a man	%	N/A	50	50	67
Finance					
Direct Economic Value generated (revenues)	OMR Million	157.5	160.4	174.0	154.77
Operating expenses	OMR Million	74.9	73.1	71.7	52.57
Employee wages and benefits	OMR Million	15.8	16.2	17.8	20.39
Economic value retained 'direct economic value generated' minus 'economic value distributed (Opex, wages, etc.)	OMR Million	66.8	71.1	84.6	81.81
Total Economic Value Distributed (operating costs, employee wages and benefits, payments to providers of capital, payments to government	OMR Million	90.7	89.3	89.5	72.96
Profit/loss before tax	OMR	51.7	53.1	62.4	56.58
Tangible assets other than cash and cash equivalents	OMR	1,055.63	1,072.75	1,077.91	1,095
Corporate income tax accrued on profit/loss	OMR	8.631	7.51	6.92	8.78
Suppliers					
Total number of local suppliers engaged	#	N/A	206	277	309
Procurement spending on local suppliers	OMR Million	N/A	14.93	18.45	15.30
Percentage of procurement spending on local suppliers	%	N/A	31	31	29
Total procurement spending	OMR Million	N/A	47.92	59.25	52.25



## Appendix B: OQGN Stakeholders

Stakeholder	Modes of Engagement	Interest
Shareholders	<ul style="list-style-type: none"> <li>Annual &amp; public reports</li> <li>Annual general meeting</li> <li>Corporate website</li> <li>Investor relations</li> <li>Corporate announcements &amp; press releases</li> <li>Dividends</li> </ul>	<ul style="list-style-type: none"> <li>Asset integrity &amp; critical incident</li> <li>Occupational health &amp; safety</li> <li>Climate adaptation &amp; energy transition</li> <li>Agility, innovation, and digital transformation</li> <li>Business ethics &amp; anti-corruption</li> <li>Human rights protection &amp; labor management</li> <li>Economic impacts</li> <li>Government relations &amp; tax</li> <li>Sustainable finance</li> </ul>
Government of Oman	<ul style="list-style-type: none"> <li>Board &amp; Senior Management Meetings</li> <li>Annual &amp; public reports</li> <li>Corporate website</li> <li>Concession agreements</li> </ul>	<ul style="list-style-type: none"> <li>Asset integrity &amp; critical incident</li> <li>Business ethics &amp; anti-corruption</li> <li>Local community &amp; social investment</li> <li>Economic impacts</li> <li>Government relations &amp; tax</li> <li>Supply chain management &amp; ICV</li> <li>Human rights protection &amp; labor management</li> <li>Employment practices &amp; development</li> <li>Pollution control</li> <li>Water consumption</li> </ul>
Shipper	<ul style="list-style-type: none"> <li>Transportation fees</li> <li>Transportation services</li> <li>Transportation framework agreement</li> <li>Board &amp; senior management meetings</li> </ul>	<ul style="list-style-type: none"> <li>Asset integrity &amp; critical incident</li> <li>Business ethics &amp; anti-corruption</li> <li>Government relations &amp; tax</li> <li>Cybersecurity &amp; data privacy</li> </ul>

Stakeholder	Modes of Engagement	Interest
Potential other shipper(s)	<ul style="list-style-type: none"> <li>Multi-shipper agreement</li> <li>Board &amp; senior management meetings</li> </ul>	
Authority for Public Services Regulation (APSR)	<ul style="list-style-type: none"> <li>Revenue &amp; tariff regulations</li> <li>Board &amp; senior management meetings</li> </ul>	<ul style="list-style-type: none"> <li>Government relations &amp; tax</li> <li>Business ethics &amp; anti-corruption</li> <li>Economic impacts</li> </ul>
Gas suppliers	<ul style="list-style-type: none"> <li>Connection fees &amp; agreements</li> <li>Board &amp; senior management meetings</li> </ul>	<ul style="list-style-type: none"> <li>Asset integrity &amp; critical incident</li> <li>Business ethics &amp; anti-corruption</li> <li>Human rights protection &amp; labor management</li> <li>Climate adaptation &amp; energy transition</li> <li>Government relations &amp; tax</li> <li>Cybersecurity &amp; data privacy</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Connection fees &amp; agreements</li> <li>Board &amp; senior management meetings</li> </ul>	<ul style="list-style-type: none"> <li>Asset integrity &amp; critical incident</li> <li>Business ethics &amp; anti-corruption</li> <li>Human rights protection &amp; labor management</li> <li>Climate adaptation &amp; energy transition</li> <li>Government relations &amp; tax</li> <li>Cybersecurity &amp; data privacy</li> </ul>
Environmental Authority	<ul style="list-style-type: none"> <li>Board &amp; Senior Management Meetings</li> <li>Annual &amp; public reports</li> <li>Corporate website</li> <li>Environmental regulations</li> </ul>	<ul style="list-style-type: none"> <li>Government relations &amp; tax</li> <li>Pollution control</li> <li>Water consumption</li> <li>Supply chain management &amp; ICV</li> </ul>

Stakeholder	Modes of Engagement	Interest
Employees	<ul style="list-style-type: none"> <li>Human resources</li> <li>Performance appraisals &amp; rewards</li> <li>Townhall meetings</li> <li>Corporate events</li> <li>Annual &amp; public reports</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Asset integrity &amp; critical incident</li> <li>Employment practices &amp; development</li> <li>Business ethics &amp; anti-corruption</li> <li>Human rights protection &amp; labor management</li> <li>Economic impacts</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>Community engagement &amp; programs</li> <li>Annual &amp; public reports</li> <li>Corporate announcements &amp; press releases</li> </ul>	<ul style="list-style-type: none"> <li>Asset integrity &amp; critical incident</li> <li>Local community &amp; social investment</li> <li>Climate adaptation &amp; energy transition</li> <li>Pollution control</li> </ul>
Contractors & Suppliers	<ul style="list-style-type: none"> <li>Corporate relationship management</li> <li>Tender process</li> <li>Annual &amp; public reports</li> </ul>	<ul style="list-style-type: none"> <li>Agility, innovation, and digital transformation</li> <li>Supply chain management &amp; ICV</li> <li>Business ethics &amp; anti-corruption</li> <li>Human rights protection &amp; labor management</li> <li>Economic impacts</li> </ul>

## Appendix C: GRI Content Index

Statement of Use	OQGN has reported the information cited in this GRI content index for the period 1st January 2024 to 31st December 2024 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Page number(s) and/or direct answers
GRI 2: General Disclosures 2021	2-1 Organizational details	6-8
	2-2 Entities included in the organization's sustainability reporting	2
	2-3 Reporting period, frequency and contact point	2
	2-4 Restatements of information	76
	2-5 External assurance	2, This report did not go through external assurance
	2-6 Activities, value chain and other business relationships	6
	2-7 Employees	40.79
	2-8 Workers who are not employees	78
	2-9 Governance structure and composition	64
	2-10 Nomination and selection of the highest governance body	65
	2-11 Chair of the highest governance body	64
	2-12 Role of the highest governance body in overseeing the management of impacts	64
	2-13 Delegation of responsibility for managing impacts	64
	2-14 Role of the highest governance body in sustainability reporting	11
	2-15 Conflicts of interest	66

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	67
	2-17 Collective knowledge of the highest governance body	65
	2-18 Evaluation of the performance of the highest governance body	65
	2-19 Remuneration policies	65
	2-20 Process to determine remuneration	65
	2-21 Annual total compensation ratio	Not Disclosed
	2-22 Statement on sustainable development strategy	4, 5
	2-23 Policy commitments	13, 17, 20, 41, 42, 47, 48, 66, 67
	2-24 Embedding policy commitments	13, 17, 20, 41, 42, 47, 48, 66, 67
	2-25 Processes to remediate negative impacts	67
	2-26 Mechanisms for seeking advice and raising concerns	52, 67
	2-27 Compliance with laws and regulations	20, 21, 28, 30, 51, 65-67
	2-28 Membership associations	<a href="https://oqgn.om/home">https://oqgn.om/home</a>
	2-29 Approach to stakeholder engagement	59, 83, 84
	2-30 Collective bargaining agreements	All employees have individual labor contracts in accordance with applicable regulations. Noting that collective bargaining does not apply under Omani law.

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 3: Material Topics 2021	3-1 Process to determine material topics	14
	3-2 List of material topics	14
	3-3 Management of material topics	14
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	54, 82
	201-3 Defined benefit plan obligations and other retirement plans	38
	201-4 Financial assistance received from government	The company did not receive financial assistance
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	16
	202-2 Proportion of senior management hired from the local community	32
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	54-56
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	61
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	66
	205-2 Communication and training about anti-corruption policies and procedures	66
	205-3 Confirmed incidents of corruption and actions taken	66
GRI 206: Anti- competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	67



GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 207: Tax 2019	207-1 Approach to tax	61
	207-2 Tax governance, control, and risk management	61
	207-3 Stakeholder engagement and management of concerns related to tax	61
GRI 302: Energy 2016	302-1 Energy consumption within the organization	75
	302-2 Energy consumption outside of the organization	75
	302-3 Energy intensity	75
	302-4 Reduction of energy consumption	75
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	30
	303-2 Management of water discharge-related impacts	30
	303-3 Water withdrawal	30
	303-4 Water discharge	30
	303-5 Water consumption	30
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	29, 76
	304-2 Significant impacts of activities, products and services on biodiversity	29, 76
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	24, 75
	305-2 Energy indirect (Scope 2) GHG emissions	24, 75
	305-4 GHG emissions intensity	75
	305-5 Reduction of GHG emissions	75

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	28
	306-2 Management of significant waste-related impacts	28
	306-3 Waste generated	28
	306-5 Waste directed to disposal	28
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	79, 80
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	38
	401-3 Parental leave	81
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	42-52
	403-2 Hazard identification, risk assessment, and incident investigation	44
	403-3 Occupational health services	45
	403-4 Worker participation, consultation, and communication on occupational health and safety	12, 38, 42, 44
	403-5 Worker training on occupational health and safety	46
	403-6 Promotion of worker health	47
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	48-52
	403-8 Workers covered by an occupational health and safety management system	77
	403-9 Work-related injuries	77
	403-10 Work-related ill health	77

GRI Standard	Disclosure	Page number(s) and/ or direct answers
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	80
	404-2 Programs for upgrading employee skills and transition assistance programs	32–36
	404-3 Percentage of employees receiving regular performance and career development reviews	33, 81
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	64
	405-2 Ratio of basic salary and remuneration of women to men	16
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	41
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	41
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	55–58

## Appendix D: SASB Content Index

Topic	Metric	Code	Page number
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	EM-MD-110a.1	75
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-MD-110a.2	22–27
Ecological Impacts	Description of environmental management policies and practices for active operations	EM-MD-160a.1	21, 29
	Percentage of land owned, leased, or operated within areas of protected conservation status or endangered species habitat	EM-MD-160a.2	76
	(1) Terrestrial land area disturbed, (2) percentage of impacted area restored	EM-MD-160a.3	76
Operational Safety, Emergency Preparedness & Response	(1) Number of reportable pipeline incidents, (2) percentage significant	EM-MD-540a.1	78
	Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected	EM-MD-540a.2	78
	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	EM-MD-540a.4	42–52

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