لعُمان
FOR OMAN

شركة تنمية نفط عُمان
Petroleum Development Oman

SUSTAINABILITY REPORT 2025

His Majesty Sultan Haitham bin Tarik
- May Allah protect him -

"Elevating Oman to the higher strata of progress that it deserves, is a national duty and an immense responsibility to be shouldered by each and every citizen"

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ABOUT THIS REPORT

PDO's 2025 Sustainability Report reflects our continued commitment to transparency, accountability and responsible operations. The report provides a comprehensive overview of our sustainability performance, practices and progress during the 2025 reporting year, while demonstrating our alignment with recognised global and local sustainability frameworks.

At the core of this report is PDO's balanced approach to sustainability. While continuing to support the reliable and sustainable delivery of oil and gas, the Company remains focused on safeguarding people, protecting the environment and creating long-term value for Oman.

The report highlights key initiatives that support climate action, operational excellence, local value creation, social investment and Oman's wider economic diversification ambitions.

Through transparent reporting, PDO aims to build trust with its stakeholders by documenting its achievements, identifying areas for continued improvement and demonstrating how sustainability is integrated across its operations. This report reinforces PDO's commitment to contributing to a more sustainable, resilient and inclusive future for Oman.

Period & Basis of Preparation

The report will cover the reporting year from 1st of January 2025 and ends on 31st December 2025.

Scope and Boundaries

This report will cover all the activities and practices in terms of sustainability that were done by PDO in 2025.

Restatement of Information

There were no restatements of information during the reporting period.

External Assurance

PDO did not seek external assurance except for the financial and GHG emission data. Other sustainability data were reviewed and assured internally.

If you have any queries about this report, please contact us at **corporatecommunications@pdo.co.om**

LEADERSHIP INSIGHT

CHAIRMAN'S FOREWORD

In the Name of Allah, the Compassionate, the Merciful.

It is an honour to present PDO's 2025 Sustainability Report, reaffirming Petroleum Development Oman's steadfast commitment, as a leading energy producer, to delivering reliable energy while advancing the Sultanate's sustainable development, economic resilience and long-term prosperity.

In 2025, PDO continued to demonstrate strong performance across its operations, reflecting a high level of accountability, coordination and resilience. The Company maintained its focus on delivering reliable energy while optimising costs and improving operational efficiency, achieving a Net Unit Operating Cost of US$6.8 per barrel.

The year also marked a significant operational milestone, with PDO achieving its highest production level since 2002. This achievement reinforces the Company's role as a key contributor to Oman's energy security and economic stability, while demonstrating the strength of its integrated planning, asset management and operational delivery.

PDO continued to play a significant role in supporting the national economy, with revenues exceeding US$22 billion in 2025. This contribution reflects the Company's position as a key pillar of Oman's energy sector and an important enabler of national development.

Despite an increasingly complex global energy landscape, PDO remained focused on delivering its strategic priorities. Continuous efforts to enhance asset reliability, improve facility availability and reduce deferments supported stable and efficient operations across the portfolio.

The Board continues to place strong emphasis on safety and process integrity. Over the past five years, PDO achieved a substantial reduction in Tier 1 and Tier 2 process safety incidents, reflecting sustained efforts to enhance operational discipline and risk management. The Company also continued to strengthen its Asset Integrity and Process Safety Management framework through leadership oversight, cross-functional assurance, learning from incidents, and the reinforcement of Process Safety Fundamentals across operations. These efforts demonstrate PDO's sustained commitment to strengthening systems, enhancing awareness and embedding a culture of safety across the organisation. This commitment must continue to be upheld by both staff and contractors.

Innovation and technology remain key enablers of PDO's performance. The Company continues to advance the application of digital solutions, predictive maintenance and integrated systems to enhance asset performance, improve decision-making and support long-term operational sustainability.

PDO also continues to play a leading role in advancing sustainable energy solutions. Progress during the year covered key renewable energy projects, including the North Solar Independent Power Project and the Riyah wind farms, alongside the implementation of energy efficiency initiatives across operations. These efforts support the Company's ambition to achieve net-zero emissions by 2050 and contribute to national climate objectives.

In parallel, PDO remains committed to strengthening its contribution to the national economy. Through its Local Content initiatives, the Company continues to support local supply chains, create employment opportunities and enhance national capabilities. In 2025, this included the ISO 9001:2015 certification of PDO's Local Content Function, continued support for the nationwide Local Content Supplier Certificate, and the delivery of targeted workforce development initiatives, including the EMDAD Workforce Programme. These efforts reinforce PDO's role as a key driver of economic development and national capability building.

PDO also plays an important role in supporting the social development of the Sultanate. Ongoing investment in education, youth development programmes and community initiatives reflects the Company's commitment to creating long-term value for society. As the energy sector continues to evolve, PDO remains well positioned to navigate future challenges and opportunities. Equally important is our continued focus on people development, ensuring that PDO builds the skills, capabilities and resilience required to support future growth and contribute to Oman's long-term progress.

In conclusion, I extend my sincere appreciation to all those contributing to the continued success and advancement of the Omani energy sector.

May Allah protect the Sultanate and grant it continued progress, prosperity and stability under His Majesty's wise leadership.

H.E. Mohsin bin Hamad Al Hadhrami
Undersecretary of the Ministry of Energy and Minerals, Chairman of PDO Board of Directors

MANAGING DIRECTOR'S FOREWORD

Dr Aflah Al Hadhrami

PDO Managing Director

In the Name of Allah, the Most Gracious, the Most Merciful.

PDO continues to play a vital role in supporting Oman's energy needs while contributing to the nation's long-term economic and sustainability ambitions. As the energy landscape evolves, our focus remains on delivering reliable performance, enhancing resilience and creating sustainable value for Oman and its people.

In 2025, PDO delivered a strong year of operational performance, underpinned by disciplined execution, asset reliability and the commitment of our people across the organisation. We also launched PDO's Journey of Transformation, For Oman -a strategic programme designed by PDO employees themselves, to build a more streamlined, safer and competitive organisation, while continuing to deliver long-term value for the Sultanate and its people. We proudly achieved an average oil production of 705,539 barrels per day, exceeding our target and marking the Company's highest production level since 2002. Total hydrocarbon production averaged approximately 1.1 million barrels of oil equivalent per day, reinforcing PDO's role as a key contributor to Oman's energy security and economic stability.

This performance reflects the scale and resilience of our people and operations. During the year, PDO drilled 1012 oil, gas and water wells and completed more than 26,000 well interventions, while maintaining a strong focus on improving facility availability and reducing deferments. These efforts supported the stability and consistency of our production systems and enabled us to continue delivering safely and reliably.

Our operational delivery was supported by continued efforts to optimise our operating model and enhance efficiency across the organisation. Through improved collaboration and streamlined processes, we achieved a Net Unit Operating Cost of US$6.8 per barrel, reflecting a balanced approach between cost discipline and operational excellence. Operating in an increasingly complex environment requires clarity, discipline and strong oversight. Throughout the year, we strengthened our systems, controls and governance processes to ensure that risks are effectively managed and decisions are made with accountability.

Across all activities, safety remains the foundation of how we operate. Our commitment to Goal Zero, achieving no harm to people, assets, the environment or our reputation, continues to guide our actions and decisions. Throughout the year, we have maintained a strong focus on strengthening our safety culture, reinforcing Process Safety Fundamentals and applying learnings across the organisation to continuously improve how we operate. These efforts support a safer, more resilient operating environment for our people, assets and operations.

At the same time, sustainability continues to be fully integrated into our strategy and operations. During the year, we advanced our decarbonisation agenda through investments in renewable energy, energy efficiency and emissions management, including progress on key projects such as the North Solar Independent Power Project and the Riyah wind farms, alongside ongoing energy efficiency initiatives across our operations. These efforts support Oman's national climate commitments and our ambition to achieve net-zero emissions by 2050, while strengthening the long-term resilience of our business.

This progress is enabled by the capability and commitment of our people. In 2025, we continued to invest in talent development and strengthen leadership capability through programmes such as Ruwad, PDO's flagship leadership programme designed to build the next generation of leaders. The programme supports the development of high-potential Omani talent by enhancing their leadership capability, strategic thinking and readiness to take on greater responsibilities. Through these efforts, we continue to build the capabilities needed to support PDO's future growth and transformation.

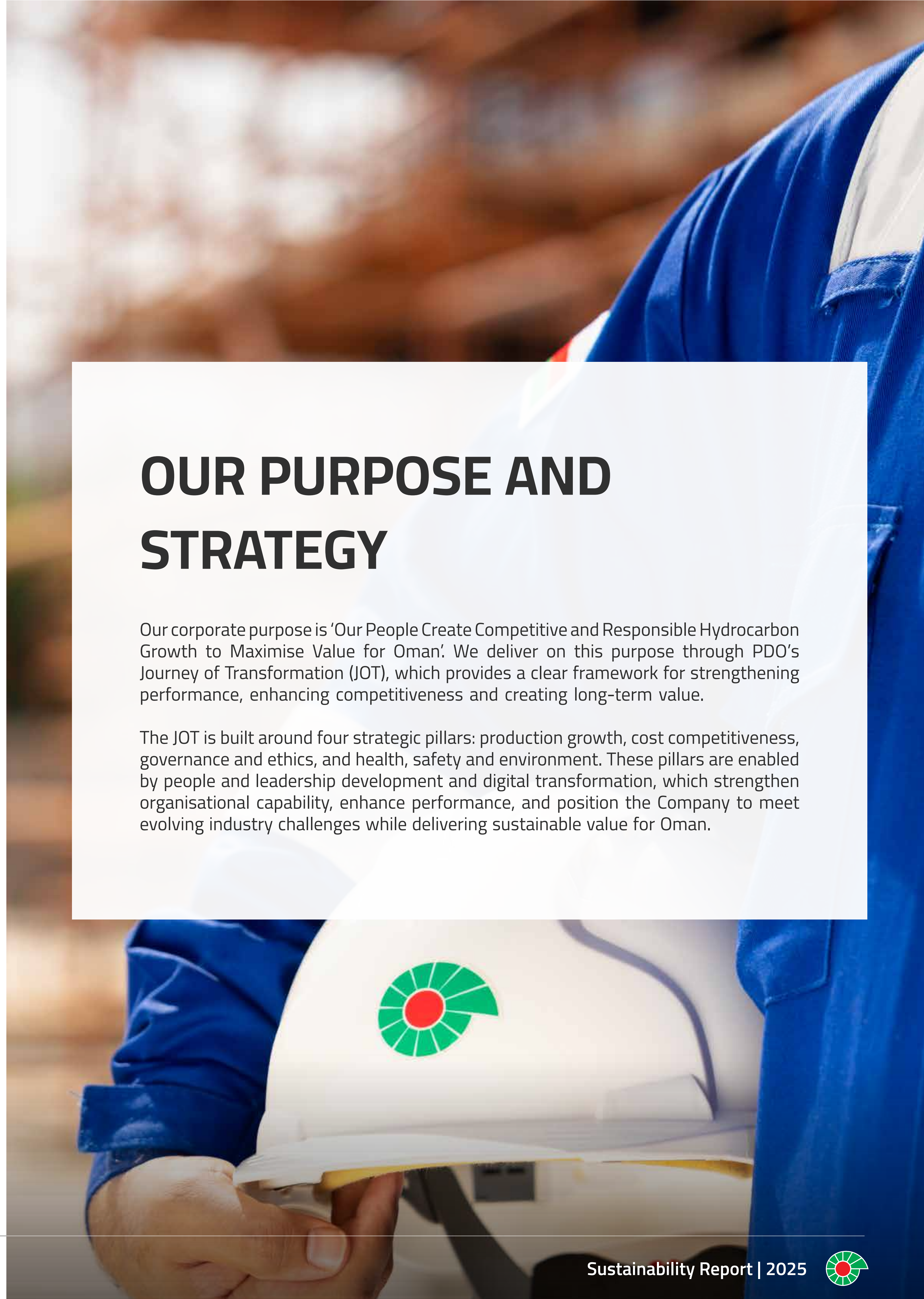
Beyond our operations, PDO continued to invest in Omani society through Social Investment (SI) initiatives across key areas such as community infrastructure, education, health, and environmental sustainability. In 2025, PDO committed to 45 new SI projects worth approximately OMR 3.7 million and completed 25 projects valued at around OMR 3.5 million. It also renewed its OMR 2 million commitment to the Community Scholarship Programme, supporting 150 students, while youth development initiatives, including Masar, Marifah and Taziz, engaged more than 300 students. Our contribution also extends to driving economic value within the Sultanate. Through our Local Content Programme, PDO retained OMR 1 billion from its total supply chain spend and generated an overall economic impact of OMR 1.7 billion. These efforts supported SME growth, strengthened local manufacturing capabilities, contributed to Oman's GDP and economic diversification, and helped create 2,552 sustainable jobs for Omanis.

The achievements of the past year reflect the dedication of our people and the strength of our partnerships with government entities, shareholders, contractors and stakeholders. Their continued collaboration enables PDO to deliver safely, efficiently and responsibly. As we look ahead, we remain focused on strengthening performance, enhancing resilience and advancing towards a lower-carbon future. With the continued commitment of our people and partners, PDO will continue to deliver sustainable and lasting value for Oman.

WHO WE ARE

WHO WE ARE

Petroleum Development Oman (PDO) is the leading exploration and production Company in the Sultanate of Oman. We deliver the majority of Oman's crude oil production and natural gas supplies, but above all, we focus on sustainable value and growth for Oman—both within and well beyond our industry. PDO is a limited liability Company operating on a no-profit, no-loss basis and is officially revenue-neutral. Our headquarters are located at Mina Al Fahal in Muscat.



OUR PURPOSE AND STRATEGY

Our corporate purpose is 'Our People Create Competitive and Responsible Hydrocarbon Growth to Maximise Value for Oman'. We deliver on this purpose through PDO's Journey of Transformation (JOT), which provides a clear framework for strengthening performance, enhancing competitiveness and creating long-term value.

The JOT is built around four strategic pillars: production growth, cost competitiveness, governance and ethics, and health, safety and environment. These pillars are enabled by people and leadership development and digital transformation, which strengthen organisational capability, enhance performance, and position the Company to meet evolving industry challenges while delivering sustainable value for Oman.

OUR ROLE IN OMAN

PDO plays a central role in supporting Oman's energy security and economic stability through the safe, reliable and efficient production of oil and gas. As one of the Sultanate's key economic contributors, the Company helps generate national revenue, sustain economic activity and enable growth across related sectors and local supply chains.

In alignment with Oman Vision 2040, PDO contributes to long-term national priorities by creating value for Oman, developing Omani talent, supporting local businesses and strengthening local content. Its role also extends to the wider community through social investment, partnerships and initiatives that support education, employment, entrepreneurship and community wellbeing.

OUR SHAREHOLDERS

شركة تنمية طاقة عمان
ENERGY DEVELOPMENT OMAN

60%
INTEREST

Energy Development Oman
(on behalf of the Government of Oman)

34%
INTEREST

The Shell Group

TotalEnergies

4%
INTEREST

TotalEnergies

PTTEP

2%
INTEREST

PTTEP

Gas fields and processing plants are operated by PDO exclusively on behalf of EDO.

A LEGACY BUILT FOR OMAN

1937

PDO was founded following the concession granted to the Iraq Petroleum Company.

1962

PDO strikes oil at Yibal.

1967

The first export of Omani oil, transforming the country's economy and positioning it as a key player in the global energy market.

1980

The Company is registered by a Royal Decree as a limited liability company under the name Petroleum Development Oman and its ammonite logo is introduced.

1991

Major gas discoveries are made at Saih Rawl and Barik in central Oman.

2004

A new 40-year concession and shareholders' agreements are signed.

2013

His Majesty Sultan Qaboos bin Said made a historic visit to PDO head-quarters at Mina Al Fahal.

2019

The commissioning of the Rabab Harweel Integrated Project, the largest capital venture in PDO's history, significantly boosted operations and national income.

2024

The first Omani Managing Director was appointed, marking a historic milestone for the company.

2025

Inspired by yesterday, guided by tomorrow, and driven by our Journey of Transformation, we build a brighter future for Oman.

GOVERNANCE

BOARD OF DIRECTORS

H.E. Mohsin bin Hamed Al Hadhrami
Undersecretary of the Ministry of Energy and Minerals, Chairman of the Board

Dr Aflah Said Al Hadhrami
Managing Director

EXCUTIVE OFFICER

Mr Al Mukhtar Mohammed Al Hinai
Head of Board Secretariat

SECRETARY

Eng. Mazin Rashid Al Lamki
Chief Executive Officer
Energy Development Oman (EDO)

Mr. Azhar Ahmed Al Kindi
Chief Operating Officer
Energy Development Oman (EDO)

Eng. Sultan Ali Al Mamari
Chief Finance Officer
Energy Development Oman (EDO)

Eng. Isam Saud Al Zadjali
Board Representative,
Energy Development Oman (EDO)

REPRESENTING THE GOVERNMENT OF OMAN

Ms Majan Al Abdullatif
Asset General Manager,
Shell Development Oman

Mr Ali Al Janabi
Country Chair – Oman,
Shell Development Oman

Mr Fares El Khazen
Oman Country Chair & Managing Director, TotalEnergies EP Oman

Mr Krit Limbanyen
Regional Manager, PTTEP Middle East

REPRESENTING THE PRIVATE SHAREHOLDERS

CORPORATE GOVERNANCE

At PDO, we prioritise governance across all facets of our operations, ensuring excellence both within the company and in our external interactions. Our goal is to implement the latest industry best practices, thereby driving exceptional value for our shareholders while upholding the highest standards of compliance and ethical conduct. This commitment reflects our dedication to building a sustainable and trustworthy enterprise.

PDO leaders cultivate a culture of responsibility, openness, and integrity by collaborating closely with various teams and organisational units. We ensure that everyone in our organisation contributes to a unified vision of corporate responsibility and operational excellence by aligning efforts and maintaining open lines of communication.

CORPORATE STRUCTURE

Our Board of Directors holds ultimate responsibility for the overall management and supervision of the company, provides leadership and guidance to management, and assesses opportunities, risks, and risk mitigation controls.

The Board also oversees the establishment of an effective governance, risk, and compliance framework. It consists of 11 members, including the Chairman, His Excellency Mohsin bin Hamed Al Hadhrami Undersecretary of Energy and Minerals, and representatives from Energy Development Oman (EDO) and PDO's private shareholders, Royal Dutch Shell, TotalEnergies, and PTTEP Oman E&P Corporation.

ETHICS AND COMPLIANCE

Ethics and integrity remain fundamental to PDO's sustainability journey. In 2025, PDO continued to strengthen its Ethics and Compliance (E&C) framework, advancing towards a more embedded, culture-driven approach. This progress enhanced employee trust, improved accessibility, and ensured effective delivery despite organisational restructuring and resource constraints.

A company-wide staff survey indicated that 88.6% of employees expressed confidence in the E&C programme, reflecting growing trust in governance systems and PDO's commitment to ethical decision-making.

DIGITAL GOVERNANCE AND ACCESSIBILITY

In 2025, PDO launched IFSAH, an integrated digital platform for Ethics and Compliance reporting and advisory services. The platform enhances accessibility and transparency by centralising ethical guidance, declarations, and case management within a single, user-friendly interface.

IFSAH supports faster response times, improved tracking, and greater visibility of compliance activities, reflecting PDO's continued transition towards more efficient and modern governance systems.

STRENGTHENING THE SPEAK-UP CULTURE

PDO continued to reinforce its speak-up environment by enhancing reporting channels and expanding access through external digital platforms. The upgraded system enables confidential and anonymous reporting, ensuring employees and stakeholders can raise concerns without fear of retaliation.

These improvements resulted in a 107% increase in incident reporting. This increase reflects stronger confidence in reporting mechanisms and improved transparency, rather than a rise in misconduct, supporting early detection, accountability, and continuous improvement.

POLICY MODERNISATION AND COMPLIANCE CONTROLS

PDO continued to strengthen its Ethics and Compliance framework by updating policies and procedures to align with evolving regulatory and operational requirements. Enhancements focused on clarity, enforceability, and practical application within day-to-day operations.

The organisation further strengthened its Conflict of Interest (COI) and Gifts, Hospitality and Travel (GHT) framework through enhanced digital tools and real-time tracking. During the year, over 12,240 employee declarations were processed, supporting transparency and proactive risk management.

To reinforce understanding, PDO introduced dedicated online training programmes on COI and GHT, enabling employees to better identify and manage ethical risks.

TRAINING, AWARENESS AND CULTURE BUILDING

PDO continued to promote an ethical culture through targeted learning and awareness initiatives. In 2025, more than 9,000 employees completed online compliance training programmes, initiatives delivered across the organisation.

The E&C Champions Programme was further expanded, with 39 trained champions deployed across coastal and interior locations. These champions act as peer ambassadors, reinforcing ethical standards, facilitating dialogue, and supporting implementation at the directorate level. This approach strengthens ownership of ethics across the organisation.

DATA PROTECTION AND REGULATORY LEADERSHIP

PDO continued to strengthen its data privacy governance, advancing alignment with Oman's Personal Data Protection Law and embedding privacy risk considerations into operational decision-making.

In 2025, 167 business activities were assessed for data protection risks, with mitigation measures implemented to enhance safeguards and protect stakeholder information.

PDO also contributed to sector-wide readiness by sharing implementation experience, lessons learned, and practical guidance with other operators.

This engagement supported broader regulatory understanding and strengthened collaboration across the industry, positioning PDO as a reference point for responsible data governance in Oman.

RESILIENCE DURING TRANSFORMATION

Despite organisational restructuring and resource constraints, PDO maintained uninterrupted delivery of Ethics and Compliance activities throughout 2025.

Governance controls and oversight mechanisms remained fully operational, ensuring that risk management and compliance standards were not compromised.

ENHANCED INTEGRITY DUE DILIGENCE

Integrity Due Diligence (IDD) remained a key component of responsible third-party engagement. In 2025, PDO reviewed 1,414 IDD requests, strengthening risk identification and mitigation while improving operational efficiency.

Process optimisation reduced the average turnaround time by 73%, from 14 days to 3.8 days, demonstrating PDO's ability to balance robust risk screening with timely delivery.

PDO will continue to strengthen its Ethics and Compliance framework through digital enablement, enhanced culture ownership, and proactive risk management.

By promoting transparency, empowering employees, and continuously improving governance systems, PDO reinforces integrity as a core enabler of sustainable and responsible growth.

CRISIS AND RISK MANAGEMENT

PDO defines a crisis as an event that exceeds routine emergency response and business continuity arrangements, requiring coordinated corporate-level management to safeguard people, the environment, assets, reputation, and the Company's license to operate.

In 2025, PDO strengthened its Crisis Management capability in response to an increasingly complex risk landscape, shaped by geopolitical and climate-related challenges. The framework remained aligned with the Corporate Management System (CMS), integrating Emergency Response, Business Continuity, and Crisis Management processes.

The Company maintained a high state of readiness, supported by 100% 24/7 crisis duty coverage to ensure timely escalation and decision-making. Governance arrangements and escalation protocols were reinforced to enable structured, risk-informed responses.

Four corporate-level crisis exercises were conducted with senior leadership participation, testing complex scenarios and strengthening coordination, decision-making, and communication under pressure. PDO also achieved full operational readiness, including remote coordination capabilities, and enhanced preparedness through targeted reviews of high-risk facilities and key assets.

Progress continued on the Emergency Operations Centre (EOC) at Mina Al Fahal Headquarters, enhancing crisis coordination capabilities. Collaboration with government entities and industry partners further supported a unified national response.

PDO's Risk Management framework ensures that organisational risks are identified and managed through appropriate controls and mitigations, reducing exposure while enabling business objectives. It supports the protection of people, assets, and reputation, promotes efficient resource allocation, and fosters a risk-aware culture.

Risk management practices include regular directorate-level reviews, corporate risk reporting to executive leadership and shareholders, and the annual submission of a business assurance letter, ensuring transparency, accountability, and compliance.

OPERATIONAL EXCELLENCE

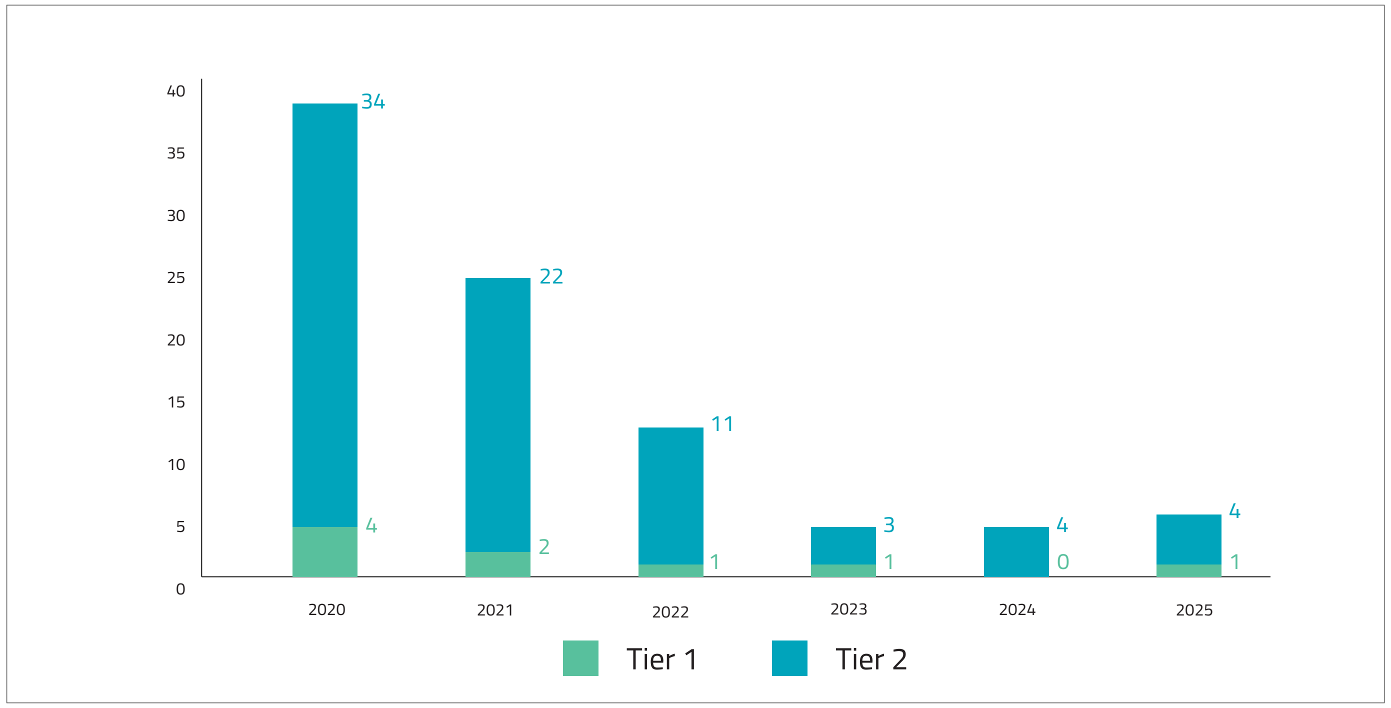
OPERATIONAL EXCELLENCE

2025 HIGHLIGHTS

- Sustained reduction in Tier 1 and Tier 2 process safety incidents over the past five years.
- A Digital Twin project was initiated to enhance asset visibility and optimisation.

ASSET INTEGRITY AND PROCESS SAFETY

Ensuring the integrity of assets and the safety of operations remains a top priority for PDO. The Company continues to strengthen its Asset Integrity and Process Safety Management (AI-PSM), guided by its strategic objective: **"Our Assets Are Safe, We Know It and We Can Show It."**



Tier 1 and Tier 2 process safety events

Between 2020 and 2025, PDO achieved a reduction in Tier 1 and Tier 2 process safety incidents, reflecting sustained efforts to enhance operational discipline and risk management. Since 2023, greater emphasis has been placed on leading indicators (Tier 3 and Tier 4), reinforcing a proactive approach to incident prevention.

Governance of AI-PSM is led by the Steering Committee, comprising PDO's functional directors, who provide strategic oversight, monitor performance, and drive continuous improvement initiatives across the organisation.

AI-PSM STEP CHANGE PROGRAMME

This programme continues to strengthen collaboration across Engineering, Operations, Petroleum, and Wells, aligning efforts around three shared priorities:

- Enhance compliance through our Process Safety Fundamentals (PSFs)
- Improve Learning from Incidents (LFIs).
- Focus on leadership behaviours.

Progress is regularly assessed through quarterly reviews led by functional directors, ensuring consistent performance and accountability across all assets.

STRENGTHENING ASSURANCE AND RISK MANAGEMENT

PDO continues to enhance its assurance processes to ensure that process safety risks are identified, assessed, and managed to As Low As Reasonably Practicable (ALARP).

In 2025:

- Letters of Assurance (LoA) for subsurface functions were successfully integrated with Asset and Functional Directors, strengthening cross-functional accountability.
- Preparations are underway to extend this integration to surface functions in 2026, ensuring full alignment across the organisation.

The Risk Assessment Matrix (RAM) was also updated to improve risk evaluation and decision-making, with enhancements including refined likelihood definitions, increased asset damage thresholds, and the introduction of consequential business loss as a separate category.

DIGITALISATION OF ASSET INTEGRITY

PDO continues to leverage digital solutions to enhance asset performance and risk visibility.

Key advancements include:

- Launch of **Asset Pulse** with enhanced cumulative risk assessment and real-time monitoring.
- Deployment of the **Asset Integrity Portal**, integrating key AI-PSM metrics, live reporting, and interactive dashboards.
- Migration of the **Asset Management System (AMS) dashboard** to Power BI, improving accessibility, usability, and data-driven decision-making.

These tools enable faster insights, improved monitoring, and more proactive management of operational risks.

ENHANCING SYSTEMS AND OPERATIONAL DISCIPLINE

PDO strengthened its Asset Management System (AMS) by embedding its processes into day-to-day operations, positioning it as a practical enabler of operational excellence rather than a standalone governance framework.

Key developments include:

- Completion of a **SEAM adaptation exercise** to identify best practices and define a one-year enhancement roadmap.
- Ongoing preparations to transition to the updated ISO 55001 standard by 2027 in line with UKAS requirements.

Operational discipline was further enhanced through:

- Full deployment of **Operator Standard Work (OSW)**, including improved asset registration, data quality, and system performance.
- Implementation of **Integrity Operating Windows (IOW)** across all relevant facilities, with performance consistently exceeding 90% in responding to alerts.
- Introduction of the **Integrity Threat Map (ITM)** to strengthen facility risk assessment.

INTEGRATED ASSURANCE AND EFFICIENCY

The Level 3 Integrated Assurance (L3 IA) programme was expanded to improve coverage, efficiency, and consistency across operations.

Enhancements included:

- Integration of additional assurance tasks into the Nibras NX platform.
- Streamlining of task frequencies and improved visibility across PDO clusters.
- Introduction of a pilot group audit feature, delivering efficiency gains equivalent to 2.41 FTE.

BENCHMARKING AND COST EFFICIENCY

PDO continues to benchmark its performance against leading industry operators to identify improvement opportunities and enhance competitiveness. Insights from external benchmarking exercises are used to validate ongoing initiatives and guide future improvements.

In parallel, the Cost-Conscious Culture Programme was introduced to strengthen cost discipline across operations and maintenance. The programme focuses on building frontline capabilities, improving OPEX visibility, and enabling proactive decision-making to support sustainable value delivery.

ADVANCING DIGITAL AND OPERATIONAL EXCELLENCE

PDO continues to integrate digital technologies across its production operations to enhance efficiency and performance.

In 2025:

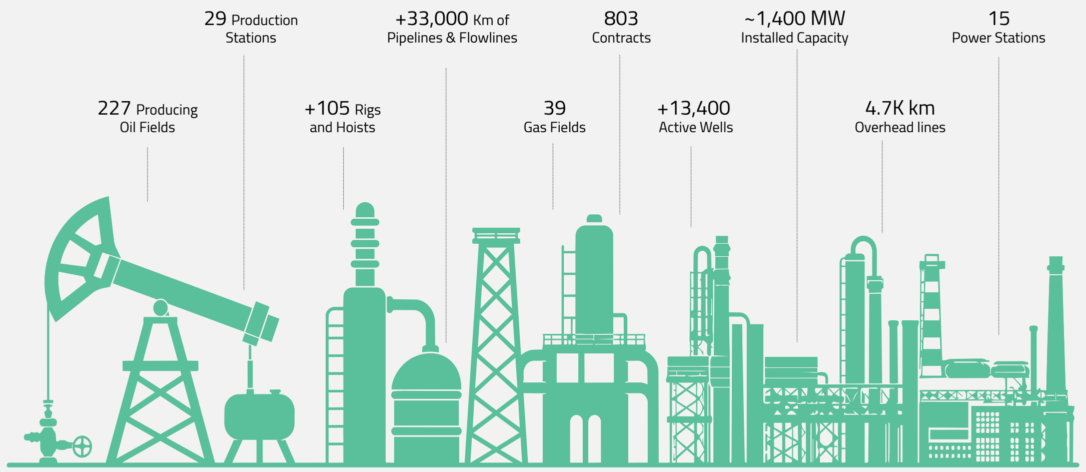
- Initial use cases were successfully delivered across production and operational domains.
- A Digital Twin project was initiated to enhance asset visibility and optimisation.
- A Turnaround Scope Optimisation tool delivered cost avoidance of US$1.5 million.

These initiatives reflect PDO’s shift towards integrated, data-driven operations, enabling improved decision-making, reduced downtime, and enhanced return on investment.

EXPLORATION AND HYDROCARBON MATURATION

2025 HIGHLIGHTS

- Booked 110 million barrels of Discovered Contingent Resource (dCR) oil volumes.
- Booked 1.08 trillion cubic feet (Tcf) of Discovered Contingent Resource (dCR) gas volumes from the Gharif and Amin plays.
- Maintained a low Unit Finding Cost (UFC) for oil and gas at US$1.3 per barrel of oil equivalent (boe).
- Completed 3D WAZ seismic acquisition across Central Oman (Haima H survey), Zalzala, and 30% of the Birba reshoot, with a total area coverage of 4,474 square kilometres (km²).
- Achieved Goal Zero, completing 10 years (3,913 days) without a Lost Time Injury (LTI).
- Survey Operations delivered over 1,950 well locations and mapped more than 8,200 km of critical infrastructure across challenging terrains.



PDO DIMENSIONS (BLOCK-6)

The Exploration Directorate continues to focus on the safe and efficient delivery of exploration and appraisal activities to define resource potential and enable timely development decisions. This approach reduces subsurface uncertainty, supports early value realisation, and strengthens PDO's long-term production sustainability.

In 2025, exploration delivery remained strong, with successful discoveries across multiple geological plays. A total of 110 million barrels of oil and 1.08 Tcf of non-associated gas were booked as Discovered Contingent Resources, while maintaining a competitive Unit Finding Cost of approximately US$1.3/boe.

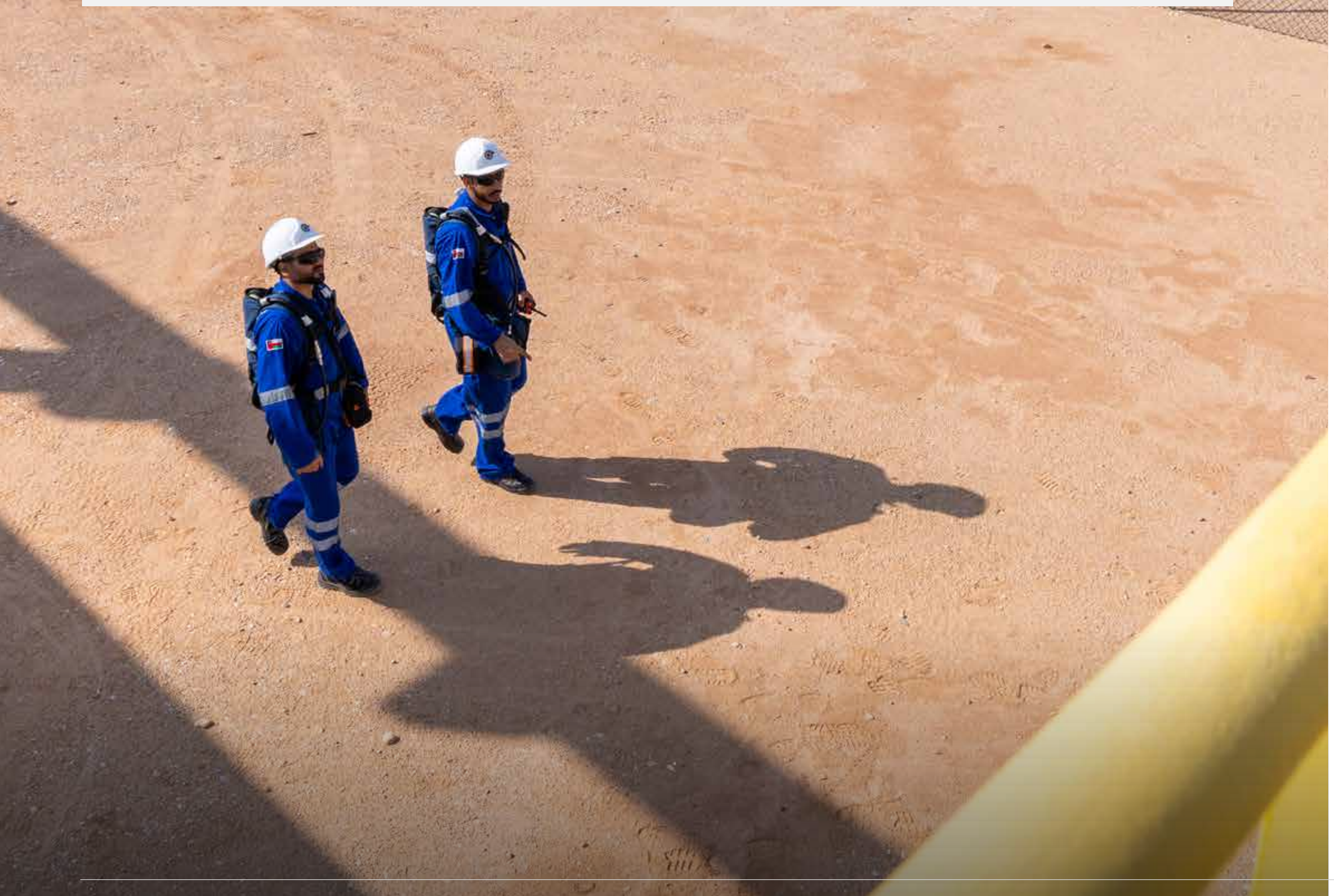
Exploration activities are guided by an integrated, play-based approach supported by advanced seismic imaging and geoscience analysis. The "Innovation Pod" continues to enhance delivery through agile ways of working, supporting both portfolio maturation and capability development.

A total of 37 exploration wells were safely drilled across shallow and deep formations, including Natih, Shuaiba, Gharif, Ara, and Haima. The "Produce While We Explore" initiative remains a key enabler for early production, accelerating value capture while improving subsurface understanding.

OIL AND GAS MATURATION

Oil and gas maturation activities follow a structured five-year growth roadmap focused on extending proven plays while unlocking new opportunities. For oil, efforts centred on Shuaiba, Natih, and Gharif, alongside emerging plays such as Mafraq, Jilh, and Sudair. For gas, the focus remained on Gharif, Barik, Miqrat, and Amin, with expansion into deeper formations including Nafun and Ghadir Manqil.

Advanced seismic processing and machine learning-enabled quantitative interpretation (QI) continue to improve reservoir characterisation and exploration success rates. In 2025, oil maturation was delivered at an average UFC of approximately US$1.8 per barrel, while gas activities maintained a portfolio replenishment ratio above one.



GEOPHYSICAL AND TECHNOLOGY ADVANCEMENTS

PDO continued to strengthen its exploration capability through advanced seismic acquisition and imaging technologies. In 2025, 3D Wide Azimuth (WAZ) seismic surveys were completed using Ultra-High Productivity methods, wireless nodal systems, and compressive sensing. The successful delivery of the Ultra-High-Density (UHD) 3D survey marked a significant milestone, enhancing shallow and deep imaging quality and improving data accuracy. Over 4,474 km² of seismic data was acquired with zero LTIs and no environmental impact.

Innovation continued through the deployment of Full Waveform Inversion (FWI), machine learning-assisted seismic inversion, and advanced microseismic analysis. These technologies are accelerating interpretation, improving predictability, and supporting more informed decision-making.

Looking ahead, PDO will continue to deploy emerging technologies, including elastic FWI, shear wave imaging, and passive seismic monitoring, to further enhance exploration performance and sustainability outcomes.

GEOMATICS AND SURVEY OPERATIONS

Geomatics remains a key enabler of safe and efficient operations by providing accurate geospatial intelligence to support exploration and development activities.

In 2025, Survey Operations achieved 44 consecutive years without a Lost Time Injury, supported by over 167,000 man-hours, the delivery of more than 1,950 well locations, and extensive infrastructure mapping.

The adoption of drone-based surveying (RPAS-VLOS) has improved efficiency, safety, and data accuracy, while remote sensing capabilities supported methane monitoring initiatives under OGMP, reinforcing PDO's environmental stewardship.

Key digital initiatives included the development of the Common Operating Picture (COP), GIS enhancements, and integrated data platforms, strengthening PDO's digital ecosystem.

Looking forward, next-generation solutions such as drone-in-a-box technology will further enhance operational efficiency and support PDO's continued focus on safety, innovation, and sustainability.

PROJECTS DELIVERY

2025 HIGHLIGHTS

- Delivered key project milestones ahead of plan across oil and gas portfolios.
- Achieved safe hydrocarbon introductions, with zero Total Recordable Cases (TRC) in most projects.
- Enabled early production and accelerated value realisation.

Projects Delivery underpins PDO's sustainability and value creation agenda, enabling the safe, cost-efficient execution of projects that sustain production and strengthen long-term resilience. Through disciplined governance, robust controls, and strong HSE leadership, projects are delivered in full compliance while optimising capital efficiency and supporting reliable hydrocarbon development, including complex sour and EOR projects.

In 2025, projects were delivered safely, ahead of schedule, and with strong cost discipline. Early hydrocarbon introductions across multiple developments accelerated production and supported PDO's strategic priorities of sustainable production growth and cost competitiveness.

Safety remained the top priority, with several projects achieving hydrocarbon introduction with zero TRC. The Adeela Development Project exemplified this performance, delivering over one million safe work hours without serious incidents, reflecting a strong and embedded safety culture.

Consistent early delivery was a key achievement. The Waha Development Project achieved hydrocarbon introduction four months ahead of plan, enabling faster production ramp-up while delivering cost savings through standardisation, design optimisation, and efficient procurement. Similarly, the Thamoud East MSV Expansion Project and Adeela Development Project were delivered ahead of schedule, strengthening production capacity and supporting future field development.

Projects also focused on safeguarding existing operations and enhancing reliability. The Nimr Off-Plot Safeguarding Project improved network flexibility and removed production constraints, while the Maurid West Development Project accelerated key infrastructure delivery, supporting both current and future operations.

Maintaining asset integrity remained a priority. The Al Burj Souring Mitigation Project and Shujairat LPO Project demonstrated cost-effective solutions through early execution and optimisation of existing facilities, reducing risks and improving reliability.

Gas developments continued to support energy security and environmental performance. Progress on the Burhan Main Field Development Project enabled earlier construction, while the Greater Simr Project achieved early start-up. The Marmul Gas Compression Project reduced flaring by enabling gas recovery and reuse, contributing to emissions reduction.

Cost efficiency remained a strong focus, with early delivery, scope optimisation, and smart execution reducing overall costs while maximising value. At the same time, Projects Delivery strengthened its contribution to the national economy by awarding key contracts to local companies and increasing SME participation.

Workforce Omanisation also progressed through targeted initiatives and the ICV Omanisation Sustainability Taskforce.

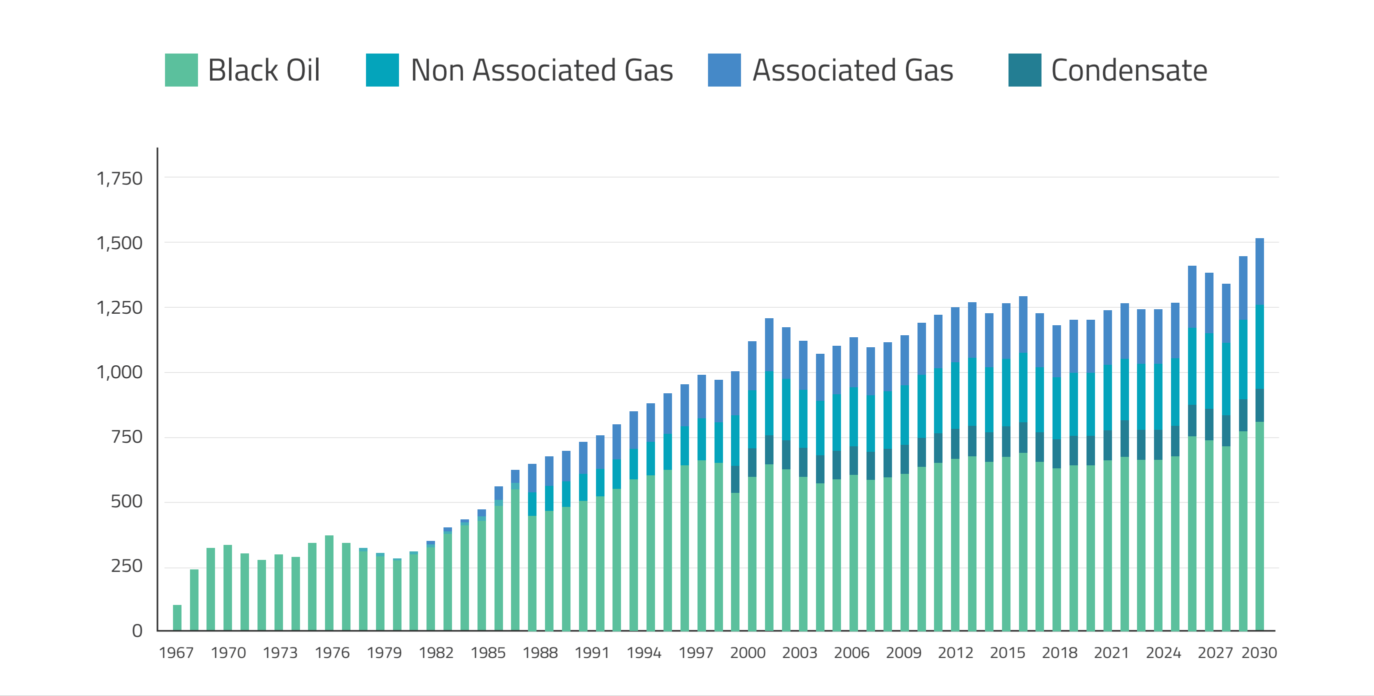
Overall, Projects Delivery in 2025 reflects a disciplined and balanced approach, delivering projects safely, ahead of schedule, and at lower cost, while strengthening local content, supporting national capability, and contributing to PDO's long-term sustainable growth.

HYDROCARBON PRODUCTION AND RESERVOIR MANAGEMENT

2025 HIGHLIGHTS

- Achieved the highest oil production level since 2002.
- Strengthened barrier management, Management of Change (MOC), and assurance processes.
- Expanded polymer flooding across Oil South assets.

Hydrocarbon production and reservoir management focus on optimising output from existing oil and gas fields, balancing short-term production delivery with long-term sustainability and full compliance with health, safety and environmental (HSE) requirements.



In 2025, PDO achieved strong production performance across its portfolio. Average oil production reached 705,539 barrels per day (bpd), exceeding the target by approximately 13,500 bpd and delivering 101.9% of the plan. This represents the highest production level since 2002, marking a significant milestone after more than two decades.

Condensate production averaged 76,944 bpd, while sales gas production reached 47.54 million cubic metres per day, aligned with lower customer demand.

As Oman's largest hydrocarbon producer, PDO continued to operate as the country's swing gas supplier, requiring flexible and responsive operations.

Total combined production, including oil, condensate and non-associated gas, averaged approximately 1.1 million barrels of oil equivalent per day (boepd). This strong performance contributed to revenues exceeding US$22 billion, supported by increased liquids production and favourable oil prices.

WELL ENGINEERING

Well Engineering plays a critical role in delivering safe, efficient and competitive hydrocarbon production, aligned with PDO's purpose of creating responsible growth and maximising value for Oman. The function continues to advance across key pillars including safety, cost and carbon competitiveness, people development and sustainable production growth.

Safety remains a foundational priority. In 2025, targeted campaigns such as "STOP the DROP" and focused interventions on Line of Fire and hand injury prevention strengthened risk awareness and control. Technology-enabled safety measures, including AI-powered CCTV analytics and the "Musta'ed" recognition programme, further reinforced a proactive safety culture.

Process safety and asset integrity continue to be managed rigorously across the well lifecycle. Following a Level-2 process safety incident after nearly three years, immediate stand-downs and workshops reinforced critical controls, restoring performance within the same year. Enhanced focus on barrier management, Management of Change (MOC), and assurance processes, supported by the IDEAL mobile application, strengthened operational discipline.

Progress on carbon competitiveness remained steady, with emissions tracking 13.7% below target. Key initiatives included flaring and venting reduction, electrification of rigs and camps, and optimised site layouts, delivering both environmental benefits and cost savings.

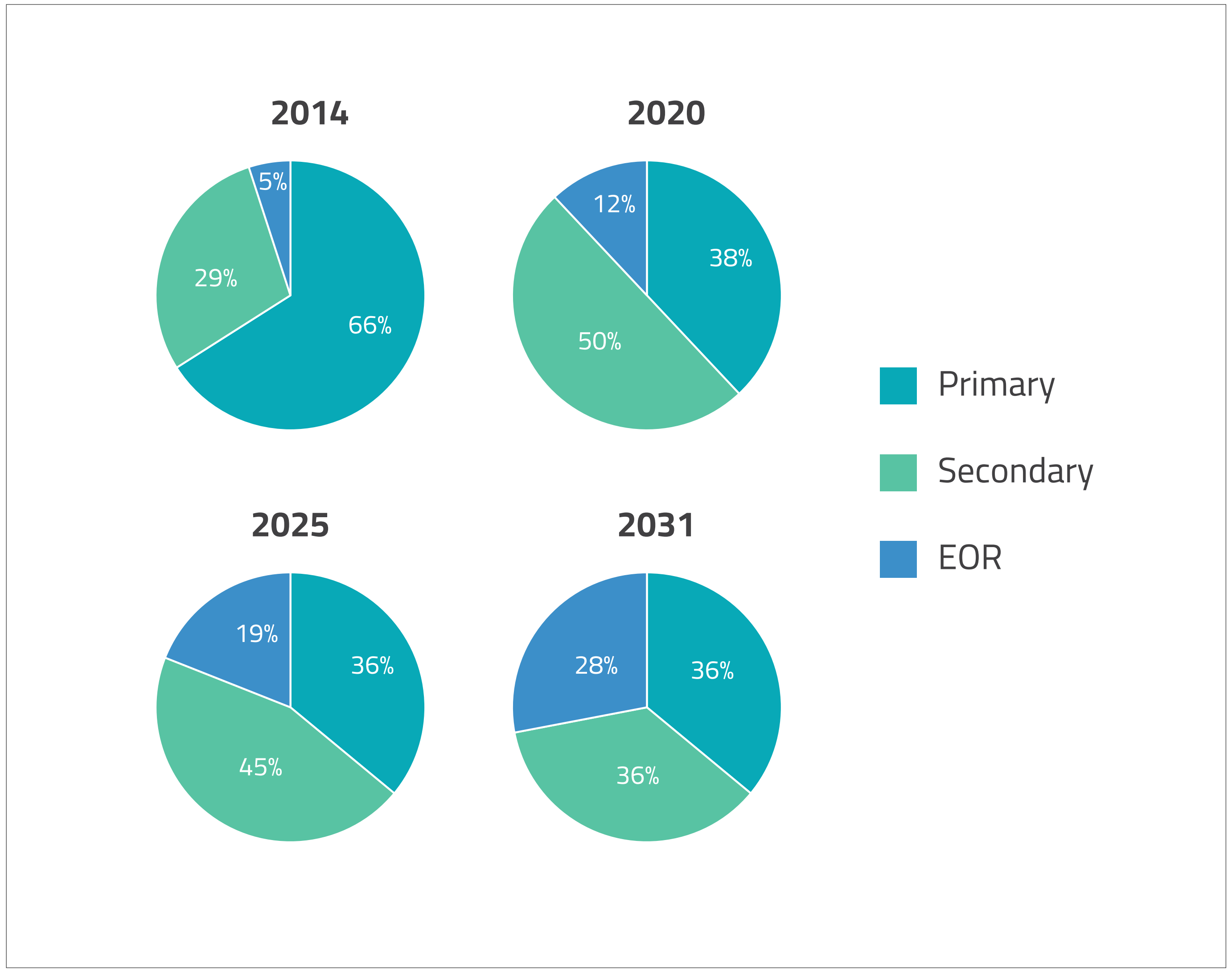
Operationally, Well Engineering delivered strong performance, with well delivery ahead of plan and continued global benchmarking success, including top ranking in Shell's Rig Fleet Report. Technical achievements such as the drilling of PDO's deepest well and the application of advanced drilling and completion technologies further enhanced efficiency and performance.

Investment in people and digital capabilities remained a priority, with leadership development programmes, industry recognition, and full pass rates in global Shell assessments. Digital tools, including Generative AI applications and conversational learning platforms, supported improved decision-making and knowledge sharing. A strong culture of Continuous Improvement is embedded across the function, with teams operating at advanced maturity levels and generating impactful ideas that enhance safety, cost efficiency and delivery performance.

ENHANCED OIL RECOVERY (EOR)

Enhanced Oil Recovery (EOR) remains a cornerstone of PDO's long-term production strategy, supporting sustainable hydrocarbon growth and maximising resource value.

By 2031, EOR is expected to contribute approximately 28% of total oil production, reflecting its increasing role in the portfolio. PDO continues to operate a diverse range of large-scale EOR schemes, including thermal recovery, miscible gas injection (MGI), and chemical EOR.



EXPANDING POLYMER FLOODING

Polymer flooding continues to expand across Oil South assets, with Rahab Phase 1 marking the first application in Gharif reservoirs. Early results are promising and could unlock over 120 million barrels across Marmul, Nimr, and Bahja-Rima clusters.

Nimr remains a key focus area, with projects such as Nimr-A and Nimr-E expected to deliver approximately 42 million barrels combined. Additional opportunities, including Karim West, Amin, and Al Burj, are progressing through the maturation funnel.

KEY EOR PROJECT PERFORMANCE

Harweel 2AB (Zalzala Field):
Sustained gas injection of 4 million m³/d, delivering 60 million barrels of incremental recovery to date.

RHIP Tranche 1:
Significant uplift in recovery, with SAK A2C reaching 50 million barrels and SAK A3C doubling earlier estimates.

Al Noor Phase 3A:
Revised recovery estimates due to operational constraints.

THERMAL EOR DEVELOPMENTS

Thermal EOR continues to deliver strong production performance:

- **Amal Steam Project**: Achieved average production of ~2,900 m^3/d, supported by strong steam injection rates.
- **Amal West Phase 2A**: Under execution, with expected peak production of ~2,200 m^3/d.
- **Qarn Alam Steam Project**: Delivered ~3,700 m^3/d using Thermally Assisted Gas Oil Gravity Drainage (TAGOGD), a PDO-developed technology.

Steam generation is increasingly supported by lower-carbon solutions, including solar energy from the Miraah Solar Plant and heat recovery systems. Further decarbonisation efforts are underway, including electrified steam generation and CO_2 co-injection, while trials of electric downhole heating are planned to further reduce emissions.

INNOVATION AND FIELD TRIALS

PDO continues to advance EOR technologies through targeted research, field trials, and collaborations:

- ASP Flooding: Ongoing laboratory work to optimise recovery in Nimr and Bahja-Rima clusters, with potential for improved recovery and reduced carbon intensity.
- Surfactant Injection: Progressing phased trials in carbonate reservoirs, with large-scale potential estimated at ~63 million barrels.
- Nanosphere Technology: Trials underway in Yibal, with further pilots planned to enhance recovery in complex carbonate formations.
- Polymer in Carbonates: A promising frontier, supported by research with Sultan Qaboos University and upcoming field trials.

NEW TECHNOLOGY

2025 HIGHLIGHTS

- Launched 30 new technology trials to explore solutions in key areas.
- Deployed 22 technologies across the business.
- Awarded five joint academia-industry projects to Omani universities.

New technology continues to reshape the oil and gas industry, from advanced exploration and production solutions to digital tools and lower-carbon innovations. For PDO, technology remains a key enabler of safer operations, stronger efficiency and more responsible resource management as we respond to a changing energy landscape.

PDO has built a strong track record in identifying, testing and deploying new technologies that address critical business challenges and create measurable value. This success is underpinned by a disciplined methodology and a value-based approach developed over more than 35 years of implementation experience. It enables us to assess emerging solutions rigorously and to focus investment on technologies that deliver tangible benefits for both PDO and Oman.

Building on the strong momentum achieved in 2024, we accelerated our innovation efforts further in 2025. During the year, 30 new technology trials were launched to address major technical challenges across the business. In parallel, 22 promising technologies completed successful trials and progressed towards wider integration. These covered a broad range of applications, including enhanced oil recovery, energy efficiency, artificial lift, well construction, water management and digital analytics.

PDO also continued to strengthen collaboration with academia and research institutions. In 2025, five joint academia-industry R&D projects were awarded, reflecting our commitment to innovation, partnership and knowledge exchange. In addition, three R&D projects were concluded, demonstrating tangible outcomes and the value of cross-sector collaboration in delivering practical solutions for the energy sector.

DEPLOYED TECHNOLOGIES

In 2025, PDO deployed 22 technologies across a range of operational areas, including HSE, energy management, artificial lift, well construction and water management.

One example is Geosteering with Stratastar, which was successfully trialled to improve well placement in complex and thin reservoirs and was selected for deployment. Trial results in the South Clusters showed savings of around US$100,000 per well per year, alongside a 20% oil gain per well and a further US$30,000 in annual cost avoidance. The technology is now planned for deployment across around 50 wells in the South Clusters over the next five years.

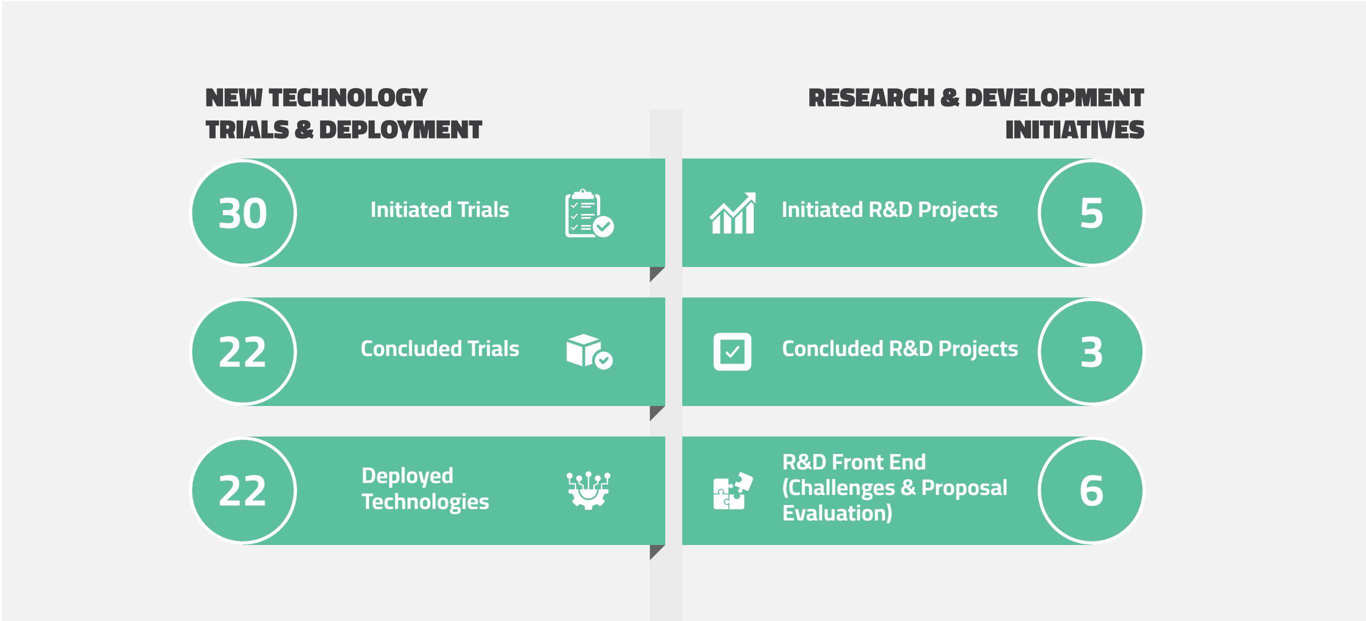
Another example is PSS/ERT for ESP wells, which helps maintain power supply to variable speed drives during short voltage dips, preventing trips and reducing downhole failures that require rig intervention and replacement of pumps and motors. The technology is estimated to save around US$400,000 per well annually and is now being deployed across more than 100 wells per year over the next five years.

PDO also advanced online robotic tank inspection and cleaning, an approach that uses a submersible robot to assess tank bottom plate integrity through ultrasonic thickness measurements while the tank remains full. The technology supports more efficient inspection and is expected to deliver savings of around US$300,000.

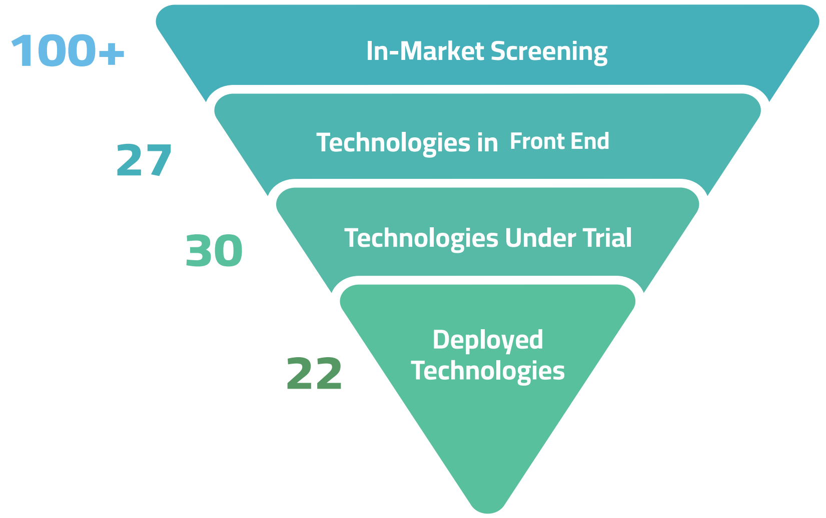
Another successful deployment is the Solar Lighting Tower, a renewable off-grid alternative to conventional diesel-powered lighting towers. The system is portable, easy to deploy and capable of operating for up to 48 hours on a full battery charge. In addition to eliminating fuel use, noise and operational emissions, it is expected to reduce CO_2 emissions by around 100 tonnes annually and deliver savings of more than US$96,000, while also reducing maintenance requirements and improving HSE performance.

PDO also deployed Retarded Acid Technology (Sta-Live Extreme), a polymer-free delayed acid system for high-temperature carbonate matrix acidising and acid fracturing. The system improves zonal coverage and reservoir penetration while reducing formation damage and simplifying operations. Field results indicate an average oil gain of around 8–12% per well. Following successful results, the technology has been fully deployed, with implementation planned across more than 100 wells over the next five years.

Deployment also continued for several other technologies introduced in 2024, including Octopoda technology, Advanced Downhole Sand Filtration Technology, Automated Thin Section Description, and Drone Ground-Penetrating Radar.



NEW TECHNOLOGY MATURATION FUNNEL



CONCLUDED TRIALS

In 2025, PDO successfully concluded 22 trials for pioneering technologies with strong potential for wider deployment and future value creation.

One example is Green Completion, a mobile completion solution introduced to reduce solids production, flow assurance issues and flaring during well completion activities. The system combines a sand catcher, choke manifold and four-phase separator to remove sand, proppants, frac fluids and condensate before routing gas and liquids into the gathering system. The pilot was delivered safely and demonstrated savings of around US$42,000 per well annually, while also reducing greenhouse gas emissions and supporting PDO's zero-flaring ambitions.

Another example is the Thermally Rated Plug and Prong (P&P), a reusable reservoir isolation solution used before hoist entry. It offers a simpler and more reliable alternative to conventional through-tubing plugs and cement placement, avoiding cement-related integrity risks and improving operational efficiency. The successful trial demonstrated annual savings of around US$85,000 and supported plans for broader deployment.

PDO also completed a successful trial of the ARGIS Robotic Generator Inspection system at Haima West Power Station. The robot uses advanced sensors and diagnostics to inspect key generator components, including rotor and stator windings, bearings and thermal performance. The inspection was completed safely, removed the need for confined-space exposure, reduced downtime and provided reliable predictive maintenance data, supporting safer and more efficient power plant operations.

A further example is machine learning-based fault forecasting and localisation analytics, an AI-enabled solution customised for PDO using Unipower Power Quality meters. By integrating power quality data with protection relay information, the system can forecast the likelihood of a fault and indicate its approximate location within the grid. The trial confirmed the feasibility of offline deployment and created a foundation for future online application across PDO's power system to improve reliability, resilience and operational efficiency.

INITIATED TRIALS

PDO launched 30 new technology trials in 2025 to explore solutions in key areas such as produced water and energy management, artificial lift, enhanced oil recovery, well construction and production measurement.

One example is the ALESEA Cable Metering System, a digital cable and drum management solution that uses RFID-enabled devices to track cable location, length, status and movement in real time. A pilot is planned within PDO premises to test system reliability, accessibility and integration with business processes. If successful, the solution is expected to help prevent cable theft and damage, improve utilisation and deliver savings of around US$100,000 through better asset protection and usage control.

Another example is Organic Oil Recovery (OOR), an EOR solution that stimulates indigenous microbial activity in the reservoir through targeted nutrient injection. This process improves oil mobility by breaking trapped oil into micro-droplets, reducing residual oil saturation and increasing recovery. In addition to production benefits, the technology may reduce hydrogen sulphide generation by up to 50% within the first six months, based on global applications, offering both HSE and production value.

PDO also initiated the Non-Metallic Surface Casing project to address corrosion, one of the most persistent challenges across the well life cycle. The initiative explores replacing conventional steel surface casing with composite materials such as GRE, produced through filament winding of glass fibre and thermoset resin. The technology offers a corrosion-free alternative that can improve well integrity, extend well life and reduce lifecycle cost.

Another important trial is the OSI Tools Scale Inhibitor for High-Temperature wells, selected to address scale formation challenges in Amal. The trial will assess its ability to control scale under high-temperature conditions, improve well performance and reduce intervention frequency. Successful deployment is expected to deliver savings of around US$90,000 per well, alongside an estimated oil gain of 100 m³ per year per well.

RESEARCH AND DEVELOPMENT

PDO's continued focus on R&D reflects our belief that combining academic expertise with industry knowledge is essential to building a more cost-competitive, carbon-resilient and energy-efficient business. By partnering with Omani universities and academic institutions, we are addressing technical challenges while also contributing to the development of Oman's knowledge economy.

In 2025, five joint academia-industry projects were awarded to Omani universities in areas critical to PDO's future, including energy efficiency, water management, enhanced oil recovery, bioenergy, materials and corrosion science, and renewable energy.

One example is an R&D initiative focused on voltage stability analysis for PDO's power system at Al Khuwair and the wider North site. The study aims to assess the electrical network, identify risks linked to voltage instability and recommend measures to strengthen reliability and efficiency.

Another example is the project on designing a virtual inertia controller for PDO's power system, which examines the stability implications of integrating large-scale solar PV and wind energy into the PDO grid. The study aims to evaluate intermittency impacts and recommend technical solutions, policies and procedures for dispatching renewable energy safely and effectively.

CHANGE AND CONTINUOUS IMPROVEMENT AND BUSINESS EFFICIENCY

2025 HIGHLIGHTS

- Achieved a Unit Operating Cost (UOC) of US$6.8/bbl, reflecting continued cost discipline.
- Generated over US$50 million in cost savings and cost avoidance.
- Over 6,600 employees, representing nearly 75% of the workforce, participated in Cost Consciousness Awareness Sessions.

In 2025, Change and Continuous Improvement remained a key enabler in strengthening cost competitiveness, embedding a high-performance culture, and accelerating organisational agility in PDO. Through a structured approach combining Continuous Improvement (CI), Change Management (CM), and culture transformation, PDO continued to deliver measurable value and build sustainable capabilities across the organisation.

Continuous Improvement Delivery

PDO delivered strong CI outcomes across its asset portfolio, reinforcing a disciplined, value-driven approach to performance improvement.

- More than 120 CI initiatives were successfully delivered across Assets.
- Generated over US$50 million in cost savings and cost avoidance, contributing directly to business efficiency and financial resilience.
- All Asset teams completed Level 4 CI Framework (CIF) requirements, demonstrating maturity in CI deployment and embedding structured improvement practices.

In parallel, capability building remained a priority. All Asset-based Senior Coaches completed multi-skilling requirements, equipping them to support the evolving CI delivery model and ensure consistent coaching and delivery standards across teams.

Embedding a Cost-Conscious Culture

Significant progress was made in strengthening a cost-conscious mindset across the organisation, supporting PDO's ambition to enhance financial discipline and accountability.

- Over 6,600 employees, representing nearly 75% of the workforce, participated in Cost Consciousness Awareness Sessions
- Employee understanding of PDO's cost landscape increased from 12% to 42%, reflecting a substantial improvement in financial literacy
- 85% of employees now demonstrate alignment with the cost agenda and adoption of a profit and loss mindset, indicating a strong shift towards ownership and informed decision-making
- These efforts have contributed to embedding cost awareness into daily behaviours, supporting more efficient and value-focused operations.

CULTURE TRANSFORMATION AND CAPABILITY BUILDING

PDO continued to invest in building internal culture transformation capabilities, recognising culture as a critical enabler of sustainable change.

- **23 in-house Culture Faculty members** were trained and certified as Culture Specialists, accredited by the Institute of Leadership & Management.
- These specialists are now delivering structured culture transformation programmes internally, equipping more than **40 employees** with practical tools to identify and address culture enablers and barriers within their projects.

In addition, the Culture Core Team launched the **"Enabling My Transformation"** foundational course, introducing employees to core culture concepts and tools.

- To date, **over 100 employees** have completed the programme, strengthening organisation-wide capability to lead and sustain change initiatives

BUSINESS EFFICIENCY

PDO continues to strengthen business efficiency as a key enabler of long-term sustainability and value delivery. The Company remains focused on maintaining cost competitiveness through the optimisation of Unit Operating Cost (UOC) and disciplined expenditure management, while upholding safety and operational integrity.

In 2025, Net Operating UOC stood at US$6.8/bbl, reflecting ongoing efforts to enhance cost control, streamline processes, and improve collaboration across the organisation. In parallel, PDO continued to prioritise deferment reduction and facility availability, targeting total deferments of less than 5% by 2030.

Total oil and gas capital and operating expenditure for the year reached US$7.527 billion.

PEOPLE AND STAFF DEVELOPMENT

PEOPLE AND STAFF DEVELOPMENT

2025 HIGHLIGHTS

- A record Omanisation rate of 92%.
- Launch of Ruwad, in partnership with London Business School, to accelerate leadership capability and prepare future leaders.

TRAINING AND CAPABILITY BUILDING

PDO remains committed to building a highly capable, future-ready workforce through structured learning, professional development, and continuous upskilling. In 2025, employees completed 515,771 training hours, compared to 552,973 hours in 2024, reflecting sustained investment in workforce capability while optimising learning efficiency and delivery.

Employees have access to a wide portfolio of internationally recognised and portable qualifications through accredited learning pathways. These include certifications and formal qualifications across project management, health and safety, engineering, finance, information technology, and leadership. Delivered in partnership with globally recognised institutions and professional bodies, these programmes ensure that PDO employees develop skills that are both industry-relevant and transferable beyond the organisation.

A key milestone in capability building has been the continued success of the PDO Learning and Development Academy's partnership with the Project Management Institute under the Authorised Training Partner programme.

This collaboration enables PDO to deliver Project Management Professional certification in-house using certified trainers and authorised content. In 2025, 55 employees achieved PMP certification, strengthening internal project delivery capability while reducing reliance on external providers.

PDO also invests in long-term academic development through structured scholarship and distance learning programmes. These initiatives enable employees to pursue Bachelor's, Master's, and PhD qualifications from accredited universities while remaining active contributors to the business. Such programmes play a vital role in strengthening national capability, enhancing workforce mobility, and supporting Oman's broader human capital development agenda.

To complement formal learning, employees are provided access to LinkedIn Learning, offering a wide range of on-demand courses across technical, business, leadership, and personal development areas. This supports a culture of continuous, self-directed learning and enables employees to build capabilities in emerging fields such as digital transformation, data analytics, sustainability, and cybersecurity.

OMANISATION AND TALENT DEVELOPMENT

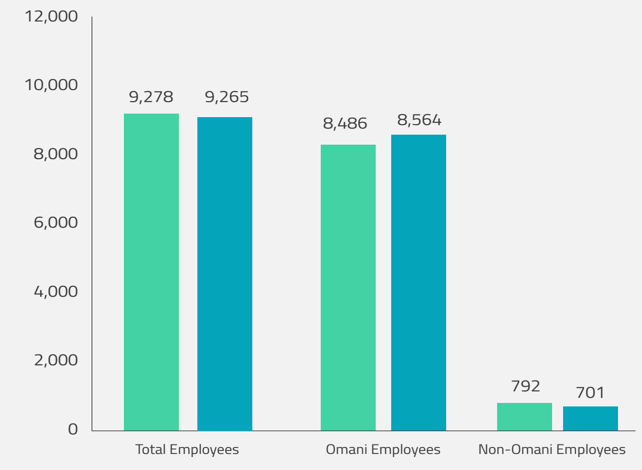
Developing Omani talent remains a strategic priority, with targeted programmes designed to accelerate capability building and ensure sustainable workforce localisation.

In 2025, PDO continued to strengthen its leadership pipeline through focused succession planning, achieving 73% "ready now" successors for Leadership Team, LT-1, and other critical roles. This reflects a structured and forward-looking approach to talent development and organisational resilience.

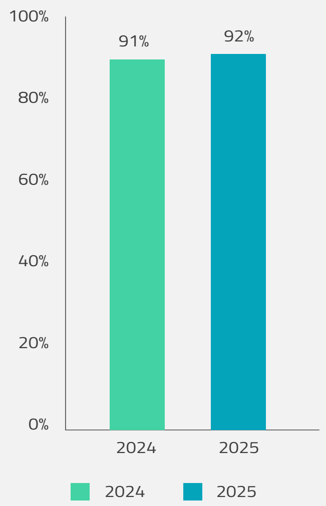
Employee development is guided by the 70:20:10 learning model, combining on-the-job experience, coaching and mentoring, and formal training. This approach ensures practical capability building while embedding learning within day-to-day operations.

PDO also sustained its investment in early-career talent through the intake of graduates, trainees, and scholars. These individuals are enrolled in Accelerated Development Plans, equipping them with the skills and experience required to assume key roles and further advance Omanisation objectives.

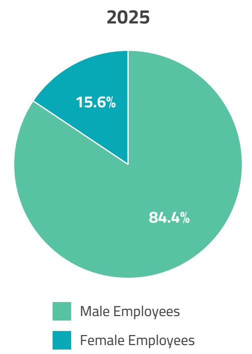
Through these integrated efforts, PDO continues to build a skilled, agile, and nationally representative workforce, aligned with both business needs and Oman's long-term development priorities.



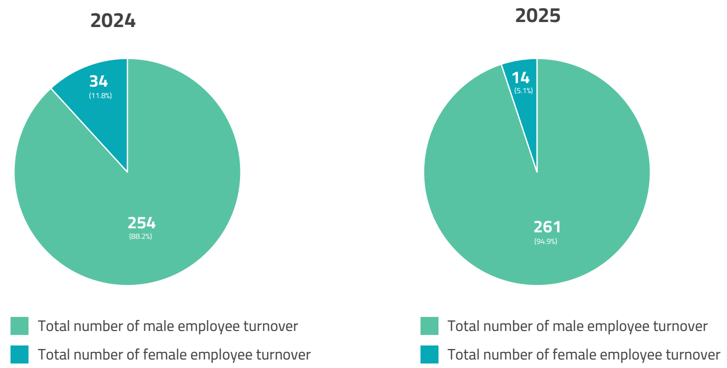
NUMBER OF EMPLOYEES



OMANISATION RATE



EMPLOYEES BY GENDER



EMPLOYEE TURNOVER

LAUNCH OF RUWAD

In 2025, PDO launched Ruwad, an accelerated leadership development programme designed to prepare the Company's future leaders. Developed and delivered in partnership with London Business School, the programme is anchored in PDO's leadership competencies and aligned with the Company's strategic priorities.

Ruwad focuses on building critical leadership capabilities required to address both current organisational needs and the evolving demands of the global energy landscape.

Through a structured and immersive learning journey, participants are equipped with advanced skills in strategic thinking, decision-making, and leadership effectiveness, enabling them to lead with impact in an increasingly complex and dynamic environment.

OCCUPATIONAL HEALTH, SAFETY AND WELLBEING

2025 HIGHLIGHTS

PDO significantly strengthened its commitment to occupational health and safety in 2025, embedding worker welfare as a core pillar of operations.

Key achievements include:

- Launch of the Worker Welfare Code of Practice and Specification, establishing mandatory standards for accommodation, rest, nutrition, mental health, and fair treatment across all sites.
- Continued evolution of the Darb Al Salama road safety programme, incorporating advanced driver monitoring and behavioural coaching.
- Comprehensive enhancement of contractor HSE management, strengthening pre- and post-award assurance processes.
- Full rollout of the Human Performance Improvement (HPI) programme, promoting error reduction and a just culture .
- Standardisation of the Risk Register across all assets and functions
- Deployment of the updated HSE Management System (HSE MS) with clearer expectations and digital capabilities
- Introduction of on-site HSE coaching, strengthening frontline safety leadership.
- Inspection of 346 camps, with 86.2% achieving >70% compliance and only 0.3% classified as non-compliant.
- Replacement of seven ambulances, enhancing emergency response readiness.

PDO maintained strong HSE performance in 2025, with continued improvement across key indicators:

Health and safety	2024	2025
Million man-hours worked	174.1	182.6
Fatalities	4	0
Lost Time Injuries (LTI)	27	22
Motor Vehicle Incidents (MVI)	20	8
Tier 1 Process Safety Incidents	0	1
Tier 2 Process Safety Incidents (On-Plot)	1	3
Tier 2 Process Safety Incidents (Off-Plot)	3	1
LTIF (per million manhours)	0.16	0.12

The elimination of fatalities and reduction in LTIs and MVIs reflect PDO's sustained focus on proactive risk management and workforce engagement.

STRENGTHENING A PROACTIVE SAFETY CULTURE

PDO's approach to HSE in 2025 reflects a shift towards prevention, human performance, and integrated worker welfare. Aligned with ISO 45001 and national regulations, the enhanced HSE MS applies to 100% of employees, contractors, and third-party personnel across all PDO-controlled sites.

Key system enhancements include:

- **Worker Welfare Code**, embedding wellbeing into operational standards
- **Standardised Risk Register,** enabling consistent and data-driven risk management
- **HPI programme**, addressing human factors through training, tools, and learning culture
- **Enhanced contractor assurance,** linking HSE performance to contract evaluation
- **Field-based HSE coaching,** providing real-time guidance and capability building

The system covers all operational activities, workplaces, and personnel, addressing risks through structured processes such as Job Hazard Analysis (JHA), Management of Change (MoC), and the hierarchy of controls.

GOVERNANCE, REPORTING AND LEARNING

PDO maintains a strong governance framework that reinforces accountability and transparency:

- **Right to Stop Work,** including wellbeing and fatigue-related concerns
- **Anonymous and mobile-enabled reporting channels,** enabling faster escalation
- **Zero-tolerance anti-reprisal policy,** supported by leadership commitment

All incidents are subject to structured investigation processes involving multidisciplinary teams. Root causes are analysed using recognised methodologies such as 5 Whys, ICAM, and Causal Learning, particularly for high-severity events. Learnings are translated into corrective actions, shared across communities of practice, and embedded into the HSE MS to ensure continuous improvement.

OCCUPATIONAL HEALTH SERVICES

PDO provides comprehensive occupational health services across three core areas:

- Occupational medicine, supporting workforce health and fitness.
- Industrial hygiene, managing exposure to workplace hazards.
- Public health services, promoting disease prevention and health awareness.

Mandatory and role-specific training ensures employees are equipped to manage operational risks, supported by ongoing awareness programmes and specialised certifications.

EMBEDDING WELLBEING INTO OPERATIONS

The introduction of the Worker Welfare Code further reinforces PDO's commitment to holistic wellbeing, addressing:

- Living conditions and accommodation standards.
- Fatigue management and rest periods.
- Access to mental health support.
- Fair and equitable treatment across the workforce.

PDO recognises that workforce wellbeing is integral to safe and sustainable operations. In 2025, the Company expanded its focus on mental, physical, and emotional wellbeing, embedding these elements into both operational practices and leadership development.

Key Initiatives and Impact:

- **Mental wellbeing awareness:** Four corporate sessions delivered, engaging over 2,000 employees.
- **Psychological First Aid:** Around 60 employees certified to support mental health across directorates.
- **Leadership capability:** Launch of Mental Wellbeing Leadership and Emotional Intelligence workshops.
- **Leadership capability:**10% of employees trained and certified as first aiders.
- **Health awareness programmes:** Sessions conducted across the concession covering ergonomics, heat stress, NORMs, health risk assessments, and seasonal wellbeing topics such as Ramadan health.
- **National capability building:** Delivery of Occupational Health Diploma preparation and Industrial Hygiene courses for PDO and external participants.
- **Community health contribution:** Over 1,200 employees participated in blood donation initiatives across interior and coastal regions.

COMMUNITY ENGAGEMENT AND LOCAL CONTENT

2025 HIGHLIGHTS

- Retained OMR 1 billion of total supply chain spend within Oman.
- Creation of 2,552 sustainable jobs for Omanis.
- OMR 273 million spent on procuring 'Made in Oman' goods.
- Establishment of four local manufacturing facilities valued at OMR 15.3 million.
- Renewed the community scholarship programme supporting 150 students, with over 300 students engaged through Masar, Marifah, and Taziz programmes.
- Committed to 45 new Social Investment projects valued at OMR 3.7 million and completed 25 projects worth OMR 3.5 million.

COMMUNITY ENGAGEMENT

PDO remains committed to creating long-term social value in its concession areas through targeted community engagement initiatives that support education, infrastructure, cultural preservation, and social development.

Education and Youth Development

The Company continues to invest in education as a cornerstone of sustainable development, renewing its OMR 2 million scholarship commitment to support 150 students from local communities. In parallel, PDO's youth development programmes, Masar, Marifah, and Taziz, engaged more than 300 students in 2025. These initiatives are designed to equip young people with the skills and capabilities required to bridge the gap between academic learning and professional excellence.

Women Empowerment

PDO continues to support the empowerment of women in concession areas. In 2025, 45 women participated in the fourth cohort of the Banat Oman programme, launched in the Wilayat of Shaleem and the Hallaniyat Islands. The programme focuses on building skills, enhancing employability, and creating sustainable income-generating opportunities.

Community Infrastructure and Essential Services

PDO maintained its support for essential services across concession areas, delivering 461,958 m^3 of water to local households and izbas during the year. In addition, the Company facilitated 1,611 flight bookings to support community needs, enhancing access to critical services and connectivity for remote populations.

Community Awareness and Outreach

As part of its broader social responsibility, PDO delivered a series of targeted awareness sessions covering recycling, anti-bullying, and financial literacy. These initiatives reached over 100 participants, contributing to increased awareness and positive behavioural change within local communities.

Cultural Engagement and Social Cohesion

Strengthening cultural identity and community ties remains a key priority. In 2025, PDO hosted the third edition of the Culture Forum in the Wilayat of Maqshan, providing a platform to celebrate Omani heritage, promote social cohesion, and reinforce engagement with local communities.

SOCIAL INVESTMENT (SI)

In 2025, PDO continued to advance its SI portfolio across key areas, including community infrastructure, health, safety and environment, youth and women empowerment, learning and research, and energy management. These investments are designed to address local needs while enabling inclusive and resilient growth.

During the year, PDO committed to 45 new Social Investment projects with a total value of approximately OMR 3.7 million, while successfully completing 25 projects valued at around OMR 3.5 million. This balanced approach ensures both the delivery of immediate community benefits and the sustained development of long-term initiatives.

Through strong governance, stakeholder engagement, and alignment with national priorities, PDO's Social Investment programme continues to create measurable social impact, reinforcing the Company's role as a responsible partner in Oman's development.

Local Content

PDO's Local Content programme remains central to the Company's contribution to Oman's economic development. It focuses on strengthening local supply chains, building national capabilities, and supporting small and medium enterprises (SMEs) and Local Community Contractors (LCCs), fostering sustainable growth and long-term economic resilience.

In 2025, PDO continued to reinforce its national leadership in local content, aligned with Oman Vision 2040. In a national first, PDO's Local Content Function achieved ISO 9001:2015 Quality Management System certification, reflecting a strong commitment to quality, transparency, governance excellence, and sustainable value creation. The Company also led the nationwide deployment of the Local Content Supplier Certificate framework and supported the establishment of the EMDAD Workforce Programme at the Projects, Tenders and Local Content Authority (PTLC). In recognition of its training-for-employment initiatives, PDO received the OPAL Best Practice Award for developing Omani job seekers across multiple programmes.

In 2025, PDO retained OMR 1 billion from its total supply chain spend and generated an overall economic impact of OMR 1.7 billion. This has contributed to job creation, SME growth, and the development of local manufacturing capabilities, supporting Oman's GDP and economic diversification.

Local Content Strategy

PDO continues to advance its local content strategy to unlock new value streams and deepen localisation. This strategy is aligned with the national Local Content Strategy and the Projects, Tenders and Local Content Authority (PTLC).

Sector Strategic Targets and Economic Impact (2025–2040)

Value Retention

Increase retained value from an average of 40% to a target range of 50%, enabling deeper localisation of goods, services, and employment.

Local Content Opportunities

Unlock 70 high-impact opportunities in priority manufacturing sectors and ring-fence an additional 44 service categories for qualified local companies.

Job Creation

Generate thousands of jobs through targeted capability-building programmes across engineering, chemicals, logistics, and construction.

Omanisation and Workforce Development

PDO places strong emphasis on developing Omani talent, recognising workforce capability as a key pillar of content. In 2025, programmes were further enhanced to maximise value for both individuals and the national economy.

EMDAD Training for Employment Programmes

The EMDAD programme continues to build a pipeline of skilled Omani talent by providing vocational training and supporting job placement.

Key achievements:

- Over **2,552 Omanis** recruited by contractors and business partners.
- Launch of **17 development** programmes in collaboration with OPAL and the Ministry of Labour, supporting **300 job seekers.**
- Secured **OMR 2.2 million** in funding for training programmes.
- Launch of the second batch of the Turnaround Maintenance Programme in collaboration with OPAL, OQ, and OLNG.

Kafa'a Programme

A national capability-building initiative designed to strengthen technical competencies across the workforce.

- Implementation of **15 competency development programmes** targeting nine critical engineering skill areas within the contracting community.

Industrial Apprenticeship Programme

- Provides practical, part-time training opportunities in industrial trades.
- Creation of over **193 job opportunities** for job seekers and graduates.

EMDAD RT (Redeployment Tool)

- An AI-enabled workforce solution designed to support workforce mobility and employment continuity.
- Successful redeployment of more than **4,000 employees across contracts.**

Local Enterprise Development

PDO continues to expand opportunities for SMEs and LCCs through structured programmes and targeted contracting strategies. More than 500 LCC vendors are now registered in the Joint Supplier Registration System (JSRS) within PDO's concession area.

Key achievements:

- 35 contracts directly awarded to SMEs, valued at OMR 97 million
- Total spend of OMR 350 million benefiting 400 SMEs and LCCs

PDO also completed two Vendor Development Programmes (VDPs) supporting four SMEs:

ISHRAQ Programme

Supports the growth of local companies in the renewable energy sector through technical training, exposure to solar technologies, and capability development in project and operational management.

Online Tank Cleaning Technology

An advanced, no-entry cleaning solution that improves tank performance by up to 70%, safely removes oil sludge, and has recovered over 2,000 barrels of usable oil, reducing waste and enhancing operational efficiency.

Local Facilities Establishment

Since 2013, PDO has operationalised 88 ICV facilities, factories, and workshops, supporting economic diversification and job creation. In 2025, four additional facilities were established, with a combined investment of approximately OMR 15 million.

Key Initiatives:

Rig Manufacturing Facility

Developed in partnership with KCA Deutag with an investment of OMR 10.1 million and achieving 90% Omanisation.

This hybrid technology facility enhances national drilling capability while supporting industrial growth and workforce development

Industrial Gas Facility (Nitrogen, Oxygen and Argon)

Operated with Global Gas Services SAOC, with an investment of OMR 4.2 million and employing 31 Omanis. With a production capacity of 173 tonnes per day, the facility meets domestic demand and enables export to GCC markets, strengthening supply security across key sectors.

Mobile Heavy Sludge Treatment Unit

Operated by Maqshan Oil and Gas Services, with an investment of OMR 0.5 million and employing six Omanis.The unit processes sludge from tank farms and pipelines, enabling oil recovery and safer waste management.

Mobile Oil-Based Mud Cutting Dryer Facility

Also operated by Maqshan Oil and Gas Services, with an investment of OMR 0.37 million and employing six Omanis. This facility treats drilling waste on-site, recovers crude oil, reduces logistics requirements and associated emissions, and supports environmental compliance.

ENVIRONMENTAL SUSTAINABILITY

ENVIRONMENTAL SUSTAINABILITY

2025 HIGHLIGHTS

- Continued reduction in flaring through project delivery and operational improvements.
- Reduced gas consumption for power generation by around 29% compared to 2019.
- Executed PDO's first-ever venting measurement campaign.

The Goal Zero slogan "No harm to people and environment" serves as the cornerstone guiding PDO's activities towards a sustainable environment and satisfied public. Since 1999, PDO has maintained an Environmental Management System (EMS) certified by ISO 14001 standard, with the certification being renewed every three years and a surveillance audit conducted annually. To achieve and maintain this certification, the Company has deployed various initiatives, policies, and tools. PDO's primary goal is to drive environmental excellence and move beyond mere regulatory compliance through its Goal Zero initiative.

It is committed to achieving Net Zero CO_2 emissions by 2050, supporting Oman's carbon reduction strategy while implementing robust waste and water management hierarchies. In addition to the EMS, PDO conducts Environmental Screening for all new and existing projects, this is to evaluate project interventions against environmental sensitivities to determine both positive and negative impacts. Furthermore, PDO provides environmental awareness training to all employees as part of its sustainability programmes, which focus on reducing carbon emissions, conserving energy, and minimising waste generation.

Alongside these efforts, PDO's Corporate Environment team delivers targeted masterclasses on GHG emissions tracking and accounting, environmental impact assessment and waste management for key personnel across the organisation. These sessions are designed to strengthen technical capability, support compliance with environmental standards and reinforce our collective commitment to protecting the environment.

ENERGY MANAGEMENT

PDO continues to integrate sustainability into its operations while delivering value through hydrocarbon development, ensuring long-term resilience in a low-carbon future. The Company has developed a Decarbonisation Roadmap that outlines a clear pathway towards achieving net-zero carbon emissions by 2050. This includes a gradual shift towards renewable energy, with a target of sourcing 30% of power from renewables by 2030.

PDO's decarbonisation plans are supported by integrated strategies covering energy efficiency, water, flaring, and methane management. The Company is aligned with national and international frameworks, including:

- Oman Oil and Gas sectoral GHG targets
- World Bank's Zero Routine Flaring by 2030 initiative.
- Oil and Gas Methane Partnership (OGMP 2.0).
- Global Methane Pledge.
- Oil and Gas Decarbonisation Charter.

PDO's Energy Management Strategy is anchored in the "3Rs" framework:

- **Reduce,** flaring, power consumption, process fuel gas, and fuel gas for power generation.
- **Replace,** inefficient equipment with more efficient alternatives.
- **Renew,** increase the proportion of renewable energy sources.

The 3Rs framework spans the full spectrum of energy management and is structured across six key pillars supporting the pathway to net zero:

Reduce dependency on conventional power and expand renewable energy deployment.	Minimise growth in energy consumption, power and steam, through efficient asset operations.	Reduce water production, disposal, and aquifer abstraction to as low as reasonably practicable, ALARP.
Decrease fuel gas consumption, non-routine and safety flaring, subsurface flaring, and other greenhouse gas emissions to ALARP.	Achieve zero routine flaring by 2030, in line with Ministry of Energy and Minerals requirements and the World Bank commitment.	Offset residual emissions through carbon capture, utilisation and storage, nature-based solutions, and carbon credits.

PDO maintains a strong pipeline of energy management initiatives across multiple focus areas. Improving greenhouse gas emissions performance remains a central pillar and a key driver of the Company's overall energy management efforts.

FLARING MANAGEMENT

PDO continued to reduce flaring in 2025 through a combination of project delivery and operational improvements. Key projects commissioned during the year included the Marmul Gas Compression Project (MGCP), Mabrouk CPF flare recovery, Mabrouk Phase 3 flare recovery, and Barik flare recovery.

Operational measures were also strengthened, including enhanced process control, system optimisation, and structured governance through quarterly flare huddles and performance reviews. Focus areas included reducing operational flaring gaps, improving gas system reliability and availability, and conducting regular flare meter health checks.

PDO is progressing towards its target to eliminate routine flaring by 2030. As part of this effort, the Company continued to assess third-party solutions, including the signing of a Memorandum of Understanding with Enerhash for the Hazar South Flare Recovery and Flare Gas Monetisation Project, which is currently ongoing.

ENERGY EFFICIENCY

PDO continued to reduce energy demand through initiatives such as waste heat utilisation and upgrading power plants to more efficient combined cycle and cogeneration systems. The phased retirement of inefficient open cycle plants progressed, with full withdrawal planned by 2026. New facilities, including Qarn Alam, Amal, and Yibal Khuff, are designed with integrated cogeneration, while a 400 kV transmission line between Nihayda and Suwaihat enhanced grid flexibility and renewable integration.

These efforts improved generation efficiency, reducing gas consumption from 223 m^3/MWh in 2019 to 158 m^3/MWh in 2025. This progress was supported by the Energy Efficiency Programme, which applies benchmarking, real-time monitoring through the Energy Efficiency Surveillance Tool (EEST), and targeted optimisation measures. In 2025, initiatives including ejector configuration, new reboilers, and energy assessments at SNGP and SNCP contributed to an estimated emissions reduction of 101 ktCO_2e.

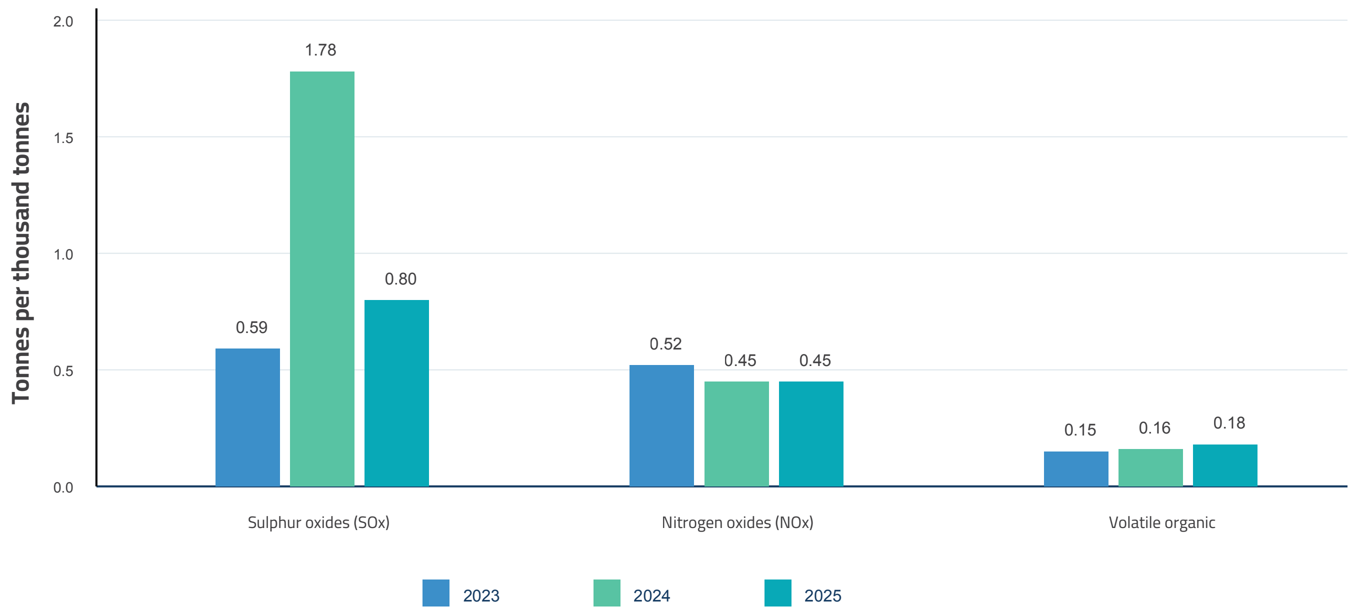
GREENHOUSE GAS (GHG) EMISSION

In 2025, PDO continued to implement initiatives towards reducing its greenhouse gas emissions and supporting Oman's climate ambitions. Through a combination of targeted tree planting initiatives, flaring reduction projects, methane management efforts, and collaborative studies, we are driving meaningful environmental impact.

GHG Emission Performance	2023	2024	2025
Total GHG Emissions (million tonnes CO2 equivalent)	10.44	10.70	11.11
Greenhouse gas intensity ratio (tonne of CO2 equivalent / tonne of HC)	0.187	0.189	0.194

AIR EMISSIONS

PDO also monitors key air pollutants as part of its broader environmental performance:

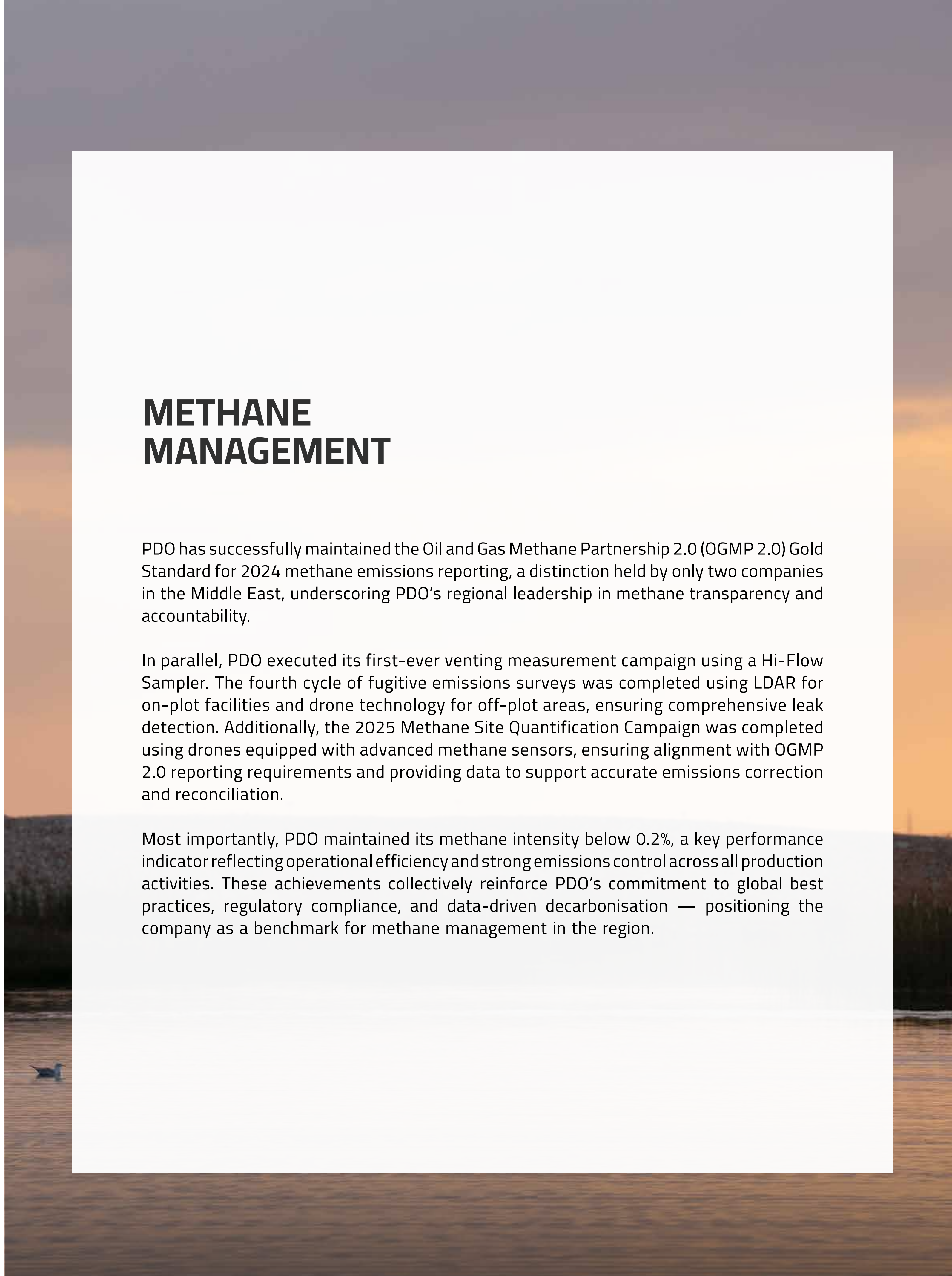


METHANE MANAGEMENT

PDO has successfully maintained the Oil and Gas Methane Partnership 2.0 (OGMP 2.0) Gold Standard for 2024 methane emissions reporting, a distinction held by only two companies in the Middle East, underscoring PDO's regional leadership in methane transparency and accountability.

In parallel, PDO executed its first-ever venting measurement campaign using a Hi-Flow Sampler. The fourth cycle of fugitive emissions surveys was completed using LDAR for on-plot facilities and drone technology for off-plot areas, ensuring comprehensive leak detection. Additionally, the 2025 Methane Site Quantification Campaign was completed using drones equipped with advanced methane sensors, ensuring alignment with OGMP 2.0 reporting requirements and providing data to support accurate emissions correction and reconciliation.

Most importantly, PDO maintained its methane intensity below 0.2%, a key performance indicator reflecting operational efficiency and strong emissions control across all production activities. These achievements collectively reinforce PDO's commitment to global best practices, regulatory compliance, and data-driven decarbonisation — positioning the company as a benchmark for methane management in the region.



BIODIVERSITY

2025 HIGHLIGHTS

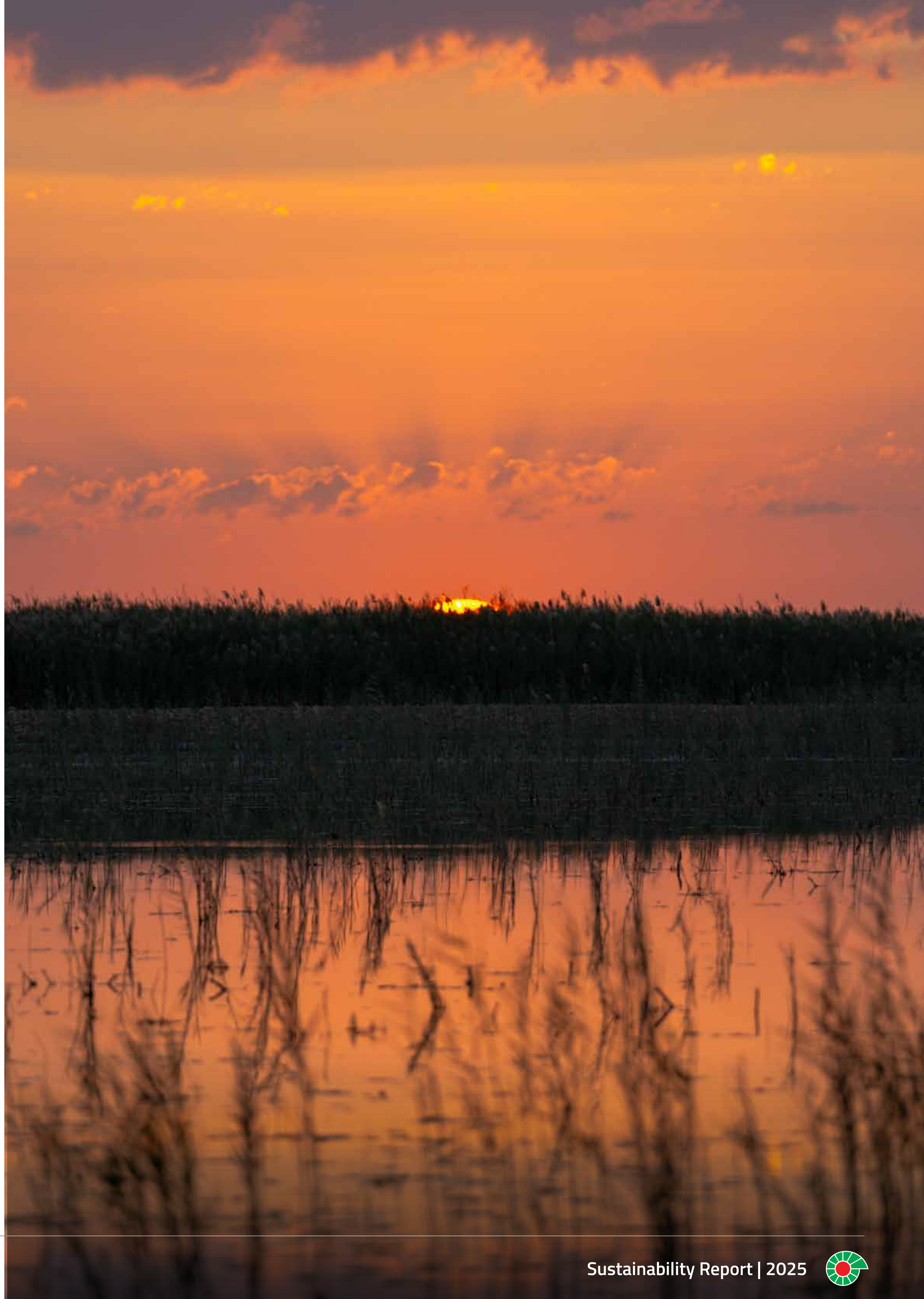
- Conducted a comprehensive biodiversity assessment within PDO's concession area.
- Documented over 85 plant species, in addition to key wildlife such as the Arabian gazelle, Arabian wolf, striped hyena and red fox.

As part of PDO's ongoing collaboration with the Environment Authority, biodiversity surveys were expanded across the Bahja and Greater Birba clusters and extended to parts of Jabal Samhan Nature Reserve. The 2025 assessment builds on previous studies to strengthen the ecological baseline and support environmentally responsible operations within the concession area.

The survey confirmed the presence of diverse habitats and documented over 85 plant species, in addition to key wildlife such as the Arabian gazelle, Arabian wolf, striped hyena and red fox, further highlighting the ecological importance of PDO operational areas.

All findings will be incorporated into the PDO Geographic Information System (GIS) to support continuous monitoring, informed decision-making and effective environmental management.

The collected data is being used to enhance impact assessments, refine mitigation measures and guide long-term biodiversity monitoring programs. In parallel, nature-based solutions, including the Nimr reed bed wetlands, continue to demonstrate PDO's commitment to integrating hydrocarbon production with ecosystem protection and biodiversity conservation.



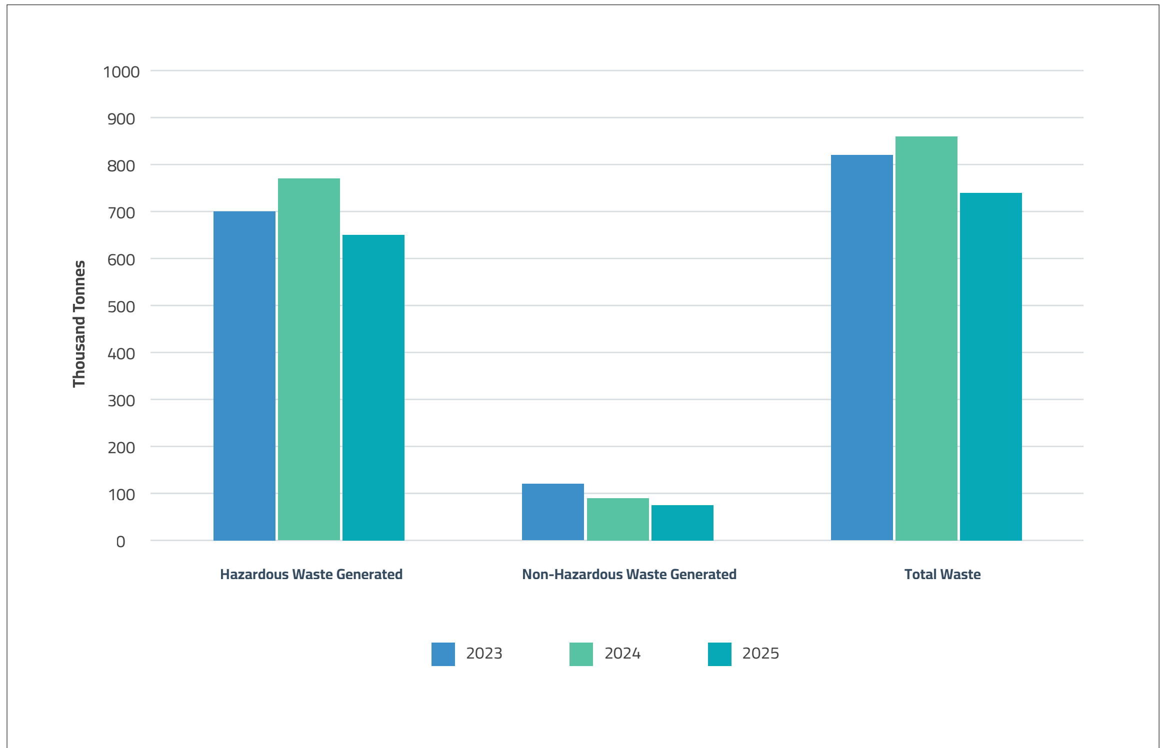
WASTE MANAGEMENT

2025 HIGHLIGHTS

- Recycled 10% of non-hazardous waste generated & reused 17% of hazardous waste.
- Developed the Corporate Waste Management Dashboard.

PDO demonstrates a strong commitment to environmental stewardship through its comprehensive waste management initiatives. These efforts reflect the company's dedication to minimising the environmental impact of its operations while promoting sustainable practices.

In 2025, PDO recycled 10% of non-hazardous waste generated & reused 17% of hazardous waste. By implementing systematic waste reduction, recycling, and disposal measures, PDO ensures that waste is managed responsibly and in compliance with environmental regulations. Additionally, developed the Corporate Waste Management Dashboard to enhance company-wide performance tracking.



HAZARDOUS WASTE MANAGEMENT

Hazardous waste management is a critical component of PDO's sustainability strategy. Effective handling, storage, treatment, and disposal of hazardous materials reduce environmental pollution, minimise risks to human health, and ensure compliance with national and international regulations. Full compliance audits were conducted quarterly, and no major non conformities were reported by the Environmental Authority (EA).

Below are some of the initiatives for hazardous wastes stream:

1. Recovering and reusing Oil-Based Mud (OBM) saves cost, reduces waste, and supports sustainability goals especially since OBM is expensive and generates hazardous waste if not handled correctly.

2. Recovering Oil from a Legacy Oil Saver Pit and Converting it to Value. Legacy oil saver pits often contain recoverable hydrocarbons, contaminated water, and solids. With the right process, it turns what was once a liability into usable oil for operations.

3. Reuse of Hydrocarbon Contaminated Soil in Road Resheeting, reusing hydrocarbon impacted soil in road construction is increasingly practiced as part of sustainable waste to value principle if contamination is below regulatory thresholds and the soil is properly treated. Environmental authorities typically allow this as a form of beneficial reuse, provided the reuse does not create human health or groundwater risks.

4. Other hazardous waste is collected by an SME which leads to lower volume of hazardous waste requiring disposal, reduction in pollution and land contamination and supports circular economy.

NON-HAZARDOUS WASTE MANAGEMENT

In 2025, PDO continued strengthening non-hazardous waste management across its concession area through a structured framework implemented in collaboration with be'ah, Oman's Environmental Services Holding Company. The partnership supports regulatory compliance, operational efficiency, and PDO's long-term sustainability commitments.

PDO's approach prioritises segregation at source, controlled handling, resource recovery, and progressive landfill diversion, aligning with circular economy principles and environmental stewardship objectives.

Controlled Staging Points
Engineered staging points operate as controlled intermediate waste handling facilities, replacing legacy dumping practices. These sites ensure segregated storage by waste type, monitored temporary holding, improved material flow, and structured environmental record keeping. This system reduces contamination risks, enhances housekeeping standards, and strengthens operational discipline across PDO facilities.

Composting and Organic Waste Diversion
Organic waste generated from camps and operational facilities is segregated and treated through controlled composting systems. This diverts biodegradable waste from landfill, reduces methane generation potential, and converts waste into stabilised soil conditioner, contributing to resource recovery and lower environmental impact.

Recycling and Responsible Disposal
Recyclable materials are systematically recovered through structured segregation and controlled handling processes. High-value recyclables are managed under PDO's governance framework, ensuring transparency and value optimisation, while partnerships with approved SMEs support local enterprise development. Residual municipal solid waste that cannot be recovered is transported via approved systems to authorised landfill facilities, with full traceability from source to final disposal.

Through this integrated framework and continued collaboration with be'ah, PDO is progressively reducing landfill dependency and reinforcing responsible waste management practices across its operations.

Electronic Waste (e-waste)
The table below presents the number of licensed equipment assets processed and their total weight over the past three years, reflecting PDO's ongoing efforts to manage e-waste responsibly and minimise environmental impact.

Recycling e-waste	2023	2024	2025
Electronic waste managed and recycled by the National Records & Archives Authority (NRAA)	375 licensed equipment assets, totalling 760 kg.	745 licensed equipment assets, totalling 1806 kg.	205 licensed equipment assets, totalling 603 kg.

WATER MANAGEMENT

PDO relies on several water sources for its various operations and activities. The following outlines the primary water sources used in 2025 and previous years.

Source of water	Source details	Amount used in 2025 (m^3/d)	Purpose of use
Produced Water	Water associated with oil production.	1,034.41 m^3/d	73% used for water injection; 20% for surface water handling; remainder for water disposal.
Exploitable Aquifer Water	Any non-HC bearing aquifer in tertiary formations or above, with water salinity < 50,000 ppm.	28,020 m^3/d	Used for various O&G-related processes such as steam generation and crude washing, as well as for domestic and industrial purposes.
Non-Exploitable Aquifer Water	Any non-HC bearing aquifer in below tertiary formations with water salinity > 50,000 ppm.	79,723 m^3/d	Mainly used for specific applications such as steam generation and as make-up water for injection.

THE R+3RS PRINCIPLE OF PDO'S WATER MANAGEMENT STRATEGY

1. REDUCE:

This principle focuses on minimising the water brought to the surface, disposed of, and extracted from aquifers.

2. REUSE:

This approach aims to maximise the use of produced water for enhanced oil recovery (EOR) through methods such as water-flooding and steam injection. Additionally, it encourages the exploration of alternative, energy-efficient, and beneficial applications.

3. RELOCATE:

This involves transporting excess produced water from areas with surplus to locations experiencing water scarcity.

4. REVENUE:

All potential options under the 3Rs are expected to generate value by monetising water resources.

OUR WATER MANAGEMENT STRATEGY IS CENTRED ON THREE MAIN OBJECTIVES:

- To reduce water disposal and the abstraction of exploitable aquifers
- To ensure compliance with the zero-disposal policy for shallow exploitable aquifers
- To eliminate water disposal by 2030

Concurrently, projects are being implemented to phase-out deep water disposal in favour of value-generating alternatives that create value from surface-handled water.

Our strategy is built around clear targets, each with defined timeframes. A project roadmap guides the reduction of water disposal, with volumes cut by 59% since 2009 and full elimination targeted by 2030. In 2025, by executing the Marmul water disposal reclassification to water injection project, deep water disposal was reduced by approximately 22,000 m³/day. Several additional projects will help achieve this target, including the Qarn Alam, Fahud, and Zauliyah deep water disposal phaseout projects.

Additionally, the strategy aims to generate value from surplus surface water currently stored in evaporation ponds at the Nimr Reed Beds and the Rima Water Treatment Plant projects with the ambition to fully utilise this by 2030. In 2025, PDO published the Nimr and Rima water utilisation PQQ/RFP open to interested investors to submit their proposals.
Rima Jojoba Plantation has been completed in October 2025. The project aims to establish a one million tree plantation in Rima, creating a scalable nature-based solution (NBS) to reduce GHG emissions in line with PDO's decarbonisation strategy and Oman's 2050 net-zero target.

Phase 1 is being delivered in collaboration with the Ministry of Agriculture, Fisheries and Water Resources (MAFWR), with the contract awarded to Oman Agriculture Development Company (OADC) to plant 150,000 jojoba trees.

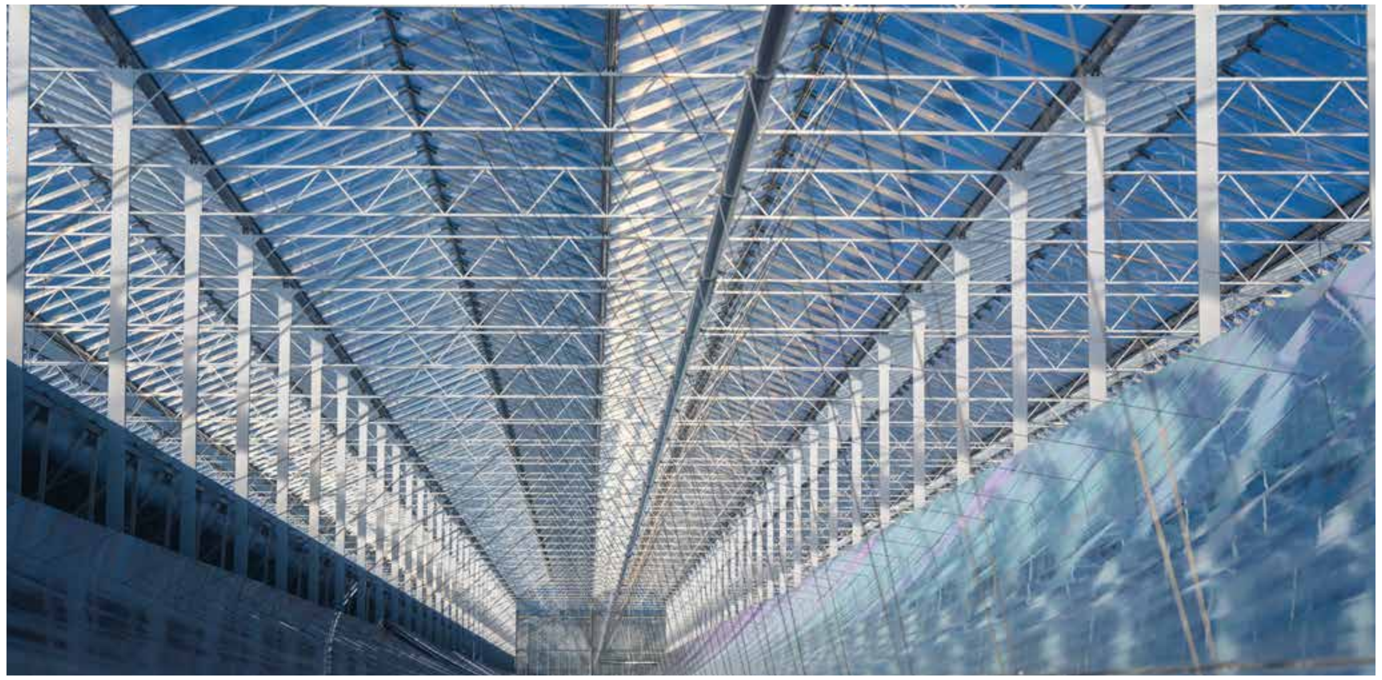
Water Management Performance	Unit	2023	2024	2025
Water consumed from desalination units	Million m³	8.59	5.79	5.19
Produced water handled	1,000 m³/day	948.6	994.91	1,034.41
Produced water used for injection activities	1,000 m³/day	703.52	734.78	756.83
Produced water used for disposal activities	1,000 m³/day	152.64	133.75	114.83

RENEWABLE ENERGY

2025 HIGHLIGHTS

- Construction commenced on three Independent Power Producer (IPP) projects, North Solar 100 MW, and the Riyah-1 and Riyah-2 wind farms

PDO is committed to advancing innovative renewable energy solutions that support its low-carbon transition while unlocking new growth opportunities for both the Company and the nation. Our teams continue to leverage advanced technologies, strengthen collaboration, and enhance energy efficiency across operations. In line with its ambition to achieve net-zero emissions by 2050, PDO aims to set a benchmark for sustainable practices in the sector through the adoption of cleaner technologies, robust emissions reduction measures, and sustained investment in renewable energy.



PDO'S RENEWABLE ENERGY PROJECTS

North Solar 100 MW Independent Power Producer (IPP)

In 2025, PDO continued to strengthen its renewable energy portfolio, with the North Solar IPP progressing through construction.

Located at Saih Nahada and spanning approximately three square kilometres (equivalent to 468 football pitches), this utility-scale solar PV project will deliver 100 MWac of clean energy.

Construction progressed steadily, reaching approximately 51% overall completion, with commissioning planned for Q3 2026.
The project is expected to reduce CO_2 emissions by more than 220,000 tonnes annually while saving significant volumes of natural gas.

Riyah-1 and Riyah-2 200 MW Wind Farms (IPP)

The Riyah-1 and Riyah-2 wind farms, located in the Nimr cluster, represent the first wind power projects connected to the PDO grid, marking a key milestone in the Company's renewable energy journey. With a combined capacity of 200 MW, these projects will enhance grid resilience and increase the share of renewables in PDO's energy mix.

In 2025, both projects advanced to approximately 42% overall completion and are scheduled for commissioning in Q4 2026. The projects are expected to reduce CO_2 emissions by around 740,000 tonnes annually. The arrival of the first batch of wind turbines on site marked a significant milestone towards project completion.

Amin 100 MW Solar PV IPP

The Amin Solar PV Plant, which commenced operations in May 2020, has generated over 1,930 GWh of electricity, avoided approximately 1.3 million tonnes of CO_2 emissions, and saved around 400 million cubic metres of natural gas, reinforcing its positive environmental impact and contribution to PDO's energy transition.

Mina Al Fahal (MAF) Solar Projects

PDO continues to advance its sustainability journey through a portfolio of solar installations at Mina Al Fahal (MAF), including:

- Wahaj tracking ground-mounted system, 1 MWp DC
- Rooftop solar installations, 0.7 MWp DC
- Car park solar installations, 9.85 MWp DC

With a combined capacity of approximately 11.55 MWp DC, this represents the largest solar installation in Muscat. The projects contribute to reduced electricity consumption and enable indirect gas savings of approximately 9 million cubic metres annually.

BATTERY ENERGY STORAGE SYSTEM

To further increase renewable energy integration, PDO conducted a techno-economic study on Battery Energy Storage Systems (BESS), assessing their potential deployment within the Company's grid.

The study highlights the critical role of energy storage in maintaining grid stability and reliability under high renewable penetration. The deployment of suitable storage solutions will support peak load management, enable smoother renewable integration, and maximise renewable energy utilisation across PDO operations.

RENEWABLE ENERGY KNOWLEDGE AND TRAINING

Ishraaq Programme

The Ishraaq Solar Training Development Programme is a six-month initiative launched in June 2025 in collaboration with the Small and Medium Enterprise Development Authority. The programme aims to strengthen local solar engineering capabilities by supporting selected SMEs through a structured training framework. Three local SME companies were selected to participate in specialised training covering solar and electrical engineering topics. The programme was a success, and the second edition will be launched in 2026.

Renewable Energy Course

The Renewable Energy Course provides participants with a strong foundation in green energy and related technologies. Since its launch in 2022, more than 200 employees have completed training across 13 specialised topics.

In 2023, an online version of the course was introduced, making it accessible to all PDO employees. By 2025, more than 5,000 personnel had completed the course, significantly expanding its reach and reinforcing awareness across the organisation. The team is also actively working to introduce two more courses focusing on battery storage and wind energy by 2026.

Participation in Conferences

The renewable energy team maintained strong engagement with stakeholders through technical contributions and participation in key industry platforms. In 2025, the team delivered presentations and published technical papers across major events, including Oman Sustainability Week, Oman Climate Week, Oman Petroleum & Energy Show, and IEEE PowerTalks.

The team also contributed to technical committees and represented PDO at exhibition booths, further strengthening the Company's positioning in the renewable energy space.

THINK ENERGY PUBLICATIONS

Think Energy is a publication series launched in 2023 to promote awareness of sustainability and energy-related choices. Initially targeting employees, the series has since expanded to the public.

By 2025, three editions had been released:

1. Think Energy 1, Home energy savings strategies.
2. Think Energy 2, Residential solar PV basics, costs, and performance.
3. Think Energy 3, Electric vehicles and off-grid solar PV.

Our Purpose

Our People Create Competitive and Responsible Hydrocarbon Growth to Maximise Value for Oman

pdo.co.om @pdo.oman