



ADVANCING OUR SUSTAINABILITY JOURNEY

Sustainability Report 2016



About this Report

Welcome to Dana Gas's first Sustainability Report for the calendar year 2016 prepared in accordance with the GRI Standards: Core option. This report details the company's account of actions, progress, and initiatives related to its economic, environmental and social performance, which make up our sustainability journey.

At Dana Gas, we focus on achieving commercial success that creates shared value, honors ethics, and respects all stakeholders and the surrounding environment. Since our early beginnings, we engage with stakeholders through public consultations and contribute towards their economic empowerment and infrastructure improvements within our countries of operation.

Our inaugural sustainability report marks a new milestone towards advancing our sustainability journey. We believe it is a pivotal step in integrating environmental, social and economic considerations into our business decisions and vision. Improving the visibility of our sustainability progress and initiatives helps us build greater accountability and trust with our stakeholders.

The content of the report follows the GRI principles of stakeholder inclusiveness, materiality completeness and sustainability context specific to Dana Gas. We acknowledge the limitations of our sustainability reporting baseline data for 2016, and have presented key information wherever available. For 2017, we have established commitments to develop new social and environmental performance metrics.

The reporting boundary for our topic-specific standards, management approach, initiatives and plans include our operations and Joint Ventures in which we have company interest. Data is included based on our equity share of 100% in the UAE and Egypt, and 35% in the Kurdistan Region of Iraq.

As we continue to advance in our sustainability journey, we seek to also report against international frameworks such as the United Nations Global Compact (UNGC) and the International Petroleum Industry Environment Conservation Association (IPIECA).

To continue enhancing the transparency of our performance, we aim to issue our sustainability report on an annual basis. Furthermore, we also intend to obtain external assurance for our sustainability reports as we strengthen our reporting practices.

We invite our readers to read our sustainability report and welcome comments, feedback and questions at sustainability@danagas.com.



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Key Performance Highlights from 2016

SOCIO-ECONOMIC PERFORMANCE



Ranked in the top quartile of Hawkamah Pan Arab's ESG Index, which ranks and monitors the top 50 companies in the region



Contributed to KRI's GDP growth estimated to be between USD 6.2-15.5 billion since 2006



Secured low cost energy supply to four million citizens of Kurdistan



Saved KRI's government USD 3.4 billion per annum in gas-for-diesel substitution

OUR PEOPLE



16 different nationalities, with 10 of them representing Executive Positions



63% of our trained university interns were female students



Launched a formal and informal grievance procedure for raising issues and complaints



16% female employees and 84% male employees

HEALTH AND SAFETY



Ensured zero injuries and fatalities among our employees



Rolled out HSE training and competency programs for employees and contractors across the group



Received OHSAS 18001 certification for our Dana Gas Corporate Office in Sharjah

ENVIRONMENT



No major hydrocarbon spills to the environment



47% of our hazardous waste was recycled by vendors



Total energy consumption amounted to 126,087 GJ



Total water footprint of 56,983 m³ sourced from wells and municipal sources

CEO Statement

I am pleased to present Dana Gas's first sustainability report to all our stakeholders. While sustainability has always been a part of the way we carry out our business, we recognize the need to improve our efforts by formalizing our sustainability commitments and aligning them with our business strategy. This report is our first step towards monitoring our sustainability performance whilst clearly identifying our priorities and our progress against these as set out in our Sustainability Roadmap for 2020.



Despite a difficult macroeconomic environment, we continue to achieve stable economic performance largely realized through focusing on efficiency and optimizing costs. In 2016, we reduced our operational costs by 7% and general overheads by 43% compared to 2015. Despite these achievements we continue to prioritize and support local suppliers, create job opportunities, build local staff capabilities and help communities improve their quality of life. For example, our operations in the Kurdistan Region of Iraq (KRI) increased the reliability of electricity to 22 hours per day from 8 hours per day in 2006, while saving the government USD 3.4 billion per annum in gas-for-diesel substitution, providing an opportunity for that money to be re-directed to other social improvement projects.

We take pride in our diverse workforce and derive strength from the experiences and skills of 16 nationalities representing the Middle East, Asia, North Africa, Europe and North America. We promote a one-identity work culture that encourages inclusiveness and open communication. We are committed to gender equality in keeping with one of our core values of respecting and valuing everyone and embracing diversity. However, we recognize that in common with other companies in our industry that females are

underrepresented in our workforce. We are therefore working towards increasing the number of females working in our company and in our industry. In 2016, we hosted a student internship program and field training for female Emirati students in the UAE to support their career pursuits in engineering.

Furthermore, our HSE strategy and policies focus on upholding the safety of our employees and the protection of our local environment. We are proud to share that we completed our Zora gas plant construction with 1,000,000 man hours and zero fatalities or recordable incidents. We have multiple ISO certifications that speak to our strong HSE policies, procedures and performance. Our structured HSE processes and regular training provide the necessary environment for our employees to adhere to our safety policies and procedures.

Our stakeholders' wellbeing matters to us and we are committed to avoiding unethical labor practices. In 2016, we developed a formal and informal grievance procedure for raising issues and complaints, as part of our Stakeholder Engagement Plan (SEP). In addition, we support our stakeholders through focusing on purposeful CSR activities that aim to create jobs and improve living

standards through partnerships with local associations working on micro-finance, energy, healthcare services and water access.

Given the nature of our business, we recognize the environmental impacts inherent in our exploration and production activities and seek to identify and minimize them. Our HSSE unit manages our Environmental Management System (EMS) and we maintain compliance with a comprehensive framework of legal requirements. In 2016 we made significant efforts to achieve no major hydrocarbon spills at all the operations. Moving forward, we are working to improve our energy efficiency and reduce our GHG emissions related to gas flaring.

Our first sustainability report provides an account on how we are advancing on sustainability journey and responding to our stakeholder needs. We are committed to our Sustainability Roadmap for 2020, as we believe that it will enhance value for the Company and create benefits for our communities.

Thank you.

PATRICK ALLMAN-WARD

About Dana Gas

Dana Gas is the first and largest private sector natural gas company in the Middle East. It was established in December 2005 with a public listing on the Abu Dhabi Securities Exchange (ADX).

Our head office is located in the Emirate of Sharjah, United Arab Emirates, along with our regional presence in Egypt and the Kurdistan Region of Iraq (KRI).

OUR VISION



To be the leading private sector natural gas company in the Middle East, North Africa and South Asia (MENASA) region generating sustainable value for our stakeholders.

OUR STRATEGY



- Focus on sustainable growth in the MENASA region across the natural gas value chain.
- Leverage strategic relationships to maintain competitive advantage.
- Continuously enhance technical and commercial skills to develop and operate assets safely and efficiently.

OUR VALUES



We set and apply the highest standards of conduct and accountability. We respect and value everyone and embrace diversity. We devise and implement innovative ways to improve our business and fulfill our commitments. We aim to provide a safe and environmentally friendly workplace for our employees and business partners, and to minimize the adverse effects of our operations on communities and the environment.



Dana Gas in 2016

TOTAL WORKFORCE



199
Employees

16
Nationalities

GROSS REVENUE



392
Million USD

AVERAGE PRODUCTION OUTPUT (MILLION BARRELS OF OIL EQUIVALENT PER DAY)

Average
Production
69,500 BOEPD

Production (mboed)



TOTAL PROVEN PLUS PROBABLE (2P) RESERVES

1,153
Million Barrels of
Oil Equivalent (mboe)



5%
increase from 2015



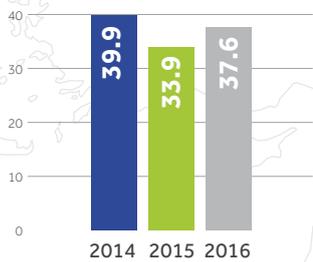
OUR PRESENCE AT A GLANCE

Our operations in 2016 includes oil and gas exploration and production assets in Egypt, KRI and the UAE, with plans to expand into new geographies in the Middle East, North Africa and South Asia (MENASA).

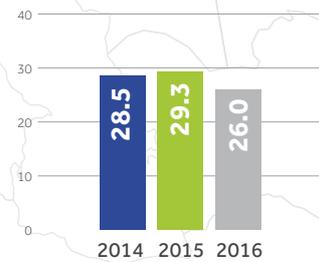
Operation Areas

Nature of Activities:  Hydrocarbon Exploration  Well Development  Production

Egypt Production (mboed¹)



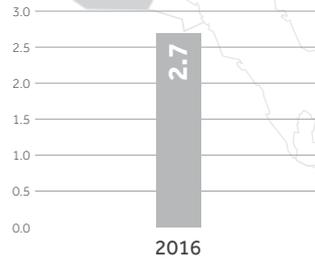
KRI Production (mboed)



Kurdistan Region of Iraq (KRI)



UAE Production (mboed)



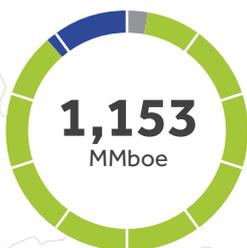
UAE Emirate of Sharjah



Egypt Through Our Subsidiary Dana Gas Egypt



Proven Reserves



EGYPT
Full year Proven Plus Probable (2P) reserves growing to **132** MMboe²

KRI
Proven Plus Probable (2P) of **990** MMboe

UAE
Proven Plus Probable (2P) of **31** MMboe

¹ Mboed is Million Barrels Oil Equivalent per Day
² MMboe is Million Barrels of Oil Equivalent

Market Presence	Production Assets	Milestones For 2016
<p>KRI</p> <p>Financial interest in 2 fields with the largest gas reserves in KRI</p>	<p>Kurdistan Region of Iraq (KRI):</p> <p>35% ownership in Pearl Petroleum Company Ltd, which has the right to appraise and develop Khor Mor and Chemchemical Fields</p> 	<ul style="list-style-type: none"> ✓ DG continued to achieve uninterrupted production despite the ongoing security risks in KRI ✓ DG, including affiliates, provided USD 1.1 billion investments to date for the Khor Mor and Chemchemical Fields
<p>UAE</p> <p>First greenfield project, in a completely new area of investment, carried out to supply gas to Sharjah's public electric power stations</p>	<p>Emirate of Sharjah:</p> <p>100% operator of the Sharjah Western Offshore Concession (Zora Field)</p>  <p>100% operator of SajGas Processing Plant</p> 	<ul style="list-style-type: none"> ✓ Production commenced from DG's first offshore upstream project in February 2016
<p>EGYPT</p> <p>The fifth largest gas producer in Egypt in 2016</p>	<p>Nile Delta:</p> <p>100% operator of 14 Development leases onshore</p>  <p>50% non-operated interest in El Matariya</p>  <p>Operator of 2 concession areas with 100% equity interest (North El Salhiya and North El Arish)</p> 	<ul style="list-style-type: none"> ✓ DG signed a Gas Processing Enhancement Agreement (GPEA) with the Government of Egypt to invest in further production and pay down historical receivables, a win-win deal ✓ DG's reserve-replacement ratio was 115% despite an 11% increase in production in 2016

Our 2016 Annual Report, available on our website, provides details on our geographical operations and activities.

OUR OPERATIONS AND PRODUCTS

Dana Gas is an upstream operator specialized in exploring and producing oil and gas fields in the MENA region. Our activities start from identifying a commercial market for the hydrocarbon

reserves, searching for potential natural gas fields, drilling exploratory wells and operating them to bring hydrocarbon resources to the surface. To achieve our activities across our value chain, we work

with resource owners, contractors from engineering and construction, and joint ventures.

01 EXPLORATION

STEP 1: Hydrocarbon Exploration

Once Dana Gas identifies a target market for hydrocarbons, the onshore and offshore exploration begins. Seismic and acquisition programs help in gathering and interpreting data that is required for estimating the hydrocarbon reservoirs.

STEP 2: Drilling Exploration

If the hydrocarbon reservoir is commercially viable, Dana Gas conducts drilling explorations to determine the method of extraction and number of wells needed for production.



02 PRODUCTION

Dana Gas plans and prepares for technical and equipment requirements to drill the deep, structurally complex hydrocarbon reservoirs. The next steps include well operations, processing, and marketing of the hydrocarbon products. These are mainly done through our affiliates and joint ventures.





Our Approach To Sustainability

Our commitment to sustainability is at the core of our corporate values, which underpin everything we do. Since our early beginnings, we have conducted Environmental and Social Impact Assessments (ESIA) for our projects to address our stakeholders' concerns. To meet our stakeholders' needs, we support healthcare and educational services and create job and business opportunities for local communities and businesses.



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The Dana Gas Model for its "Sustainability Team" in 2016

Engaging with Our Stakeholders 16

Focusing on What Matters Most 18



MANAGING OUR SUSTAINABILITY PERFORMANCE FOR THE LONG RUN

Advancing our sustainability journey has become even more relevant and important over the past couple of years of difficult economic conditions in the O&G sector. We are focused on improving our resource efficiency for the long run, safeguarding our assets' and employees' integrity and balancing the long-term interests of our stakeholders with growth. We also

pay close attention to addressing our environmental risks and opportunities.

In 2016, we developed a sustainability roadmap and launched our inaugural sustainability report to help us structure our sustainability initiatives, measure and enhance our sustainability performance whilst meeting our stakeholders'

expectations. The sustainability roadmap groups our sustainability commitments into three focus areas, aimed at achieving DG's vision of creating shared prosperity for all stakeholders. We aim to monitor and track the progress of our commitments over the period of 2017 to 2020 through our annual sustainability reports.

OUR SUSTAINABILITY ROADMAP FOR 2020



-  Governments and Regulators
-  Joint Ventures
-  Investors
-  Clients and Customers

-  Employees
-  Local Communities
-  Contractors

-  The Environment
-  Employees and Contractors
-  Joint Ventures
-  Governments and Regulators

Communicating on Our Sustainability Commitments and Progress in:

Corporate Governance	22	Our People	30	Health and Safety	40
ESG Risk Management	25	Local Livelihood and Society	35	Environment	46
Socio-Economic Performance	26				



DG'S SUSTAINABILITY TEAM

Dana Gas has a dedicated team with representatives from various departments (HSSE, Investor and Government Affairs and Country Representatives) to engage with DG's stakeholders, and to monitor the company's sustainability performance.



The Dana Gas Model for its "Sustainability Team" in 2016

At Dana Gas the word and meaning of "sustainability" is one that has usually meant more about keeping the company profitable, creating shareholder value, and ensuring long-term growth from a business perspective. Of course this is very true and important to the long term profitability and success of the Company. In 2016 we introduced to the organization a more comprehensive meaning of sustainability to our employees and stakeholders, whereby this term revolves around creating shared prosperity. This means that as an organization, we are supportive of the social responsibility

needs of those communities where we are engaged in business.

In so doing this, we communicate to our employees that our approach and direction to sustainability is everyone's responsibility. No one person leads or does "sustainability stuff" all on his or her own. So for Dana Gas, the journey to sustainability over the next couple years is a "team approach".

It can be as simple as an employee taking part in charity running and walkathon events as several of our colleagues do on a regular basis. Or it could be more like

Dana Gas Egypt does, where an integrated team of employees go together to the communities in outlying areas where we have operations and meet with community stakeholders, focusing on assisting in some way with education and resources to support local schools and health clinics. It's also about recruiting from the local communities and working with small businesses as is the case in Kurdistan and Egypt. This helps create some stability and pride in these communities, where we are all one team working toward sustainable success together.



Sustainability Initiative



"On an annual basis I take part in 10-15 running, swim and cycling events covering 5 km-21 km and in addition at least 3-4 triathlons, with a proportion of the entry fees going towards charity. It is never too late to start running and

doing regular exercise – nothing is impossible - to be able to hugely contribute to a sustainable community."

Bob Sehmi
Corporate Internal Controls & Risk Manager



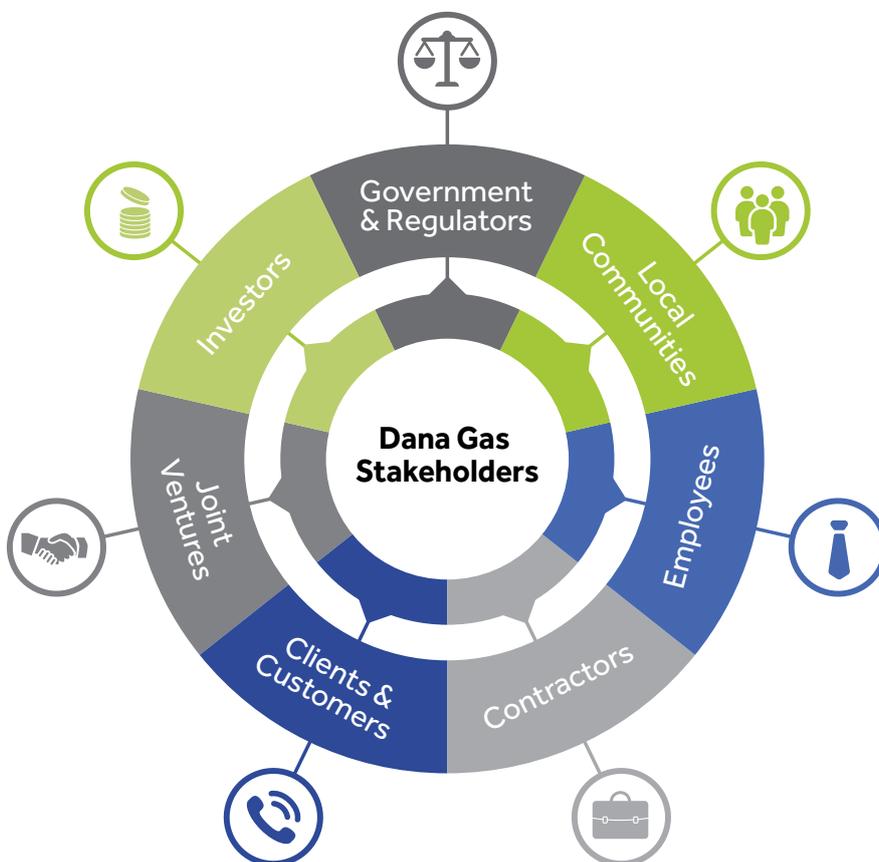
ENGAGING WITH OUR STAKEHOLDERS

DG values open dialogues with our stakeholders to build relationships with them based on transparency, trust and collaboration. The inputs we receive from our stakeholder engagements, whether as feedback or concerns, help us identify and prioritize the

sustainability topics of greatest importance for our operations.

The seven-category chart below presents DG's main stakeholders. We consider different platforms to understand and

manage their expectations. These include public consultation meetings, site visits, presentations to local communities, participation in regional forums and joint business groups, formal and informal grievance procedures and periodic internal meetings.



In 2016, we took significant strides towards engaging all those affected by or interested in our operations and projects to ensure their inclusion in the engagement process. In identifying the material economic, environmental and social aspects relevant to our business and stakeholders, we involved our

employees in a stakeholder engagement workshop to use their insights and inputs. To standardize the way we inform our local communities on the impacts of our projects and operations, we developed a Stakeholder Engagement Plan (SEP), which outlines our stakeholder engagement approach. The SEP is in line

with relevant legislations and international standards such as the European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC) Performance Standards. Our stakeholder engagement plan is a 'live' document, which we will update regularly to suit our activity requirements.

The Objectives of Our Stakeholder Engagement Plan



IDENTIFY

all those affected or interested in the project to ensure their inclusion in the engagement process



UNDERSTAND

the views of the key stakeholders, and make sure stakeholders understand the potentially positive and negative impacts of our activities



INFORM

the public and partners about our activities - being transparent, honest and open



RELATIONSHIP AND TRUST

through open dialogue and engagement with stakeholders, based on open communication and transparency



ENGAGE WITH ALL STAKEHOLDERS

including vulnerable and marginalized groups by having an inclusive approach to consultation and participation



MANAGE EXPECTATIONS AND CONCERNS

by providing a method for stakeholders to engage with us about their concerns and expectations



COMPLIANCE

with local and national government regulations and international best practices as defined by recognized standards and associations



Public Consultation Meetings in North East Egypt



As part of an Environmental and Social Impact Assessment, Dana Gas conducted three public consultation meetings in 2016 in three different governorates (Damietta, Sharkia, Dakahlia) in Egypt's Northeast-Nile Delta. The meetings provided an opportunity for our stakeholders to raise their concerns in relation to the GPEA project's proposed scheme, in order to help us better understand them. It gave us a chance to address our stakeholders'

concerns and feedback regarding the following topics:

- Employment opportunities, local content, small business opportunities
- Impacts on infrastructure such as roads, drainage and water systems
- Emissions, noise pollution, waste and safety and security concerns
- Community infrastructure needs (education, roads, healthcare, electricity)



FOCUSING ON WHAT MATTERS MOST

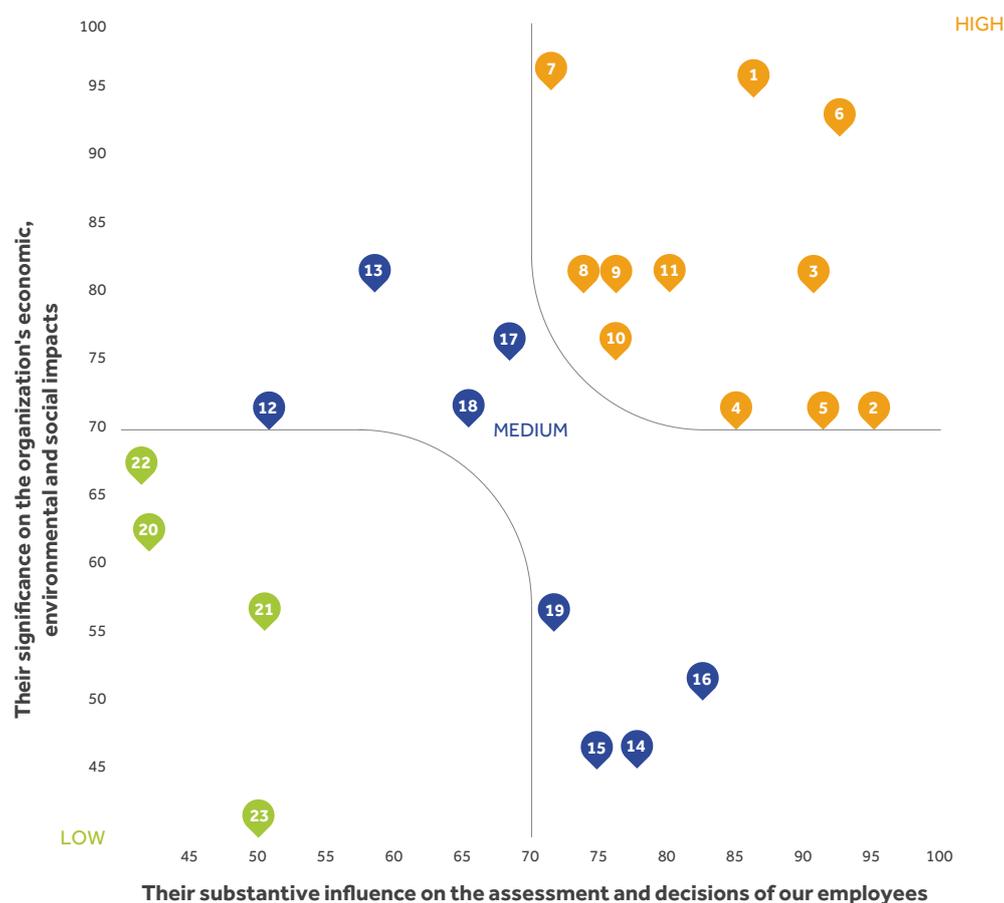
In 2016, we conducted our first materiality assessment process to identify the significant economic, environmental and social impacts that influence the assessments and decisions of our stakeholders. In doing so, we followed a robust approach of engaging our internal stakeholders from different business departments.

The main steps of our assessment process included the following:

- **Step 1: Selecting the proposed sustainability topics**
 - o We compiled a list of 23 proposed material topics through reviewing the GRI Standards, GRI Oil and Gas Sector Supplement as well as reports for national and international peer companies.
- **Step 2: Prioritizing topics through a stakeholder engagement workshop**
 - o We organized a stakeholder engagement workshop that was attended by 10 employees representing each of our business units from Health, Safety, Security and Environment (HSSE), Finance, Investor and Government Relationship, HR, Procurement, Country Representatives and the CEO.
 - o After explaining the materiality process to our employees, each of our participants completed an online questionnaire that rated the importance of each aspect, as it relates to our internal business procedures on a scale from 1 to 10.
 - o To cover the most material topics for our external stakeholders, we benchmarked the material topics covered by five of our regional O&G peers.
- **Step 3: Consolidating and validating the results in a materiality matrix**
 - o We consolidated the results and presented them during the workshop for validation by our CEO. The third quadrant in the materiality matrix presents our most material topics while the first quadrant presents our areas of least focus for 2016.

Moving forward, we seek to manage, measure and analyze our material topics' performance as well as set commitments to enhance our impact in the areas that matter most to our business and our stakeholders.

Materiality Matrix



No.	List of Material Topics	Their substantive influence on the assessment and decisions of our employees	Their significance on the organization's economic, environmental and social impacts	Covered in Page No.
1	Occupational safety	High	High	43
2	Process safety and asset integrity	High	High	44
3	Emergency preparedness	High	High	45
4	Compliance with regulations	High	High	24-25
5	Anti-corruption and bribery	High	High	24-25
6	Spills to the environment	High	High	48
7	Workforce health	High	High	45
8	Financing and investor relations	High	High	26
9	Greenhouse Gas (GHG) emissions	High	High	49
10	Flared gas	High	High	49
11	Energy efficiency	High	High	48
12	Energy use	Medium	High	48
13	Water use	Medium	High	50
14	Human rights of employees and contractors	Medium	Medium	31, 34
15	Biodiversity and the marine environment	Medium	Medium	To be covered in 2017
16	Training and education of the employees	Medium	Medium	32
17	Local community development and engagement	Medium	High	17
18	Procurement practices to support local suppliers	Medium	High	27
19	Diversity, women's empowerment and equal opportunities	Medium	Medium	31
20	Nationalization and job creation	Low	Low	31
21	Research, development and innovation	Low	Low	32
22	Waste management	Low	Low	50
23	Grievance mechanisms	Low	Low	34



Sustainability Governance

Our corporate governance reinforces our adherence to the highest standards of accountability, integrity and fairness across our business. It also ensures we involve our stakeholders in our key business decisions to maintain strong relationships with them, based on transparency and trust. Our 2016 Annual Report, available on our website, articulates our commitment to transparent communication and provides a detailed account on our corporate governance framework.



Corporate Governance

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Our Governance Structure
International Advisory Board
Whistleblowing Mechanism

Environmental, Social and Government (ESG) Risk Management

25

Socio-Economic Performance

26

Supporting KRI's Access to Affordable Fuel
Prioritizing Local Procurement
Generating Stable Economic Returns

CORPORATE GOVERNANCE



"At Dana Gas, we believe that practicing effective corporate governance helps us to build trust and credibility with our stakeholders and to demonstrate our commitment to maintaining our reputation as a competent steward of the resources entrusted to us."

Patrick Allman-Ward, CEO

Our governance framework is guided by the company's Articles of Association, which are in line with the provisions of the UAE's Ministerial Resolution concerning Governance Rules and Corporate Discipline Standards. To increase our Board and Senior Management's robust oversight, we updated our governance practices in 2016 into a comprehensive framework that integrates our Organizational Structure, Risk and Internal Controls, and, Review, Audit and Assurance.

Dana Gas continually reviews and assesses its governance framework in view of the business performance, changes in legislations and best practices. In 2015, we commissioned Hawkamah³ Institute to audit the effectiveness of our corporate

governance practices in reference with the UAE Ministerial Resolution No. 518/2009. The review ranked us in the top quartile of the S&P/Hawkamah Pan Arab ESG Index rating, which monitors and tracks the ESG disclosures of the top 50 companies in the region. They provided recommendations for areas of improvement and we consolidated them into an action plan,



which we plan to complete by 2017. Our key efforts towards improving our transparency and accountability in 2016:



Published the new Corporate Governance Code SCA resolution number 7/R.M.



Updated the Terms of Reference of the Dana Gas Board Committees to comply with the new Corporate Governance Code



Updated the Corporate Framework to capture our organizational structure and internal controls

Our Governance Structure

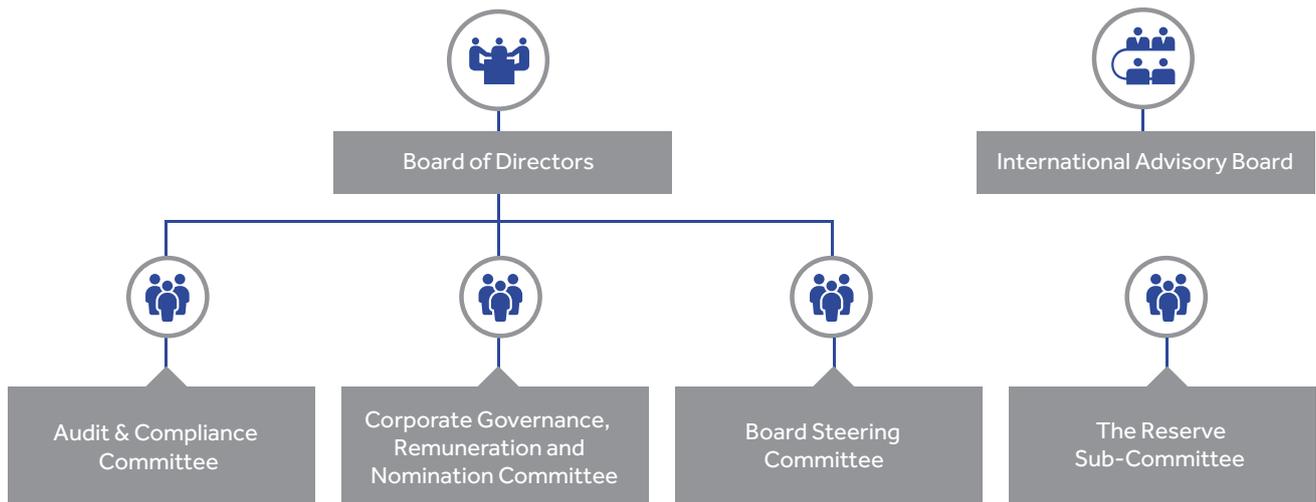
The Board of Directors has the highest authority over the company's risk management and stewardship on all related economic, environmental and

social policies and decisions. The three permanent Board Committees are responsible for overseeing the strategies, plans and policies as well as monitoring the

company's integrity and compliance in the areas of Audit & Compliance, Corporate Governance, Remuneration & Nominations and the Board Steering Committee.

³Hawkamah Institute is responsible for monitoring MENA's first Environmental, Social and Governance Index (S&P/Hawkamah Pan Arab ESG Index) in cooperation with Standard & Poor's. This exchange tradeable index monitors and ranks the transparency and disclosures of regional listed companies on Environmental, Social and Corporate Governance (ESG) issues based on their public disclosures. It includes the top 50 MENA companies based on their performance on nearly 200 ESG metrics, when compared to their regional peers.

Dana Gas's 2016 Governance Structure



The Board of Directors

The Board is independent from the management and is comprised of leading businesspersons from the GCC countries with technical and financial experience. From the 12 members of the Board, eight

are Independent Directors, three are Non-Executives and one is an Executive Director. At all times, we ensure that at least one-third of the directors are independent and the majority are in non-

executive positions. The Board is elected by the General Assembly every three years. In 2015, Mr. Hamid Dhiya Jafar was elected as the Chairman of the Board.



H.H. Sheikh Ahmed Bin Sultan Al-Qasimi
Honorary Chairman



Mr. Hamid Dhiya Jafar
Chairman



Mr. Rashid Saif Al-Jarwan
Vice Chairman and Chair for the Board Steering Committee



H.H. Sheikh Sultan Bin Ahmed Al-Qasimi
Director



Mr. Majid Hamid Jafar
Director of the Board



Mr. Varouj Nerguizian
Director & Chair of Audit and Compliance Committee



Mr. Said Arrata
Director & Chair of Reserves Committee



Mr. Abdulla Al-Majdouie
Director & Chair of CGR&N Committee



Mr. Ziad Galadari
Director



Mr. Nasser Al-Nowais
Director



Mr. Hani Hussain
Director



Ms. Fatima Al-Jaber
Director



Dr. Patrick Allman-Ward
Director & CEO

The Board Committees in 2016

The board has three permanent committees, each having a written charter setting out its scope and responsibilities:

- **Audit and Compliance Committee (A&CC):** The principal duties of the A&CC are monitoring the integrity of the company's financial statements, reviewing the financial and accounting policies and procedures of the Company and ensuring the independence of the Company's external auditor. It is also responsible for evaluating the integrity of the Company's risk management

and all the duties stated in the Ministerial Resolution No. 518/2009 and 7/R.M./2016.

- **Corporate Governance, Remuneration, and Nomination Committee:** The CGR&NC oversees the compliance of the Company, the General Assembly, the Board of Directors and executive management with the established corporate governance standards. The Committee assists the Board with the appointment of senior executives, appraisal of

management performance, succession planning and remuneration policies as well as the nominations and election of the Board of Directors' membership.

- **Board Steering Committee (BSC):** The BSC is responsible for setting the strategic direction of the company, and supporting activities in budgeting, planning, business performance, exploration and development. They facilitate the decision making process of the Board by submitting matters for consideration.

International Advisory Board

Dana Gas has adopted the concept of the International Advisory Board (IAB). The purpose of this Board is to provide strategic advice to the Board of Directors and the management, as well as to identify specific business opportunities and build relationships worldwide.

Whistleblowing Mechanism

Dana Gas established a whistleblowing mechanism whereby employees can anonymously raise complaints regarding weak administration, fraud or corruption. We have a dedicated Compliance Officer, leading the Business Ethics Sub-Committee, who is responsible for

addressing the complaints raised. All financial complaints are addressed to the Internal Controls & Risk Manager and promptly communicated to the Audit & Compliance Committee.



Pledge to Promote the Sustainable Development and Growth

In 2016, Dana Gas became a proud signatory of the Business Pledge that was launched by the Pearl Initiative during the regional forum 'Sustainability in Action: Business and the United Nations Global Goals'. The objective of the pledge is to promote a corporate culture of accountability and transparency as a key competitive driver for companies in the MENA region. The pledge calls on business leaders in the

region to make a public commitment and to adhere to the principles of ethical and responsible conduct when interacting with society.

The four commitments of the business pledge are:



01
Setting Targets for Sustainable & Responsible Growth



02
A More Inclusive Workplace



03
Promoting Integrity



04
Collaboration & Partnership



Investigative Study of the Hydraulic Fracturing and Seismic Activities Conducted by Dana Gas in Komombo, Egypt

From 2010 to 2013, Dana Gas was in a partnership to develop and produce oil from the small Komombo oil field, 100 km north of Aswan in southern Egypt. In 2013, the Fares village residents filed several lawsuits claiming damage to their water supply and drainage system. Dana Gas and its partners were named in the various suits.

The media coverage on the Fares village residents' claims increased in the news and posed a risk to our company's reputation. In response, we initiated a special engineering study conducted

by the reputable firm D'Appolonia in Q4 2015. It was a comprehensive study on the effects of Dana Gas and its partners' operations over the 3 or 4 years of seismic and hydraulic fracturing of several wells that are close to the village, at a distance of about 12 km away. The study proved that the impact from the seismic and fracturing activities did not impact the water systems of the Fares village. We made the D'Appolonia Report public, in English and Arabic, to the villagers, the legal and court system in Egypt as well as posting it on our DG website. The findings of

the independent study enabled us to challenge the ongoing lawsuits, of which many have already been dropped.

Going forward, DG aims to resolve stakeholder complaints preemptively and avoid such incidents from occurring. The Fares case has encouraged us to be more transparent and inclusive with our stakeholders. To avoid such confusion in public perceptions of our operations, we have designed stakeholder engagement platforms where grievances can be addressed early to cater to the concerns of the local citizens.

ENVIRONMENTAL, SOCIAL AND GOVERNMENTAL (ESG) RISK MANAGEMENT

The Oil and Gas industry has witnessed price volatility and uncertainty globally, with prices falling from USD 108 per oil barrel (bbl) in June 2014 to USD 30/bbl in February 2016. Our region of operations

faces geo-political instability and falling revenues due to the oil price slump. In these challenging circumstances, we find it critical to develop and adapt our ESG Risk Management to current scenarios for

continued business growth and profitability.

The key ESG risks that we currently manage include:

HSSE

Our ESG risk assessment highlights the importance of HSSE and our assets' integrity to our business performance. We actively manage the risk of a major Health, Safety, Environmental or Security incident that can lead to fatalities, closure of facilities and/or loss of production. HSSE incidents can negatively affect the balance sheet, profits and our corporate reputation. Most of all, the safety of our employees and contractors is a priority. We strive to ensure that our cost optimization strategy does not compromise our HSSE measures.

CORPORATE GOVERNANCE

We have an Integrated Governance Framework with clear accountability channels, transparency requirements and independence thresholds. Our Board, Audit and Compliance Committee review key strategic risks on a quarterly basis. The country general managers and the respective functional heads are accountable for identifying and managing these risks. Furthermore, the Executive Committee oversees their activities to make sure that risk management is an integral part of our day-to-day activities. Please refer to page 26 of our 2016 Sustainability Report for more details.

CORPORATE SOCIAL RESPONSIBILITY AND ALIGNMENT WITH STAKEHOLDER' INTERESTS

Our CSR focus is to improve healthcare standards and offer educational development for individuals in rural areas where the Company's concessions are located. We also conduct various stakeholder engagement activities such as public consultation meetings and offer formal and informal grievance procedure for raising issues and complaints. Please refer to our 'Local Livelihood and Society' section of our 2016 Sustainability Report for more details.

SUCCESSION PLANNING AND TALENT MANAGEMENT

We actively manage our staff value proposition so that we retain our talents and support their succession planning preemptively. We have developed numerous retention strategies such as finding the balance between work and family and promoting talent development and competency assurance. We are always looking to improve and welcome open communication and feedback from our employees.

COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS

Stringent compliance with applicable environmental regulations and legislation in the UAE, KRI and Egypt is an integral part of our daily operations. The HSSE Unit maintains a database of all legislation relevant to DG's business activities and ensure we operate in accordance with the environmental operating permits granted by the governments.

In 2016, our Executive Committee reviewed our business plan and emphasized including action planning to our company's risk register. We also seek to standardize our approach toward identifying ESG risks by end of 2018.

SOCIO-ECONOMIC PERFORMANCE



"Dana Gas plays a significant role in building economies and meeting energy demands of local communities in the countries of operation through development of hydrocarbons, foreign direct investments and royalty payments."

Chris Hearne, Chief Financial Officer

Supporting KRI's Access to Affordable Fuel

In 2014, Dana Gas and its partner, Crescent Petroleum, undertook a socio-economic assessment⁴ to understand the extended value generated from the Gas Project in KRI. The results indicated substantial contribution towards KRI's social and

economic development, mainly by helping KRI switch from diesel to natural gas as an affordable and reliable fuel as well as supplying two of KRI's major gas power plants, Erbil and Chemchemical.

Dana Gas's Benefits in KRI



GROWTH IN
**GDP ESTIMATED
TO BE BETWEEN
USD 6.2-15.5
BILLION**
SINCE 2006



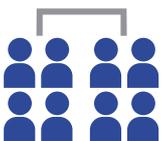
INCREASED THE
**RELIABILITY OF
ELECTRICITY TO
22 HOURS PER DAY,**
FROM 8 HOURS PER
DAY IN 2006



SECURED LOW COST
ENERGY SUPPLY TO
**FOUR MILLION
IRAQIS**



SAVED KRI'S
GOVERNMENT
**USD 3.4 BILLION
PER ANNUM IN
GAS-FOR-DIESEL
SUBSTITUTION**



**CREATED
40,000 JOBS**

AS A RESULT OF THE DIRECT,
INDIRECT OR INDUCED IMPACTS
OF THE DANA GAS AND CRESCENT
PETROLEUM OPERATIONS



AVOIDED
GREENHOUSE
GAS EMISSIONS
AMOUNTS TO USD 1.43 BILLION
DUE TO THE SWITCH FROM DIESEL
TO GAS SINCE 2008

Employing Local Businesses in KRI



DG provides energy to the surrounding villages and towns in its Kurdistan operations area, putting electricity back into the grid and benefitting society through job creation, building schools, and clinics. The Khor Mor Plant generates its own electricity and has a commitment to provide electricity to residents in the nearest village.

In 2016, our Khor Mor site utilized up to 70 tanker trucks to transport LPG, and as many as 70 trucks to transport condensate (NGL). Most of these truckers are independent and live in the immediate area of Khor Mor where their incomes support their families and the local economy. Over the past 8 or so years, through the direction of our JV, we provided CSR support to the local people with provision of enhanced services for transport, healthcare and education.

⁴ PWC "Assessment of Societal Benefits", Dana Gas and Crescent Petroleum Gas Projects in Kurdistan, December 2014.



"The benefits of our projects extend beyond the direct economic value generated, providing shared prosperity to our stakeholders across our value chain, in the form of job opportunities to nationals and local businesses as well as improved healthcare standards and educational development."

Azfar Aboobakar, Head of Financial Control and Reporting

Prioritizing Local Procurement

To the greatest extent possible, we work with local suppliers in Egypt, the UAE and KRI. We play an integral part in the economic development of the countries

of our operations by investing in local suppliers, creating job opportunities and building their capabilities. By 2017, we plan to monitor and track the percentage

of procurement budget spent on local suppliers in Egypt and the UAE.

Generating Stable Economic Returns

The longevity of our operations and market presence depends on our ability to grow a profitable business that meets our shareholders' expectations. This remains a high priority in our business outlook alongside securing financial liquidity, which requires ongoing collection of cash and outstanding receivables from our beneficiaries.

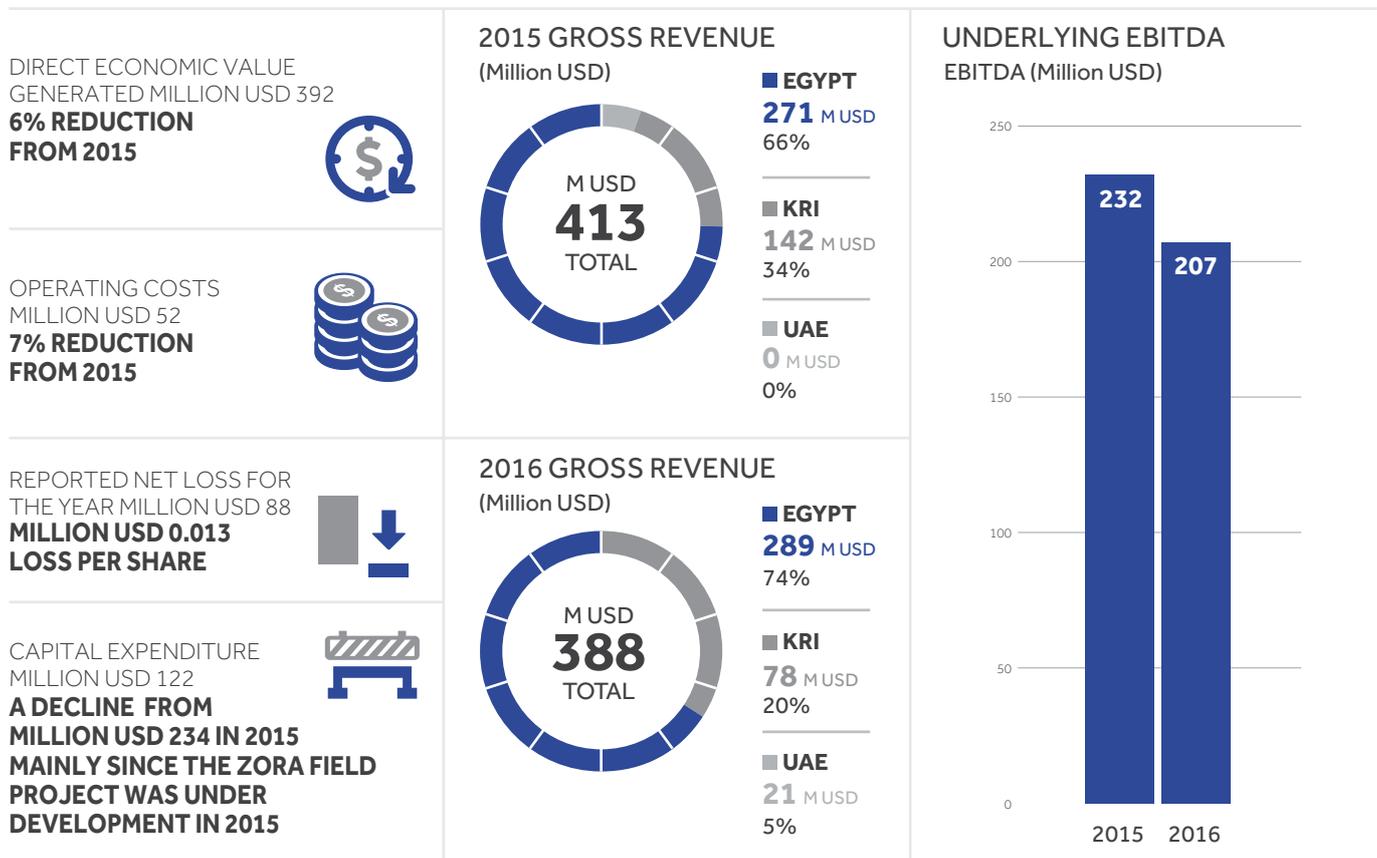
Despite the difficult macroeconomic backdrop and the continued geo-political challenges in the region, we managed to achieve growth in the overall group

production and maintained a healthy cash balance for all our shareholders. In 2016, our revenue was USD 392 million, which is 6% lower than 2015 primarily due to lower annual realized prices of O&G that reached USD 33 per barrel of oil equivalent (boe) in 2016 compared to USD 45 per boe in 2015.

In line with our prudent spending commitment set in 2015, we operated our assets as efficiently as possible, achieving a reduction in our operational cost by 7% and general overheads by 43% compared to the previous year. These efforts helped

us achieve stable performance despite further reduced O&G prices and overdue receivables.

For 2017, we plan to continue our cost optimization efforts with an emphasis on increasing profit, EBITDA and collections. In addition, we are planning some operational efficiency projects, such as the implementation of an HR and Payroll solution and the transformation of electronic banking to conduct all our bank transfers electronically in the future.



Our 2016 Annual Report includes details on our management approach, policies and procedures related to our financial reporting disclosures.



Social Responsibility

Our business success is derived from our employees' competence, dedication and well-being. To maintain our high performance work culture, we attract and retain the best talent through competitive employment packages, career development programs, and providing MENA regional project experience. We foster an inclusive environment that embraces cultural diversity.



Highlights



199 EMPLOYEES
7% REDUCTION
FROM 2015



16 DIFFERENT NATIONALITIES,
10 OF THEM HOLDING
SENIOR MANAGEMENT AND
EXECUTIVE POSITIONS



LAUNCHED A
**FORMAL AND INFORMAL
GRIEVANCE PROCEDURE**
FOR RAISING ISSUE AND
COMPLAINTS



83% OF OUR
EMPLOYEES HAVE
**PERMANENT
CONTRACTS**



**63% OF OUR TRAINED
UNIVERSITY INTERNS
WERE FEMALE**
STUDENTS FROM THE
UAE AND EGYPT



**16% FEMALE EMPLOYEES
AND 84% MALE
EMPLOYEES**

Our People

Diversity and Equal Opportunities
Training and Development
Engaging Our Employees
Grievance Mechanisms

30

Local Livelihood and Society

Our CSR Activities

35



OUR PEOPLE



"Being an equal opportunity employer, our workplace policies and practices provide an inclusive environment where everyone can participate, contribute and develop freely and equitably. These values helped us build and maintain the diverse and robust community that is Dana Gas."

Ramganes Srinivasan, Head of Human Resources

Our Commitments for 2017

- 

Hiring of UAE female national employees

01
- 

Roll out the Corporate Code of Conduct and Workplace policies

02
- 

Implement one more round of internship training in 2017

03
- 

Revamp and bolster Human Resources (HR) policies at group level

04
- 

Roll out a common Company wide HRMS

05

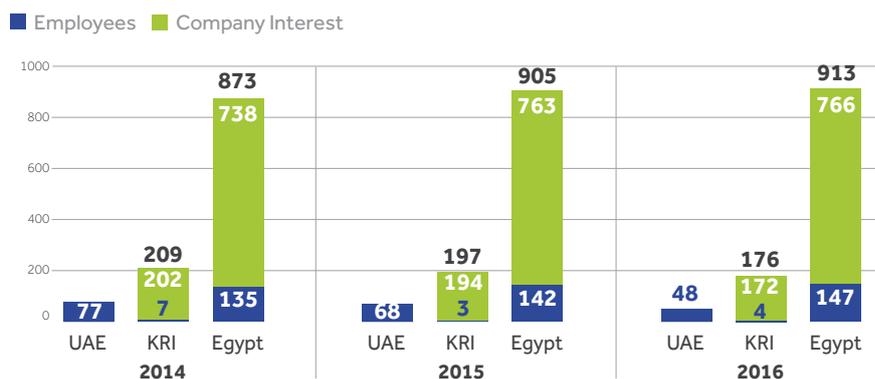
By end of 2016, our team was comprised of 199 employees with the majority, 73%, located in Egypt followed by 24% in the UAE and 2% in KRI. Our overall workforce had a 7% decline from 2015 mainly due to voluntary attrition and an end to fixed employment contracts in the UAE. We continued to hire new staff to support us in our operations, including 11 new employees of which two are female.

Through permanent contract hiring we provide job security to most of our employees (83%). Employees on a temporary contract over a fixed project period represent 17% of our workforce.

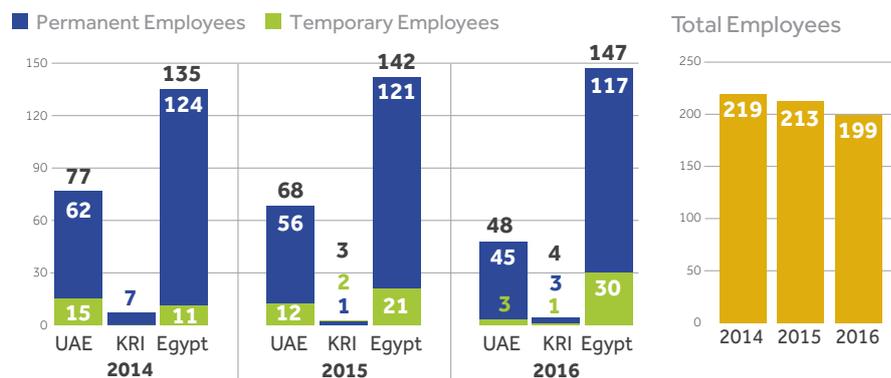
We are part owners in several Joint Ventures in our upstream operations, either in the form of financial or operational shares. In that case, we report on our equity share of employees on Full Time Equivalent (FTE) units in our official reports.

In our sustainability reporting boundary for 'Our People' we only include our Dana Gas employees, and exclude our equity share employees as they are not covered under our recruitment, performance management, training, and other HR policies.

Dana Gas Employees and Company Interest*



Dana Gas Employees by Type of Contract Total



*In an effort to make our reporting boundaries consistent with our financial reports, we include DG's company interest employees in the total number of employees, accounted under our JVs through equity share, in KRI and Egypt. More details on our JV and Equity Share is available in DG's 2016 Annual Report.

Diversity and Equal Opportunities

Our diverse workforce represents 16 nationalities from North America, Europe, North Africa, the Middle East and Asia with 10 different nationalities represented at senior and executive level. We believe that their unique combination of skills and experiences creates an innovative and productive work environment as well as better decision making.

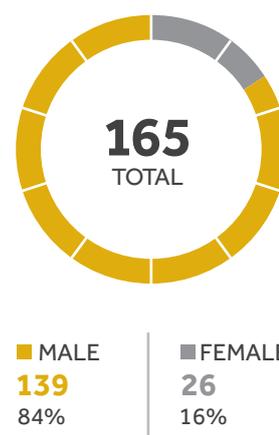
Our policies, practices and Code of Conduct under development, reinforce our inclusive work environment and our zero tolerance towards discrimination. Our Human Resources team encourages open communication and equality. They also ensure our employees' concerns and feedback are addressed. Our grievance mechanism section provides more details.

All our permanent employees are entitled to healthcare, parental leave, long-term financial and non-financial incentives, children's education support and annual travel benefits. In 2016, all four of our employees who were entitled to parental leave returned to our workplace.

The O&G sector has the lowest women representation among all other sectors and faces many challenges in reaching gender balance, globally and regionally. With women accounting for 16% of our total workforce in 2016, we continue to face similar employment challenges due to the nature of our operations and the demographics of the areas we are located in.

In an effort to build a strong UAE female workforce in the O&G sector, we provided internship and field training opportunities to 32 university students, of which 20 were female students, in Egypt and the UAE in 2016. To increase our female-to-male ratio, we set a commitment to recruit a minimum of two Emirati female candidates by 2017, in the UAE office. We also aim to provide incentives and opportunities, specifically in technical roles, to include more women in DG's leadership positions in the next few years.

Gender Breakdown of Our Long-term Employees in 2016





Investing in the Future of Female Emirati Talents in the O&G Sector



In 2016, Dana Gas hosted an intensive student internship program and field training for nine female students from the Sharjah Women's Higher College of Technology and the American University of Sharjah (AUS).

The internship program led to the participation of five AUS Chemical Engineering students in a practical engineering design project on the safe disposal of DG's produced water. The project commenced in Q4 2016 with AUS's Chemical Engineering Faculty supporting us in preparing an engineering design proposal, with options to handle, treat, and dispose the wastewater at the Zora Gas Plant.

We look forward to the findings and proposed solutions on optimizing the way we currently handle wastewater, once the students complete the project in the second quarter of 2017.

A testimony from one of the university students:

"The project handed to us by Dana Gas not only gave us a wonderful opportunity to apply the engineering skills and knowledge that we have, but also allowed us to experience the various factors that need to be considered while solving a real life problem a plant faces."

Aysha Nafeer
Chemical Engineer Student in AUS

Training and Development

Our business success depends on our employees' ability to achieve their full potential. We encourage them to enroll in various learning and development opportunities within our well-rounded

70:20:10 capacity building model. This model illustrates our training breakdown between on-the-job training (70%), mentoring (20%), and on a need-for-basis, training courses (10%).

In 2016, our employees received an average of 6 hours of formal training per employee, which is a 40% reduction from 2015, as a result of placing higher emphasis on on-the-job training for effective upskilling.

Average Hours of Formal Training per Year per Employee



70%
ON-THE-JOB
TRAINING

20%
MENTORING

10%
TRAINING
COURSES

To cost optimize our HSSE trainings, we invested in our internal HSSE leaders by training them through Train the Trainers courses in several disciplines. This reduced our dependence on external entities and allowed us to conduct most of our HSSE courses in-house, wherever applicable and achievable, in light of prudent budget spending.

**ALL OUR EMPLOYEES
RECEIVE REGULAR
PERFORMANCE AND
CAREER DEVELOPMENT
REVIEWS**



The List of Training Programmes Covered in 2016 for Our Employees and JVs



Food Safety - ISO 22000
Internal Training



Crisis Management and ERP Awareness
Internal Training



Defensive Driving Course
External Training



Various HSSE Trainings and Comprehensive Competency Development Programs

(Internal Training):

- Behavior Based Safety
- Permit to Work
- Risk Assessment
- Safety Observations



Emergency Response Training Drills
(Internal Training)

Engaging Our Employees

Having open dialogues with our employees gives us an opportunity to receive their feedback, which ultimately improves our working methods and inclusiveness. In our regular staff Town Hall sessions we

share our operational and financial results as well as provide updates on changes and progress that affect them and the company.

Towards the preparation for our 2017 sustainability report, we started capturing the attrition statistics, both voluntary and involuntary, in a comprehensive manner.

Our Employee Engagement Initiatives Support Our HR Objectives Towards:



Equality, tolerance, and development



Talent attraction and employee retention strategies



A collaborative workplace where there is cultural diversity



Talent development and competency assurance



Programs for performance management and evaluation



Improve operational and behaviour changes



Employee engagement, open communication and feedback



A work environment that invites everyone's 'right to question'



Sharing of ideas and opinions



Encouraging the right balance between work and family



Working safely and respecting the environment

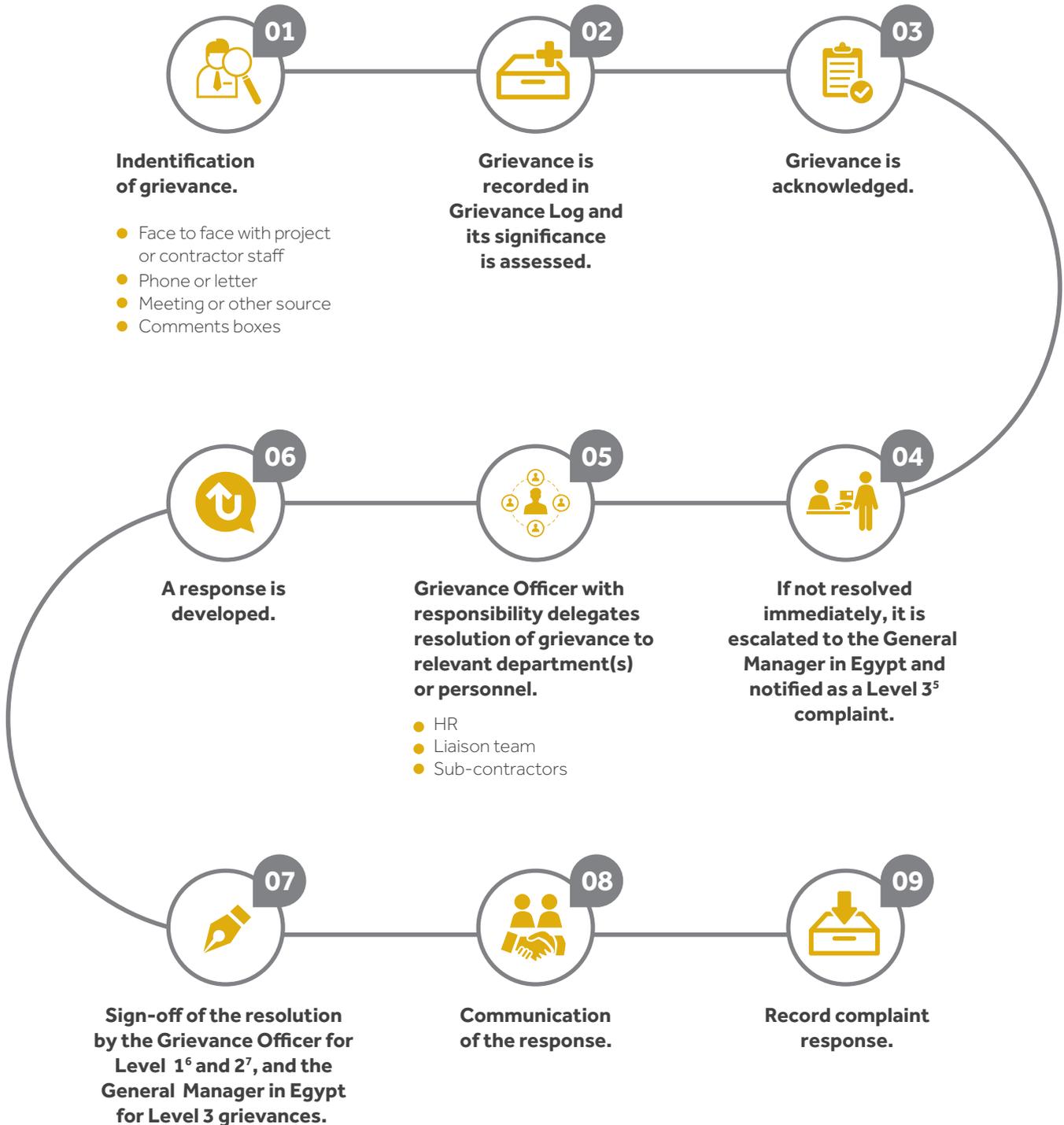
Grievance Mechanisms

In 2016, we took significant strides towards fostering a culture that encourages transparency and integrity of our employees and local communities. We developed a formal and informal grievance procedure for raising issues and complaints within our Stakeholder Engagement Plan (SEP) to apply in our areas of operations.

Our grievance procedures will help us proactively identify and manage potential risks, by assessing our project operations and identifying anticipated impacts. This ensures we take appropriate actions and resolutions beforehand. For example, non-fulfilment of contracts, compensation for loss or injury, or damage to assets that need to be preemptively managed.

For our operations in Egypt, we nominated our HR and Community Liaison Officers as our Grievance Officers, based at the South El-Manzala station and El Wastani Plant, and HR based in Cairo. All grievances raised are channeled through them before reaching the relevant person. To date in 2016, Dana Gas has not received any complaints related to unethical labor practices.

Our Grievance Procedure for Field Operations and Communities in Egypt



⁵ A Level 3 complaint is a one-off complaint that results in a serious breach of DGE's policies or national law.

⁶ A Level 1 complaint includes issues that do not require compensation and that can be resolved through face-to-face meetings.

⁷ A Level 2 complaint includes widespread and repeated issues that are already being addressed proactively and where resolution is readily achievable.



LOCAL LIVELIHOOD AND SOCIETY



“Dana Gas, as a priority, is focused on delivering sustainable long-term value to its stakeholders, while making a positive contribution to the communities with which it engages and considers as partners.”

Bruce Basaraba, Head of HSSE and Sustainability

In a resource-extractive industry, we make sure that we give back to the people, contribute to local economies and transport our products safely. The very starting point of our Corporate Social Responsibility (CSR) activities is stakeholder engagement, such as our field assessment trips that assess community needs and inform our project focus. CSR has been part of our DNA since our beginnings in 2005 and it maintains our social license to operate. Over time, it became integrated within our business instead of operating as a silo.

Our community efforts are aimed at improving healthcare and education standards in rural areas of our concessions, both financially and non-financially. We organize staff visits to communities during which we conduct knowledge sessions with

educational institutes, hospitals and local entrepreneurs to increase their awareness about the environment, health, safety and wellness. Sometimes the activities are large scale but often it is as modest as

arranging a fun day with orphanages and disabled children's centres. In 2016, we spent USD 205,000 to continue running our local communities programs in KRI and Egypt.

Our Commitments for 2017

- | | | | |
|---|--|--|--|
|  <p>Road safety awareness campaigns</p> <p>01</p> |  <p>Knowledge transfer and training and awareness sessions about the oil and gas industry at schools</p> <p>02</p> |  <p>Environmental and waste recycling initiatives and partnerships</p> <p>03</p> |  <p>Improved public health, safety, security and environment awareness and practices</p> <p>04</p> |
|---|--|--|--|

Our CSR Activities



Sharing knowledge and improving education in our communities



UAE

We have a partnership with the American University of Sharjah and the Sharjah Higher Colleges of Technology for Women to develop youth through internships and design projects.



EGYPT

We have made a financial contribution to the development of improved public education services.



KRI

We support schools by providing school buses, stationery and financing renovation works.



Providing support to our local economies and stakeholders



We have partnerships with local and nationwide associations that have created jobs and improved lives by:

- Providing entrepreneurs with micro finance opportunities to support local businesses and employment growth
- Supplying Qadir Karam town and 5 villages with electrical power
- Providing fuel for generators to villages that are not linked to electricity lines
- Providing access to clean potable water supplies for villages
- Funding the draught projects in Qadir Karam



Supporting social and healthcare infrastructure in our communities



Across various countries of our operations, we have made financial contributions towards:

- The temporary youth employment arrangement: DG hired 10 local persons in Qadir Karam on a temporary basis
- Providing machinery /equipment as requested by nearby communities
- Supporting orphaned children programs
- Providing supplies to mosque and shrines
- Maintaining local access to roads
- Sponsoring local sports teams
- Supporting the Municipality and Community in Qadir Karam
- Arranging "Meet the Zora Gas Plant neighbors"
- Creating mutual cooperation with Sharjah Civil Defense
- Supporting hospitals in Erbil, Qadir Karam and Chamchamal

In 2017, we will continue to support the communities we operate in. In addition to the above, we are planning to provide

several in-kind contributions such as internship and training opportunities for students in local universities, support with

additional power supply, and health and safety awareness sessions.

04

Operational Excellence

Dana Gas, as part of the world's gas sector, manages health and safety risks associated with the daily routine of handling hydrocarbons and toxic chemicals, physically demanding jobs, harsh work conditions and exposure to other hazards such as vibration and noise. Our operations in the UAE, Egypt and KRI expose our employees, contractors and assets to additional risks associated with extreme temperatures, dust and humidity.



Highlights



COMPLETED THE **ZORA GAS PLANT WITH 1,000,000 MAN HOURS AND ZERO RECORDABLE INCIDENTS**



ROLLED OUT AN **HSE TRAINING AND COMPETENCY PROGRAMS** FOR EMPLOYEES AND CONTRACTORS ACROSS THE GROUP



ENSURED ZERO INJURIES AND FATALITIES AMONG OUR EMPLOYEES



RECEIVED **OHSAS 18001 CERTIFICATION** FOR OUR DANA GAS CORPORATE OFFICE IN SHARJAH



NO MAJOR HYDROCARBON SPILLS TO THE ENVIRONMENT



47% OF OUR HAZARDOUS WASTE WAS RECYCLED BY VENDORS



TOTAL ENERGY CONSUMPTION **AMOUNTED TO 126,087 GJ**



TOTAL WATER FOOTPRINT OF **56,983 M³ SOURCED FROM WELLS AND MUNICIPAL SOURCES**

Health and Safety

40

DG's 2016 Progress on OHSAS and ISO Certifications
Occupational Safety
Upholding Our Employees Security While Driving on Road
Process Safety and Asset Integrity
Emergency Preparedness
Workforce Health

Environment

46

Environmental Management Approach
Compliance with Environmental Legislation
Accidental Spills to the Environment
Energy Consumption
Greenhouse Gas Emissions (GHG)
Flared Gas
Waste Management
Water Consumption



HEALTH AND SAFETY

Safeguarding our employees' health, safety and security is a priority in our business strategy and paramount in everything we do. Our ambition is to secure a safe

working environment, which guarantees zero incidents and loss of primary containment across all our operations. This is equally important for our operational

continuity, the safety of our communities, regulatory compliance and sound reputation.

Our Commitments for 2017



01 Improve our contractors' HSE performance and results



02 Achieve zero uncontrolled spills



03 Achieve zero security incidents



04 Introduce fit-for-purpose HSSE and Asset Integrity KPIs across all countries of operation

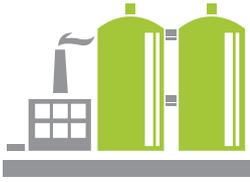


05 Introduce Behavioral Based Safety (BBS) to WASCO workforce at El-Wastani Plant in Egypt



06 Maintain SajGas Processing Plant under preservation mode in the UAE

Key Highlights for 2016



COMPLETED THE
ZORA GAS PLANT
WITH **1,000,000 MAN**
HOURS AND ZERO
RECORDABLE
INCIDENTS



ROLLED OUT AN
HSE TRAINING AND
COMPETENCY PROGRAMS
FOR EMPLOYEES AND
CONTRACTORS ACROSS
THE GROUP



ENSURED ZERO
INJURIES AND
FATALITIES
AMONG OUR EMPLOYEES



RECEIVED
OHSAS 18001
CERTIFICATION
FOR OUR DANA GAS CORPORATE
OFFICE IN SHARJAH

An Account on Our Key Material Aspects by Our Employees

OCCUPATIONAL SAFETY



"Our improved safety performance was the result of having effective management controls and committed leadership and making safety as the overriding factor in managing risks."

KHALED FARID

HSSE Manager, Dana Gas, Egypt Office

EMERGENCY PREPAREDNESS



"We never want to have an emergency situation occur, and we don't plan to have emergencies, but if something does get out of hand, our people are ready to respond."

BRUCE BASARABA

Head of HSSE and Sustainability

PROCESS SAFETY AND ASSET INTEGRITY



"The objective of our asset integrity system is to ensure that our assets are safe and meet acceptable reliability standards over the whole lifecycle of the asset."

MERVYN CHASE

UAE Operation's Manager

WORKFORCE HEALTH



"There is nothing as important as the health and wellbeing of our employees. We strive to ensure all employees come to work healthy and go home each day healthy."

FATIMA AL OBAIDLY

External Affairs Manager and Investor Relations Officer, UAE

We follow a comprehensive HSE Management Framework devised by our Health, Safety and Environmental policy⁸. Our HSE framework includes an Operating Risk Management System Framework (ORMS), operating practices and HSSE standards, keeping us well positioned to

maintain As Low As Reasonably Practicable (ALARP) risks across our operations. In 2016 we successfully obtained the international recognized OHSAS 18001 certification of the Dana Gas Corporate Safety Management System (SMS). The SMS provides the required safety

management policies and procedures to manage and control the safety risks and controls for a safe operation. We complement these efforts with awareness programs and HSE trainings to support our employees in adhering to our safety policies and procedures.

⁸ DG's HSE policy is accessible at: <http://www.danagas.com/en-us/HSSE/Dana%20Gas%20HSE%20Policy%20-2016.pdf>

The Health, Safety, Security and Environment (HSSE) Unit is entrusted with the responsibility of ensuring all employees are trained and competent with company safety policies and procedures. The HSSE

Unit develops and monitors annual HSE plans, inclusive of standards and targets. These are shared across our departments to support company-level efforts towards building a safe workplace. All our

employees are responsible for improving our HSSE performance and adhering to DG's safety related procedures as a minimum standard.

Our HSE Management Framework

DELEGATION AUTHORITY:

Board of Directors

01
Policy and Strategy

The Policy provides the highest level statement from the Executive Management of Dana Gas. It is supported by the Group HSSE Strategy.

Chief Executive Officer

02
ORMS Framework and Manual

A set of mandatory Requirements of the Business that: describe how we manage HSSE and Asset Integrity at all stages of the Asset Lifecycle and in our day to day business. They form the basis for Group Operating Practices and Standards.

Technical Director and Head of HSSE

03
Operating Practices
HSSE Standards

Practices set out how we will operate, Standards set out the quantitative or qualitative level to which we will operate. Both aim to ensure that we achieve ALARP level of risk in everything that we operate in a common manner across the Group.

Country Manager

04
Assess Local HSSE Management Systems

Roles, responsibilities and accountabilities are established to ensure that the Dana Gas ORMS is adopted at the local asset level and in all activities undertaken by the Company.

General/Asset Manager

05
Local HSSE Procedures

Local procedures developed at the asset level describing how risks are managed and how compliance with the ORMS will be delivered.

DG's 2016 Progress on OHSAS and ISO Certifications

UAE	Egypt
<ul style="list-style-type: none"> Dana Gas Corporate Office in Sharjah received OHSAS 18001 certification for the Corporate Safety Management System Exterran, the Operation and Maintenance contractor for the Zora Gas Plant, received OHSAS 18001, ISO 14001 and ISO 9001 standards for HSEQ Management System 	<ul style="list-style-type: none"> Dana Gas Egypt passed the mandatory compliance audit of OHSAS 18001 and ISO 14001 standards for the HSE Management Systems WASCO, our operator of El Wastani Plant assets in Egypt, was recertified to OHSAS 18001 and ISO 14001 for the HSE Management System

Our 2016 Annual Report includes details on our HSSE risks and the measures we have taken to reduce them in page (27).

Occupational Safety

During 2016, we focused our efforts on reducing the inherent safety risks across operations and processes. We achieved this through increasing our number of safety observations, management site visits and the efficiency and timely close out of actions from incident investigations.

Our main progress on occupational safety included the completion of comprehensive Quantitative Risk Assessment (QRA) Studies in Egypt and the UAE, an ESIA Study in Egypt and a Hazard and Operability

Study (HAZOP) for all operations. By end of 2016, we maintained zero recordable injuries and fatalities among our employees and reduced the number of high potential incidents by 36% with our proactive incident investigation and prevention. However, our contractors' Total Recordable Injuries Frequency (TRIF) increased from 0.18 to 0.36 due to the challenges we continue to face in unifying our contractors' safety procedures and practices with ours, particularly in Egypt and KRI.

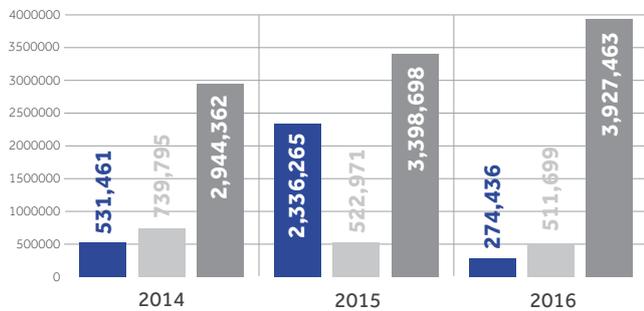
To improve our contractors' safety and management performance, we aim to focus on their safe behavior and intervention by 2017. Some of the initiatives taken to improve those include:

- Providing a list of project requirements for HSSE standards and procedures
- Monitoring the contractors' compliance with our Journey Management Procedures
- Requiring HSSE Competency for the contractors' employees

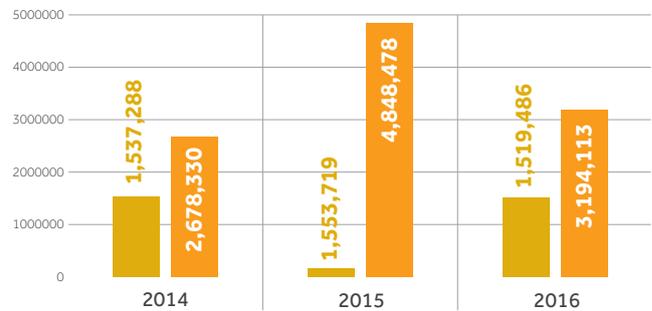
Occupational Safety

■ UAE ■ KRI ■ Egypt ■ Employees ■ Contractors

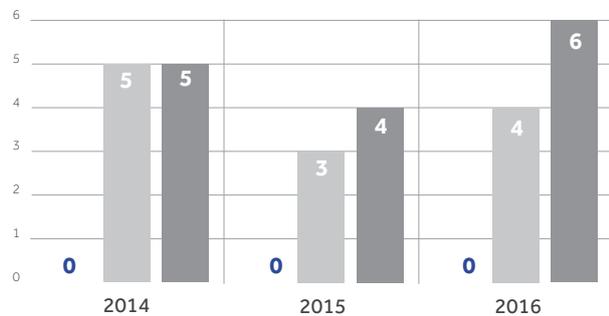
Man-Hours⁹ by Location



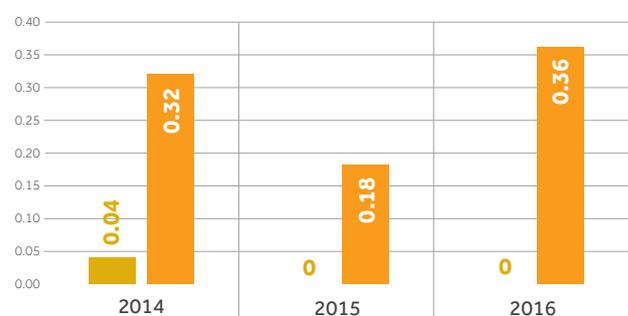
Man-Hours Breakdown by Work Group



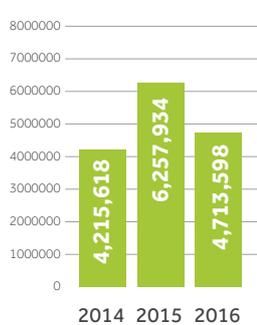
Recordable Injuries



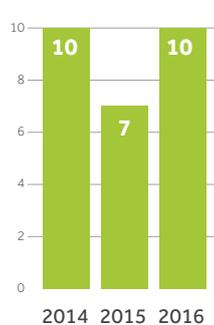
Total Recordable Injuries Frequency (TRIF¹⁰)



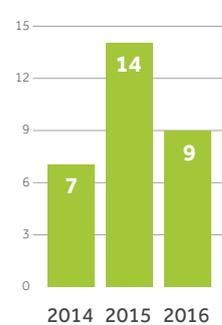
Total Man-Hours



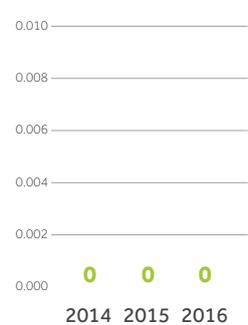
Total Recordable Injuries



High Potential Incidents



Fatalities



⁹ The Man-hours worked covers 100% of operations in Egypt and the UAE and 35% coverage for KRI based on our equity share approach

¹⁰ TRIF is calculated based on the number of recordable injuries per 200,000 Man-hours worked



Conducting a Major Drilling Campaign in Egypt with Zero Injuries

In line with our business growth plans and GPEA project, we conducted a major drilling and construction campaign to increase our gas and condensate production. This program included

drilling of 12 wells in Egypt along with a well tie-ins, pipeline expansion activities and upgrades to the existing gas production equipment.

Throughout our activities, we focused on upholding high HSE performance and results. Our no major injuries record demonstrates this commitment.

Upholding Our Employees Security While Driving on Road

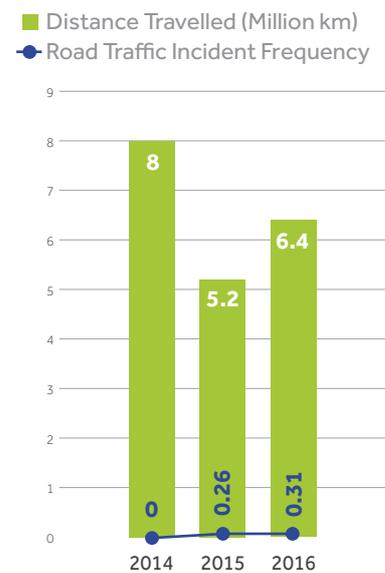
Integrating security measures for driving in our HSSE management system is critical, particularly when our assets are located in areas where there are poor road conditions, remote destinations and with unstable socio-political conditions. In 2015, we developed a Journey Management Plan to minimize all possible risks resulting from road journeys in Egypt. It outlines the approval process, procedures required to organize trips from offices to field sites, all possible hazard scenarios and ways to mitigate them.

These efforts are supported with a car tracking system as well as a personal tracking device for our employees. In 2016,

we implemented a Journey Management System in the UAE for the SajGas operation. Credan, our operating partner in KRI, has maintained a strong Journey Management System in Kurdistan since the beginning of the project there.

All employees are required to follow the Dana Gas Journey Management System for their site visits. We are also working towards reducing our contractors' road incidents by ensuring they similarly follow our Journey Management Procedures. There is a "no night driving" policy strictly enforced at our operations in Egypt.

The Distance Travelled and Road Traffic Incident Frequency for 2014 - 2016



Process Safety and Asset Integrity

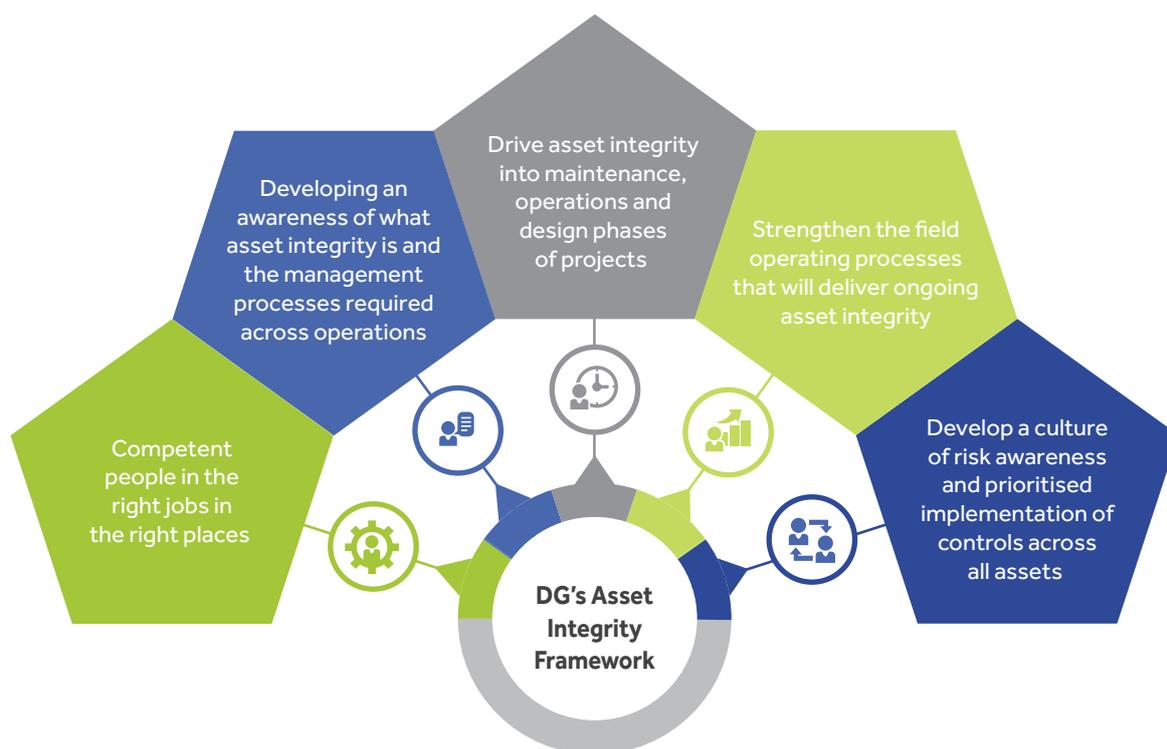
Weak asset integrity of critical process related equipment can lead to weaknesses in hydrocarbon containment, causing uncontrolled release of gas or liquids, which increases employees' and assets' exposure to incidents across the production lifecycle. Five of DG's top risks are linked with asset integrity management. These include asset performance, succession planning, corporate reputation, access to

new gas markets and HSSE performance. Therefore, the need to extend the life of our existing assets has become more relevant and important when considering our production continuity and growth.

In 2016, we developed a structured Asset Integrity System for Kurdistan, Egypt and the UAE. This was comprised of the following:

- An asset integrity framework for Zora Gas Plant in the UAE operations and WASCO operations in Egypt
- A fit-for-purpose HSSE and asset integrity KPIs that were included in DG's scorecard
- Action plans to formalize asset integrity for the Khor Mor operations focused on the reliability of rotating equipment and corrosion management

DG's Asset Integrity Framework



Emergency Preparedness

Each of our countries of operation has an Emergency Response Plan. This includes El Wastani Plant in Egypt, which is under the direction of WASCO, our operator in Egypt, and Zora Gas Plant which is under the control of Exterran, our operator in the UAE. In KRI, Khor Mor Plant has a full

emergency response plan controlled by the Plant's HSE and Security unit.

We conduct regular drills and practices as well as regular training sessions with management. The Civil Defense team is included in some of the drills, in particular

at Zora with the Sharjah and Hamriya Civil Defense. In Egypt for El Wastani Plant, the local police and military are also included in the process as well as fire and medical aid teams in the Governorate.

Workforce Health

We make every possible effort to secure a healthy working environment in our workplace to keep our employees motivated and productive.

In 2016, we conducted a series of health awareness campaigns to sustain an optimal health status for our workforce. These include:

- In KRI the focus was on hygiene and sanitation, shiftwork tips and personal wellbeing
- In the UAE the focus was on personal wellbeing and fitness, and stress management
- In Egypt:
 - o Medical check-up for all staff
 - o Conducted HSE training campaigns to improve safety awareness and culture. For example, pinch point, hand injury, on-job safety coach program, drops
 - o Identified all potential health risk for facility workers through blood test -including Mercury traces
 - o Conducted a hygiene audit on in our office in Egypt by third party (SGS) through Admin Department (on monthly basis)
 - o Communicating health tips to all our employees in Egypt

ENVIRONMENT

We recognize the environmental impacts inherent in our exploration and production activities and take all necessary measures to identify and minimize them. Our impacts on the environment include,

but are not limited to, water withdrawal, effluents and waste from drill cuttings and drilling mud, noise generated from plant equipment and vehicles, and emissions released to atmosphere from venting,

combustion and flaring. To the greatest extent possible, we mitigate impacts under our direct control and within our sphere of influence.

Our Commitments for 2017



GHG emissions monitoring to record and analyze emissions

01



Develop a wastewater treatment facility in KRI's site

02



Conduct public consultation meetings for new planned projects in Egypt

03



Look for ways to reduce energy consumption at our facilities

04



Find ways to reduce emissions at the gas processing plants

05



Implement methods to reduce wastes that are produced at the operations

06



Align our Environmental & Social Impact Assessment (ESIA) processes with international requirements

07

Key Highlights for 2016



NO MAJOR HYDROCARBON SPILLS TO THE ENVIRONMENT



47% OF OUR HAZARDOUS WASTE WAS RECYCLED BY VENDORS



TOTAL ENERGY CONSUMPTION AMOUNTED TO 126,087 GJ



TOTAL WATER FOOTPRINT OF 56,983 M³ SOURCED FROM WELLS AND MUNICIPAL SOURCES



"We continually review and improve our environmental management approach to ensure we deliver reliable, affordable and clean fuel with minimum risks and impact on the environment."

Bruce Basaraba, Head of HSSE and Sustainability

An Account on Our Key Material Aspects by Our Employees

ACCIDENTAL SPILLS TO THE ENVIRONMENT



"We encourage a safe and cautious culture that supports a 'zero hydrocarbon spill' objective within our operations through a comprehensive plan and set of measures."

MICHAEL PYSZKA
GM Dana Gas Egypt

GREENHOUSE GAS EMISSIONS (GHG)



"Monitoring our GHG emissions is a significant initiative towards reducing the impact of our operations on climate change."

PATRICK ALLMAN-WARD
CEO

FLARED GAS



"Flaring contributes substantially to GHG emissions. Therefore, we strive to reduce them by optimizing our day to day operational activities."

MERVYN CHASE
UAE Operations Manager

ENERGY CONSUMPTION



"We continue to explore opportunities to reduce our energy demand and consumption both within our operations as well as in our facilities."

IMAN HILL
Technical Director, GM UAE & President Egypt

Environmental Management Approach

As part of our comprehensive HSSE Management Framework, the HSSE unit is responsible for our Environmental Management System (EMS). The unit determines the significant environmental impacts of our activities by conducting environmental impact assessment studies

for our projects followed by ongoing monitoring and evaluation of impacts. Our EMS in the UAE and Egypt are in line with the ISO 14001 requirements and include environmental performance plans, procedures and documentation controls.

Acknowledging the need to proactively measure and improve the tracking of our environmental performance, we set a commitment for 2017 to increase our environmental KPIs and onsite-tracking devices and targets.

Compliance with Environmental Legislation

We comply with the applicable environmental laws and regulations in the UAE, KRI and Egypt by consolidating and monitoring our operations against a comprehensive framework of legal requirements. In cases where environmental grievances are raised, we commission third party studies to test their validity, and we plan mitigation actions, if required.

In 2014, we received a series of lawsuit claims against one of our completed joint ventures in a region called Komombo in Egypt. Residents of a nearby village raised concerns on having negative impacts on their ground water resources as a result of our seismic and hydraulic fracturing activities. In 2015 and 2016, we commissioned a third party, D'Appolonia,

to conduct a thorough study¹¹ on the purported negative impacts of our operations. The study results confirmed that our seismic and fracturing activities had no impact on the water systems of the village. Based on those findings, many of the lawsuit claims are now being withdrawn.

¹¹ The D'Appolonia Report is made publically available, in English and Arabic, to the villagers, the legal and court system in Egypt as well as our website.

Accidental Spills to the Environment

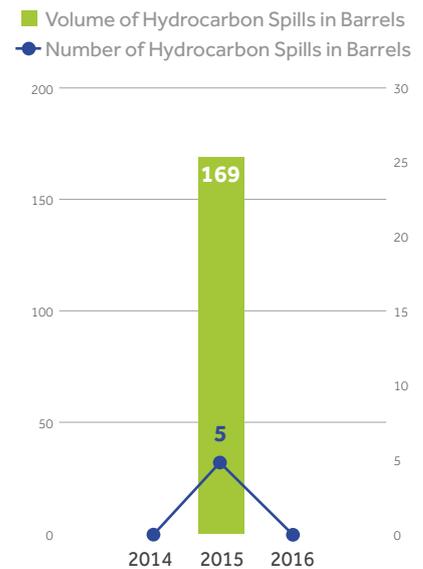
Oil or gas leaks may happen during our project development/set-up phase and, to a much lesser extent, at operation sites. During the development of any exploratory project, accidental spills can occur from vehicles, generators, storage tanks and refueling areas. In operations, leakage can occur from accidental damages, aging facilities and human error.

Dana Gas is committed to minimizing the number and volume of hydrocarbon spills as low as reasonably practicable. Our hydrocarbon spillage risks have a small to medium potential impact on the nearby

soil and environment. We mitigate these risks by implementing spill mitigation plans and maintaining good behavior and housekeeping on site.

In 2016, we made significant efforts to reduce hydrocarbon spills, particularly in Egypt where most of them were occurring. As a result, we achieved a record of zero spills this year mainly due to aligning our spill response plan requirements with BP's requirements, one of our joint ventures in Egypt, and introducing new emergency drills that prepare our team for spill prevention and containment.

Number of Hydrocarbon Spills and Volume in Barrels



Energy Consumption

Energy conservation is imperative in the O&G industry given it is the most energy-intensive of all industrial processes. We recognize the huge opportunities for efficiency improvements in our operations and seek to adopt efficient practices to make the best use of our natural resources.

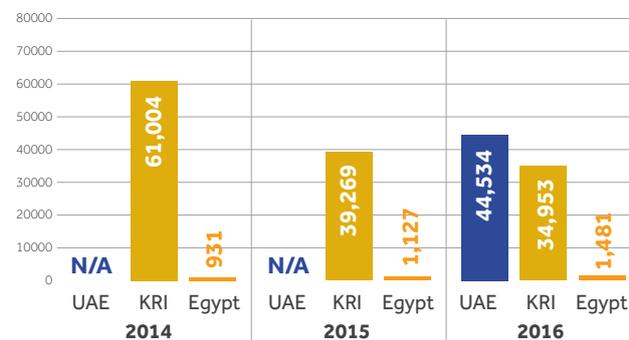
Our primary form of energy consumption is sourced from direct energy sources (diesel and natural gas). Natural gas is combusted for plant process requirements whereas diesel is used for onsite and offshore diesel generators, remote water pumps, drilling rigs, and some company/contractor vehicles. Indirect energy refers to electricity imported to our operations and offices from a local utility provider.

In 2016, our total energy consumption amounted to 126,087 GJ, which is a significant increase from 41,062 GJ in 2015 due to commissioning our new Zora Gas Plant in the UAE in February 2016 and expanding the scale of our operations in Egypt, including drilling 12 new wells.

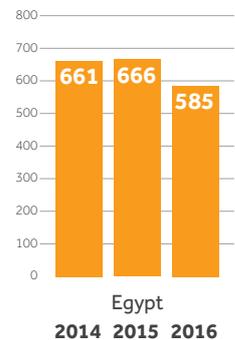
Energy Consumption

■ UAE ■ KRI ■ Egypt

Direct Energy (GJ) from Non-renewable resources (Diesel and Natural Gas)



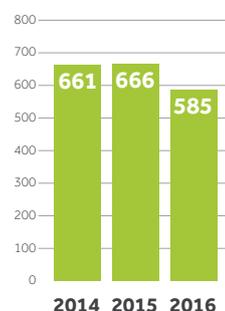
Indirect Energy* (GJ) from Imported Electricity



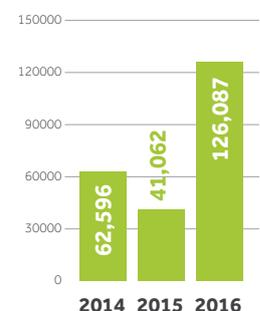
Total Direct Energy Consumption (GJ)



Total Indirect Energy Consumption (GJ)



Total Energy Consumption within our Organization (GJ)



*We only import electricity for our operations in Egypt.



"We have plans to utilize solar energy in remote areas, such as the offshore Zora platform well, to generate power to instruments, controls and lighting."

Bruce Basaraba, Head of HSSE and Sustainability

Greenhouse Gas Emissions (GHG)

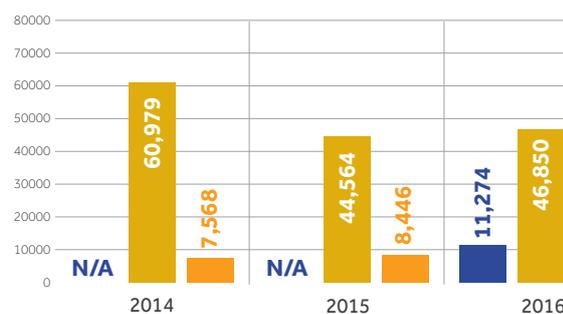
We recognize the negative implications of GHG emissions on the global climate and environment. As part of our commitments on climate change, we seek to monitor, track and reduce our emissions. Our GHG emissions include carbon dioxide (CO₂) from fossil fuel combustion and flaring, as well as methane (CH₄) from leakage, fugitive emissions and venting.

Gas flaring is the highest contributor to our GHG emissions due to testing and commissioning of new wells and plants where large volumes of gas are flared. We see a great reduction in daily flared gas once operations commence and seek to adopt a few additional steps towards reducing them further. These include improving our monitoring devices on site and installing new technological solutions.

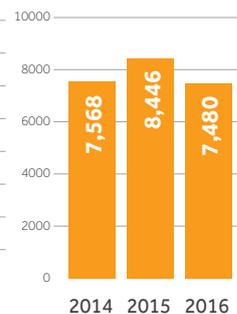
GHG Emissions

■ UAE ■ KRI ■ Egypt

Direct GHG Emissions (Scope 1)



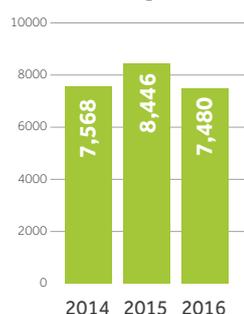
Indirect GHG Emissions (Scope 2)



Total Direct GHG (Tonnes CO₂e)



Total Indirect GHG (Tonnes CO₂e)



Total GHG Emissions



Flared Gas

Gas flaring is part of the 24 hour operation of a gas processing plant and is an important safety practice during start-up, commissioning, emergency cases and shutdown. It helps release the pressure from equipment, pipes and valves as well as mitigates risks associated with fires and explosions in our wells or plants. From an air quality perspective, we capture and burn the flared gas as opposed to venting it, which is considered a safer approach for the environment.

We recognize the environmental concerns associated with burning the flared gas and seek to explore cost effective and efficient technologies to minimize it. We aim to achieve this by improving our monitoring systems, installing advanced flare gas recovery systems to reuse flared gas in fuel or

feedstock and limiting our gas flaring to emergency releases and planned maintenance only.

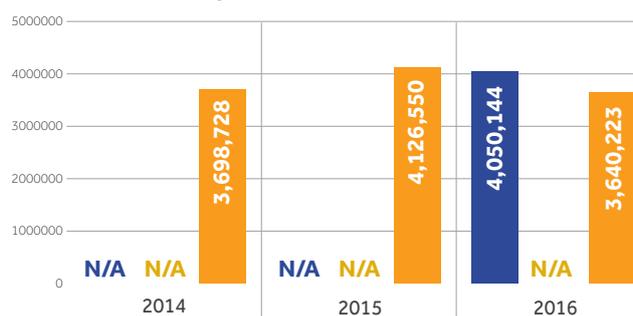
In 2016, our flared gas increased significantly to 7,690,367 m³ due to

commissioning our new gas plant, the Zora Gas Plant, in the UAE. We flared the newly received gas from the offshore complex during the testing and commissioning phase of the plant.

Flared Gas

■ UAE ■ KRI ■ Egypt

Volume of Flared Hydrocarbon



Total Volume of Flared Hydrocarbon (m³)



Waste Management



47% OF OUR HAZARDOUS WASTE WAS RECYCLED BY VENDORS

We adhere to the applicable regulatory laws' provisions on waste management and promote for environmentally sound plans for waste reduction and disposal. Waste management plans are developed for each site, which outline the steps required to collect, handle and dispose hazardous, non-hazardous and recyclable waste. Our local HSE team monitors and audits our operational procedures to ensure compliance with all laws and plans.

In Kurdistan, we have an onsite landfill and a sewerage treatment plant that removes contaminants from waste streams using physical, chemical, and biological processes before being disposed or recycled. In the UAE and Egypt, we contract a third party to dispose of hazardous waste within designated sites

Water Consumption

Good water management is critical to our operations given our water intensive activities and when we operate in countries where freshwater is limited, such as the UAE, KRI and Egypt. We use water for production and cooling purposes as well as municipal water for our offices and

and dispose the non-hazardous waste at the municipality landfill. As for recycling, we segregate and contract a number of companies to collect recyclable items, such as plastic bottles, paper and tins.

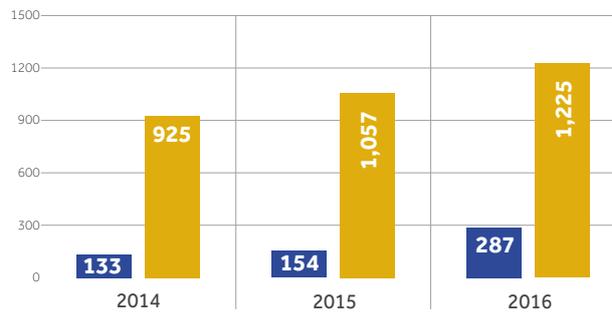
Our non-hazardous waste contributes 81% of our total waste. It is mainly comprised of drilling fluids and cuttings from drilling operations, cardboard and electrical goods that are temporarily

stored onsite and then collected by a local waste vendor for reuse or recycling. The remaining 19% is hazardous waste, comprised of empty metal barrels, used oil, filters, expired chemicals and empty plastic barrels. In the UAE, Dana Gas initiated a plan to reduce the amount of stored chemicals at the SajGas Plant by using the stored chemicals for production at the Zora Gas Plant.

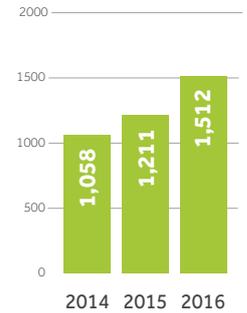
Total Weight of Waste

■ Total Hazardous Waste ■ Total Non-Hazardous Waste

Weight of Waste (Tonnes)



Total Weight of Waste (Tonnes)



campsites. In 2016, we extracted 56,983 m³ of water from wells and municipal sources to support our operations.

For 2017, we have made a commitment to make better use of our produced water from our well operations by treating and

reusing it for landscaping purposes at our gas plant or agriculture. Dana Gas entered into a research project, with the American University of Sharjah, to determine an engineering design for the best produced wastewater management approach.

Appendix (A) Acronyms and Glossary

A&CC	Audit and Compliance Committee	HR	Human Resource
ADX	Abu Dhabi Securities Exchange	HRMS	Human Resources Management System
ALARP	As Low As Reasonably Practicable	HSE	Health, Safety and Environment
AUS	American University of Sharjah	HSSE	Health, Safety, Security and Environment
BBS	Behavioral Based Safety	IAB	International Advisory Board
bn	Billion	IFC	International Finance Corporation
boe	Barrel of Oil Equivalent	IPIECA	International Petroleum Industry Environment Conservation Association
boepd	Barrels of Oil Equivalent Per Day	ISO	International Organization for Standardization
BSC	Board Steering Committee	KPI	Key Performance Indicators
CEO	Chief Executive Officer	KRI	Kurdistan Region of Iraq
CGE&N	Corporate Governance, Remuneration, and Nomination	LPG	Liquefied Petroleum Gas
CH₄	Methane	m³	Cubic Meter
CO₂	Carbon Dioxide	MENA	Middle East and North Africa Region
CO₂e	Carbon Dioxide Equivalent	MENASA	Middle East, North Africa and South Asia Region
CSR	Corporate Social Responsibility	Mmboe	Million Barrels Oil Equivalent
DG	Dana Gas	N/A	Not Applicable
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	NGL	Natural Gas Liquids
EBRD	European Bank for Reconstruction and Development	O&G	Oil and Gas
EMS	Environmental Management System	OHSAS	Occupational Health and Safety
ERP	Emergency Response Plan	ORMS	Operating Risk Management System Framework
ESG	Environmental, Social and Governance	QRA	Quantitative Risk Assessment
ESIA	Environmental Social Impact Assessment	SCA	Securities and Commodities Authority
FTE	Full Time Equivalent	SEP	Stakeholder Engagement Plan
GCC	Cooperation Council for the Arab States of the Gulf	ToT	Train of the Trainers
GDP	Gross Domestic Product	TRIF	Total Recordable Injuries Frequency
GHG	Greenhouse Gas	UAE	United Arab Emirates
GJ	Gigajoules	UNGC	United Nations Global Compact
GPEA	Gas Processing Enhancement Agreement	USD	US Dollar
GRI	Global Reporting Initiative	2P	Proven Plus Probable
HAZOP	Hazard and Operability		

Appendix (B) GRI Content Index

GRI CONTENT INDEX			
GRI Standard Disclosure	Disclosure	Page number(s) and/or URL(s)	Omission
General Disclosures			
GRI 102: General Disclosures 2016	Organizational Profile		
	102-1 Name of the organization	Dana Gas	
	102-2 Activities, brands, products, and services	6	
	102-3 Location of headquarters	Sharjah, UAE	
	102-4 Location of operations	6, 8-9	
	102-5 Ownership and legal form	6	
	102-6 Markets served	2	
	102-7 Scale of the organization	7-9	
	102-8 Information on employees and other workers	4, 7, 30-32	
	102-9 Supply chain	10-11	
	102-10 Significant changes to the organization and its supply chain	Not applicable. This is our first sustainability report.	
	102-11 Precautionary principle or approach	Our risk management approach covered in page (25).	
	102-12 External initiatives	14, 36-37	
	102-13 Membership of associations	24	
	Strategy		
	102-14 Statement from senior decision-maker	5	
	Ethics and Integrity		
	102-16 Values, principles, standards, and norms of behavior	6	
	Governance		
	102-18 Governance structure	22-24	
	Stakeholder Engagement		
	102-40 List of stakeholder groups	18	
	102-41 Collective bargaining agreements	Collective bargaining is illegal in the UAE.	
102-42 Identifying and selecting stakeholders	16, 18		
102-43 Approach to stakeholder engagement	17		
102-44 Key topics and concerns raised	17		
Reporting Practice			
102-45 Entities included in the consolidated financial statements	2		
102-46 Defining report content and topic boundaries	2		
102-47 List of material topics	19		
102-48 Restatements of information	Not applicable. This is our first sustainability report.		
102-49 Changes in reporting	Not applicable. This is our first sustainability report.		

GRI CONTENT INDEX

GRI Standard Disclosure	Disclosure	Page number(s) and/or URL(s)	Omission
	102-50 Reporting period	2	
	102-51 Date of most recent report	2	
	102-52 Reporting cycle	2	
	102-53 Contact point for questions regarding the report	2	
	102-54 Claims of reporting in accordance with the GRI Standards	2	
	102-55 GRI content index	52-54	
	102-56 External assurance	This report has not been externally assured. However, we may seek for external assurance in the future.	
Material Topics			
Occupational Safety and Workforce Health			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	40-45	
	103-3 Evaluation of the management approach	40-42	
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	Partially covered in our HSE Management Framework mentioned in page (42).	
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	43-44	
Process Safety and Asset Integrity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	44-45	
	103-3 Evaluation of the management approach	44-45	
Emergency Preparedness			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	45	
	103-3 Evaluation of the management approach	45	
Compliance with Regulations			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	47	
	103-3 Evaluation of the management approach	47	
GRI 307: Environmental Compliance	307-1: Non-compliance with environmental laws and regulations	47	
Anti-corruption and Bribery			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	24	
	103-3 Evaluation of the management approach	24	

GRI CONTENT INDEX

GRI Standard Disclosure	Disclosure	Page number(s) and/or URL(s)	Omission
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	All our operations are assessed (100%).	
	205-2 Communication and training about anti-corruption policies and procedures	24	
	205-3 Confirmed incidents of corruption and actions taken	None	
Spills to the Environment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	47-48	
	103-3 Evaluation of the management approach	48	
GRI 306: Effluent and Waste 2016	306-1 Water discharge by quality and destination	50	
	306-2 Waste by type and disposal method	50	
	306-3 Significant Spills	46, 48	
Financing and Investor Relations			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	26-27	
	103-3 Evaluation of the management approach	26-27	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	9, 27	
GRI 203: Indirect Economic Impact 2016	Disclosure 203-1 Infrastructure investments and services supported	26-27	
	203-2 Significant indirect economic impacts	26-27	
Greenhouse Gas (GHG) Emission			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	47, 49	
	103-3 Evaluation of the management approach	49	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	49	
	305-2 Energy indirect (Scope 2) GHG emissions	49	
Flared Gas			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	47, 49	
	103-3 Evaluation of the management approach	49	
Flared Gas	OG6: Flared gas	49	
Energy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	47-48	
	103-3 Evaluation of the management approach	48	
GRI 302: Energy	302-1 Energy consumption within the organization	48	
	302-4 Reduction of energy consumption	48	
Water			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	47, 50	
	103-3 Evaluation of the management approach	50	
GRI 303: Water	303-1 Water withdrawal by source	50	
Hydrocarbon Reserves	OG1: Volume and type of estimated proved reserves and production	50	
Human Rights of Employees and Contractors			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	30-31	
	103-3 Evaluation of the management approach	30-31	

GRI CONTENT INDEX			
GRI Standard Disclosure	Disclosure	Page number(s) and/or URL(s)	Omission
GRI 401: Employment	401-1 New employee hires and employee turnover	30-31	
Biodiversity and the Marine Environment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Partially covered in page 25	
	103-2 The management approach and its components	Partially covered in page 25	
	103-3 Evaluation of the management approach	Partially covered in page 25	
Biodiversity Assessment	OG4: Significant operating sites in which biodiversity risk has been assessed and monitored	24	
Training and Education of the Employees			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	32-33	
	103-3 Evaluation of the management approach	32-33	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	32	
	404-3 Percentage of employees receiving regular performance and career development reviews	32	
Diversity and Equal Opportunities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	30-31	
	103-3 Evaluation of the management approach	30-31	
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	30	
Local Community Development and Engagement			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	26, 35-37	
	103-3 Evaluation of the management approach	26, 35-37	
GRI 202: Market Places 2016	202-2 Proportion of senior management hired from the local community	We are developing the reporting mechanism for this disclosure and will provide updates in 2017.	
Procurement Practices to Support Local Suppliers			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	19	
	103-2 The management approach and its components	27, 35-37	
	103-3 Evaluation of the management approach	27	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	27	
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"Our first sustainability report provides an account on how we are advancing on sustainability journey and responding to our stakeholder needs. We are committed to our Sustainability Roadmap for 2020, as we believe that it will enhance value for the Company and create benefits for our communities."

Patrick Allman-Ward, CEO



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