



ESG Report 2024

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Forward-Looking Statement

This report contains certain forward-looking statements. All statements, other than statements of present or historical fact, are or may be deemed forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties that could materially affect expected results of operations.

About this Report

OQ Base Industries (OQBI) upholds ethical, responsible business practices and adheres to stringent environmental, social, and governance (ESG) principles. This inaugural ESG report showcases our efforts to integrate robust ESG practices across our operations and highlights our progress over the past year on key sustainability issues relevant to our business and stakeholders.

Scope and Boundary

This ESG report covers OQBI's activities from 1st January 2024 to 31st December 2024. The data in this report includes OQBI's primary operations and activities. Information from the previous year is provided where applicable.

Report Frameworks and Guidelines

This report has been prepared in accordance with Global Reporting Initiative (GRI) standards and in alignment with the Muscat Stock Exchange (MSX) ESG Disclosure Guidelines, as well as the Sustainability Accounting Standards Board (SASB) ESG metrics.

National and Global Priority Alignment

The contents of this report reflect OQBI's commitment to the United Nations Sustainable Development Goals (UN SDGs) and Oman Vision 2040.

Materiality

The content of this report has been determined based upon a materiality assessment that considers the issues and topics most relevant to OQBI and our stakeholders. The assessment considered our value creation and our environmental and social impacts alongside our stakeholders' priorities, needs, and perspectives. More information on our materiality assessment can be found in the Sustainability Strategy section of this report.

Feedback

We value feedback from our stakeholders, and welcome comments and suggestions about this report via InvestorRelations@oqbi.om



Chairman Message

As the global economic, political, and regulatory landscape continues to evolve, ESG performance is playing an increasingly vital role in shaping long-term business resilience. This inaugural sustainability report highlights OQ Base Industries (OQBI) and our ongoing efforts to embed sustainability into our growth strategy, building on our strong heritage and decades of industry expertise. Our approach focuses on strengthening operations, integrating ESG principles where they create the most value, and fostering social development, local engagement, and contributions to the Omani economy.

Sustainability is not just a responsibility; it is a necessity for the future of the global chemicals industry. Recognizing this, we are exploring opportunities in renewable energy, resource management, and green investments tied to specific ESG milestones, ensuring that our efforts align with Oman's Vision 2040 and Net Zero 2050 ambitions. We are also taking steps to reduce our environmental footprint, including initial commitments

to lower greenhouse gas emissions in the coming years. These initiatives reflect our dedication to responsible decision-making and long-term resilience, positioning us for a future where sustainability is embedded into every aspect of our business.

Our success in this journey is driven by the expertise and dedication of our people, who play a crucial role in advancing ESG principles across our operations. We continue to evaluate and refine our efforts to drive meaningful progress toward our ESG objectives, ensuring that our actions create tangible benefits for the environment, our people, and the communities we serve. Sustainability is an ongoing commitment; one that requires continuous learning, adaptation, and accountability. This report provides an overview of our progress, and we remain committed to transparently sharing our journey in the years ahead.

Ali Al Lawati
Chairman – OQBI



OQBI CEO's Message

It is my privilege to present OQ Base Industries' (OQBI) first annual sustainability report, which reflects our commitment to empowering industries, enhancing lives, and embedding sustainability at the core of our business strategy. As we navigate an evolving economic, political, and regulatory landscape, we recognize that sustainability is not just an obligation but a fundamental driver of resilience, growth, and long-term success.

Aligned with Oman's Vision 2040 and our Net Zero 2050 ambitions, our environmental, social, and governance (ESG) strategy is built around responsible environmental stewardship, social equity, and economic prosperity. Our focus is on decarbonization, energy transition, and water management, ensuring that we contribute meaningfully to Oman's sustainability goals while driving operational excellence.

In 2024, we established a comprehensive sustainability framework to embed ESG principles across all aspects of our business.

This framework is structured around four key pillars:

- **Optimizing for a Sustainable Future** – integrating responsible practices into our operations to reduce environmental impact.
- **Qualifying Our People and Practices** – ensuring that our employees, stakeholders, and partners are equipped with the necessary knowledge and tools to support our ESG ambitions.
- **Building Integrity and Operational Resilience** – fostering a culture of accountability, ethical leadership, and continuous improvement.

- **Investing in Environmental Stewardship** – advancing initiatives that support long-term resource efficiency and emissions reduction.

Recognizing the need for measurable progress, we have set clear targets, including a 5% reduction in Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 2025 and a 25% reduction by 2030, using 2023 as our baseline.

Additionally, we are developing an automated ESG system, advancing sustainability training, and strengthening stakeholder engagement to enhance our ESG performance. As part of this journey, we are working toward securing our first ESG rating by 2026 and obtaining sustainability report assurance by 2026.

Sustainability is a continuous journey; one that requires commitment, innovation, and collaboration. Through our focus on operational excellence, responsible business practices, and community engagement, we aim to create lasting value for our employees, customers, and shareholders. This report marks an important milestone, and we look forward to transparently sharing our progress and ambitions in the years ahead.

Khalid Al Asmi
CEO – OQBI





Who We Are





Who We Are

OQ Base Industries (OQBI) is Oman's only integrated producer of methanol, ammonia, and LPG products in the Dhofar region. Building on a rich heritage, we leverage advanced infrastructure and decades of expertise to deliver premium compounds including methanol, ammonia, propane, butane, condensate, and LPG that enable industries to transform resources into valuable products, from

consumer goods to alternative fuels.

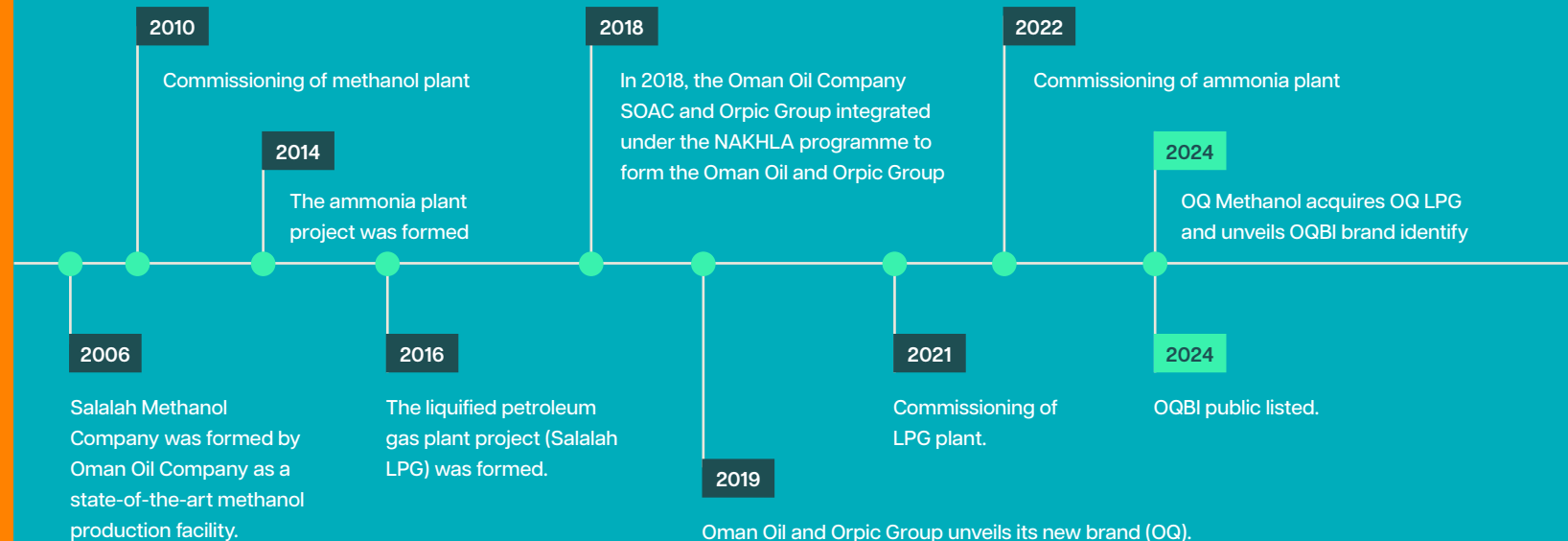
Strategically located in the Salalah Free Zone near the world-class Port of Salalah with a direct connection to OQGN's gas network and Oman's fully integrated value chain. We are able to be flexible and responsive, pushing the boundaries of conventional markets and expanding our global reach.

Our commitment to advancing Oman's natural resources is rooted in safety, environmental stewardship and continuous improvement, and we share our success by giving back through social initiatives, local development, and contributions to the Omani economy.



Our Journey

OQBI produces methanol, ammonia, and LPG products at three state-of-the-art plants using leading-edge technologies to ensure exceptional efficiency and sustainability.





Vision, Mission & Values

Our commitment to excellence, community and sustainability ensures that we not only meet the needs of today but also build a better future for tomorrow.



Our Mission

To drive sustainable growth and operational excellence by cultivating a people-focused culture through energy-efficient decarbonisation initiatives and domestic growth.



Our Vision

Championing a global reach and sustainable solutions by leveraging the skills and experience of exceptional talent.



Our Values



Belong:

We foster an inclusive culture where everyone feels a sense of belonging and works towards common goals.



Perform:

We are driven by excellence and dedicated to performing according to the highest standards, in everything we do.



Collaborate:

We believe in the power of collaboration to achieve smarter, more innovative outcomes.






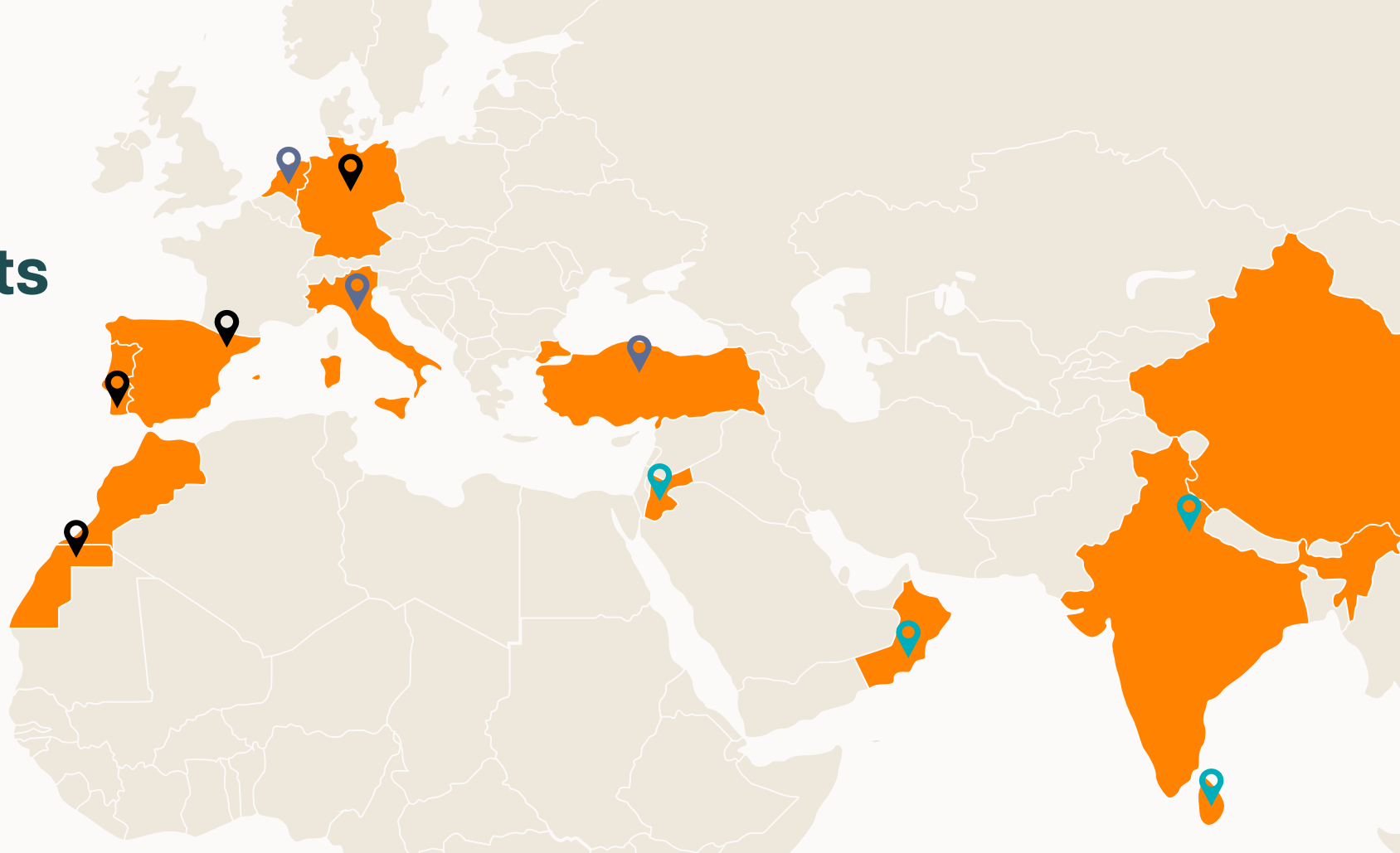
Care:

We care about the impact of our actions on the world around us and contributing to a better future.



OQBI Markets around the world:

-  Methanol
-  LPG
-  Ammonia



OQBI at a Glance

Combined name plate production **1.8Mtpa**

Employees **435**

EBITA **254.9 mm\$**

Ammonia production (MT) **324,671.67**

Hours worked without LTI **2.3 MHR**

National Workforce **82.7%**

Methanol production (MT) **1,213,285.85**

LPG production (MT) **364,630.04**



Current Board of Directors



Ali Al Lawati
Chairman of the Board

Ali Al Lawati has 20 years of experience and over 8 years of international experience, currently serving as the Chief People & Technology Officer of OQ. Ali focuses on portfolio diversification, in-country value creation through industry localisation, attracting investments, local SME development, job and diversity creation and local talent development. In his previous role as the Global Human Resources Director – Corporate at SLB, Ali oversaw Technology, HR, Legal, HSE, OS/IT, Finance, Strategy and Sustainability, Alternative Energy, Mergers & Acquisitions functions, and corporate offices in Paris, London and Houston.

Prior to this, as the Regional Managing Director at SLB (June 2020 – June 2023, Muscat) Ali led the largest oilfield service company in Oman and Pakistan, overseeing over 3,000 employees. He was

instrumental in driving the company's long-term strategy through the development of business strategy, organizational model, and operational performance, always prioritizing safety and minimizing environmental impact. Ali played a key role in securing strategic partnerships, including establishing an anchor investor relationship with Abraj Energy Services, which helped create the largest integrated operational base in Oman.

In addition, he spearheaded initiatives in alternative energy, such as evaluating geothermal applications and promoting advanced technologies in sustainable energy to support the Sultanate's goals. Ali holds a Bachelor's Degree in Petroleum and Natural Gas Engineering from Sultan Qaboos University (Oman).



Saleh Al Mahthuri
Deputy Chairman

Bringing 20 years of experience in finance, accounting, and auditing, Saleh is currently the General Manager of Internal Audit at the Port of Salalah, where he oversees audit processes to ensure financial compliance and transparency. Previously, Saleh was the Chief Internal Auditor at Nama Electricity Supply Company and held key positions at OQ Exploration & Production, Daleel Petroleum, and Occidental Petroleum. He holds a Bachelor's degree in Accounting from Sultan Qaboos University and a Master's degree in Management Information Technology and Governance from Canadian University Dubai. Additionally, Saleh is a Certified Internal Auditor and a member of the Education Committee of the IIA Oman Chapter.



Hamed Al Rumhi
Member

Hamed holds a Bachelor of Commerce and Economics from Sultan Qaboos University and brings extensive HR and management experience. Since October 2021, he has served as Consulting Services Director at Takatuf Oman, leading consulting strategies and key partnerships. Previously, he was a Managing Consultant at Takatuf Oman, overseeing HR consultancy projects. He also held leadership roles at Shell Development Oman and OQ Exploration & Production, contributing to organisational development and human capital strategies. Earlier, he held various HR roles at RAY International Oil & Gas and Occidental Oman, focusing on HR functions and Omanisation targets.



Ghalib Al Maamari

Member

Ghalib Al Maamari is the Chief Business Development at OQ Alternative Energy, focusing on renewables, low carbon molecules, and energy efficiency. He has over 19 years of experience in commercial development, financial planning, and project management. Previously, he was Vice President of Integrated Digital Solutions, leading OQ's digital transformation. His background includes roles at Takamul Investment Company, Occidental Petroleum Corporation, and Oman Shipping Company. Ghalib has served as Vice Chairman of Vale in Oman and on the boards of various organisations. He holds a bachelor's degree in electronic commerce and a master's in business information systems from the University of Queensland, Australia.



Pieter Steyn

Member

Pieter Steyn is the Vice President Legal for Downstream & Commercial at OQ Group, with over 25 years of experience in the oil, gas, petrochemical, and energy sectors. His career includes roles in both in-house legal counsel and commercial management, focusing on pragmatic solutions. He has contributed to the development and financing of major international projects in various countries, including the United States, China, and Oman. Previously, he was Commercial Lead at OQ8 before transitioning to OQ in 2020. Pieter holds a Diploma and bachelor's degree in law, along with a master's in business leadership from the University of South Africa, and is an admitted Attorney of the High Court of South Africa.



Bader AlHamad

Member

Bader AlHamad is a Director in the Principal Investment Group at Gulf Investment Corporation (GIC), bringing significant international experience. He previously worked at Dow Chemical Company in Zurich, where he handled commercial and supply chain operations. At GIC, Bader plays a key role in strategic investment decisions and governance, serving on several boards across manufacturing, chemicals, and education sectors within the GCC. He holds a bachelor's degree in chemical engineering from Vanderbilt University and has enhanced his expertise through general management programs at the University of Chicago Booth School of Business and Brown Brothers Harriman in New York.



Irfan Mian

Member

Irfan Mian is an investment professional with nearly 25 years of global experience in private equity, portfolio management, and advisory. Currently, Irfan is part of the Public Investment Fund's Regional Investments Private Equity team, responsible for deploying \$24bn across six regional economies, including Oman. He played a key role in PIF's participation in Oman's recent MSX listings of state assets. Previously, Irfan established and led the Mining Unit at Mubadala Investment Company, where he developed the first UAE-based platform for global mining investments and helped manage a multi-billion dollar portfolio. Irfan has mentored teams in investment, technical support, business development, and due diligence. He has also served on the boards of several companies, including Minas Aguas Teñidas, MINESA, and Porto Sudeste. Before his time at Mubadala, Irfan held roles at Investcorp, Lehman Brothers, McKinsey & Company, and Schrodgers Corporate Finance. He holds degrees from the London School of Economics, University of Oxford, and an MBA from IESE Business School.



Role of the Board

The primary role of the Board is to supervise and monitor the management of the Company within a framework of prudent and effective controls that

enables risk to be properly assessed and managed and to fulfil its statutory and regulatory obligations under applicable law and regulations.



Election of Board Members

Board members are elected during the Ordinary General Meeting through direct secret ballot, where each shareholder votes in proportion to their shareholding. Nominees receiving the highest number of votes are elected. All nominees must meet eligibility criteria in line with the Commercial Companies Law, the Code of Corporate Governance, and SAOG Executive Regulations, including being natural persons of good conduct, not holding conflicting positions, and meeting independence and age requirements.

The Board comprises non-executive members, with at least one-third being Independent Directors. If a member loses their qualification, they must notify the Board immediately, and any subsequent participation in decisions becomes invalid. The Board elects a Chairman and Deputy Chairman from among its members to oversee the execution of resolutions and supervise company affairs.



Powers & Responsibilities of the Board

The Board holds full authority to manage the Company in line with its objectives and in the best interest of shareholders, except where limited by law, the Articles, or shareholder resolutions. Day-to-day operations are delegated to Management. Key responsibilities of the Board, as outlined in applicable laws and regulations, include appointing the CEO and key staff, establishing subcommittees, evaluating performance, and ensuring compliance with disclosure requirements. The Board must also include all director remuneration in the governance report and appoint a Board Secretary.

Certain actions—such as making donations, pledging assets, or guaranteeing third-party debts—require shareholder approval unless conducted in the ordinary course of business. Major decisions like selling significant assets or amending the Articles require an Extraordinary General Meeting.

Board members must act within their authority, avoid conflicts of interest, and are prohibited from engaging in competing businesses or using company resources for personal gain. Insider trading is strictly regulated, with reporting requirements and penalties outlined in the Capital Market Law. Directors and executives are held accountable for any breaches of duty, misconduct, or negligence, and shareholders have the right to take legal action within a defined timeframe.





Board Committees

In order to assist the Board in performing its obligations, the Board may form committees to advise it and make recommendations on certain matters. In accordance with Article 196 of the CCL, the Code and the SAOG Executive Regulations the Board has constituted an

Audit and Risk Committee

The Audit and Risk Committee plays a critical role in ensuring financial integrity, risk management, and effective internal controls. Its duties include reviewing the appointment, terms, and fees of external auditors, assessing audit plans and results, and verifying that auditors have full access to relevant documents. The Committee oversees the internal audit function, approves internal audit plans, and regularly evaluates the function's effectiveness.

It also ensures the adoption of appropriate accounting policies aligned with international standards, reviews financial statements before issuance, and monitors compliance with disclosure requirements.

Audit and Risk Committee and Nomination and Remuneration Committee, each comprising three directors. The Board may establish other committees from time to time. Each of the said committees shall be established in accordance with the provisions of the Code.

The Committee evaluates related party transactions, internal controls, risk management frameworks, and fraud prevention procedures, and acts as a communication link between the Board and both internal and external auditors.

In line with the Corporate Governance Code, the majority of committee members, including the Chairman, are Independent Directors, with at least one member possessing financial and accounting expertise. The Committee recommends the appointment and remuneration of the internal audit manager, who is tasked with developing the internal audit strategy, auditing financial and operational activities, ensuring legal compliance, and reporting on the effectiveness of internal controls

Nomination and Remuneration Committee

- ▶ Assisting the Shareholders, while electing the Board at a general meeting in the nomination of proficient directors and the election of the most fit for the purpose
- ▶ Assisting the Board in selecting the appropriate and necessary executives for the executive management of the Company
- ▶ Assisting the Company in formulating clear, credible and accessible policies to inform shareholders about directors' and executives' remuneration and the rules of remuneration and sitting fees for directors of SAOGs
- ▶ Developing and deploying additional performance-based criteria to determine the bonus and remuneration of the chief executive officer and senior executive management of the Company
- ▶ Providing succession planning for the executive management
- ▶ Developing a succession policy or plan for the Board or at least the chairperson
- ▶ Preparing detailed job descriptions of the role and responsibilities for directors including the chairperson
- ▶ Identifying and nominating qualified persons to act as interim directors on the Board in the event a seat becomes vacant
- ▶ Nominating qualified persons to assume senior executive positions, as required or directed by the Board
- ▶ Preparing a bonus, allowances and incentive policy for the executive management
- ▶ Reviewing such policies periodically, taking into account market conditions and company performance



2024 Certifications & Awards

QBI 2024 Achievements: A Testament to Strategic Excellence:

The year 2024 marked a milestone for OQBI, as our unwavering commitment to innovation, sustainability, and operational excellence was recognised through a series of prestigious accolades and global engagements. Our teams demonstrated exceptional leadership across Environmental, Social, and Governance (ESG) pillars, securing awards such as “Best Asset in Automation” and “SAP4Hana Project” at the OQ Digitalization Day, alongside international honors including the “CSR Award in Qatar, for best initiative supporting people with disabilities” and the “Gold Prize at ITEX 2024” for pioneering wastewater treatment solutions.

Strategic participation in high-profile forums—such as the International Nephrology Conference, Labour Forum, and Security & Safety Summit—underscored our dedication to thought leadership and stakeholder collaboration.

These accomplishments reflect OQBI's alignment with global sustainability standards, digital transformation leadership, and our culture of empowering talent. Together, they reinforce our position as an industry frontrunner, driving value for stakeholders while advancing our vision for a responsible and innovative future.



PSV Calibration Application (Smart PSV)

The Pressure Safety Valve Calibration Application (Smart PSV) is an innovative new application designed to safeguard energy, oil, and gas facilities from the dangers associated with pressure relief valve (PSV) explosions and operational resource wastage. This smart system streamlines the maintenance and calibration processes of PSVs and automatically generates engineering reports. By doing so, it significantly reduces the risk of human errors that can lead to severe environmental, financial, and health issues in many oil and energy sector facilities worldwide. Developed internally by Engineer Ahmed Al Kathiri, with support from the company's environmental and engineering specialists, the PSV calibration application represents a major step forward in operational safety. All of its programming codes have been developed in accordance with the international standards set by the American Petroleum Institute (API), ensuring the highest levels of quality and safety in protecting vital energy infrastructure.

Organic Solar Cell

The Organic Solar Cell project is a pioneering initiative in the realm of renewable energy, featuring a sophisticated design with two layers of conductive glass. Between these layers, a special material functions to absorb sunlight and convert it into electrons, while another material facilitates the delivery of the generated electricity. This innovative technology is a significant step forward in the energy transition towards renewable sources. It offers a promising solution for reducing electricity costs and is versatile enough for various applications. For instance, it can be used in the production of windows for the construction of environmentally friendly cities, and in the manufacturing of electronics among numerous other applications. This versatility and efficiency make organic solar cells a valuable asset in the pursuit of sustainable and cost-effective energy solutions.





Sustainability Strategy





Our Strategy

By integrating sustainability at the core of our business strategy, we aim to support industries, improve lives, and help build a better, fairer, and more sustainable future for our community and Oman. Our sustainability strategy is centered around the principles of responsible environmental stewardship, social equity, and economic prosperity. We seek to create value and maximise returns for our employees, stakeholders, and shareholders, both now and for future generations.

In line with Oman's Vision 2040, which emphasises sustainable development and environmental stewardship, we aim to reduce our carbon footprint and minimising the environmental impact of our production processes. Our operational approach focuses on leveraging renewable energy and resource management projects to achieve these objectives.

Building on the results of our initial sustainability gap analysis, we are working towards the establishment of an automated ESG system. This includes obtaining certifications in sustainability training, engaging with stakeholders and contractors, and developing a comprehensive ESG strategy. Our goal is to secure our first ESG rating by 2026, with plans for sustainability report assurance by 2026.

As part of our decarbonisation initiatives, we are working towards implementing several measures to reduce emissions. These include installing an advanced process control system for our methanol and LPG plants, optimising the steam network and hot water circuit at the methanol plant by replacing steam drivers with motors, and improving water content in ammonia. Additionally, we are enhancing the overall product quality of our LPG products.

Our environmental and sustainability strategy focuses on green initiatives, energy transition, and water management. These efforts align with Oman's Vision 2040 and our commitment to achieving net zero carbon emissions by 2050. We have committed to reducing our Scope 1 and Scope 2 GHG emissions by 5% by the end of 2025 and by 25% by 2030, compared to the 2023 baseline. Our goal is to reach net-zero GHG emissions by 2050.

Through our commitment to excellence, community, and sustainability, we aim not only to meet the needs of today but also to build a better tomorrow. We invite you to join us as we continue to harness the power of our nation's natural resources, nurture talent, and enrich lives – both locally and globally.



Our Philosophy:

We are building a resilient and sustainable future for OQBI.

By integrating sustainability into our core operations, OQBI aims to drive the creation of a prosperous, equitable, and sustainable future for our community and Oman.



Our Stakeholders

The sustainability of our company is driven by everyone we interact with, from our people, customers, and business partners to our suppliers, investors, and the communities in which we operate. We prioritise open, transparent communication and long-term relationships with each of these groups, engaging with them on strategic decisions and relevant news. Knowing our range of stakeholders is extensive, we focus our engagement efforts on the groups with the highest potential to impact or be affected by our operations, including:



Government
Entities



Local
Communities



Customers



Environmental
Authorities



Employees



Regulatory
Bodies



Contractors and
Suppliers



Shareholders



Our Materiality Assessment

We conducted a refreshed materiality assessment to better understand OQBI's ESG impacts through the lens of what matters most to our stakeholders and to our business, ensuring our sustainability priorities remain focused, effective, and responsive to evolving issues and trends within our industry. Based on the GRI materiality assessment methodology, the process included benchmarking, peer evaluations, best practices analysis, and one-to-one engagement sessions with key internal stakeholders to drive deeper examination of OQBI's impacts on critical ESG topics. As a result of this process, we identified 15 key ESG topics that are most significantly material to our business and our stakeholders.





Material Topics Matrix



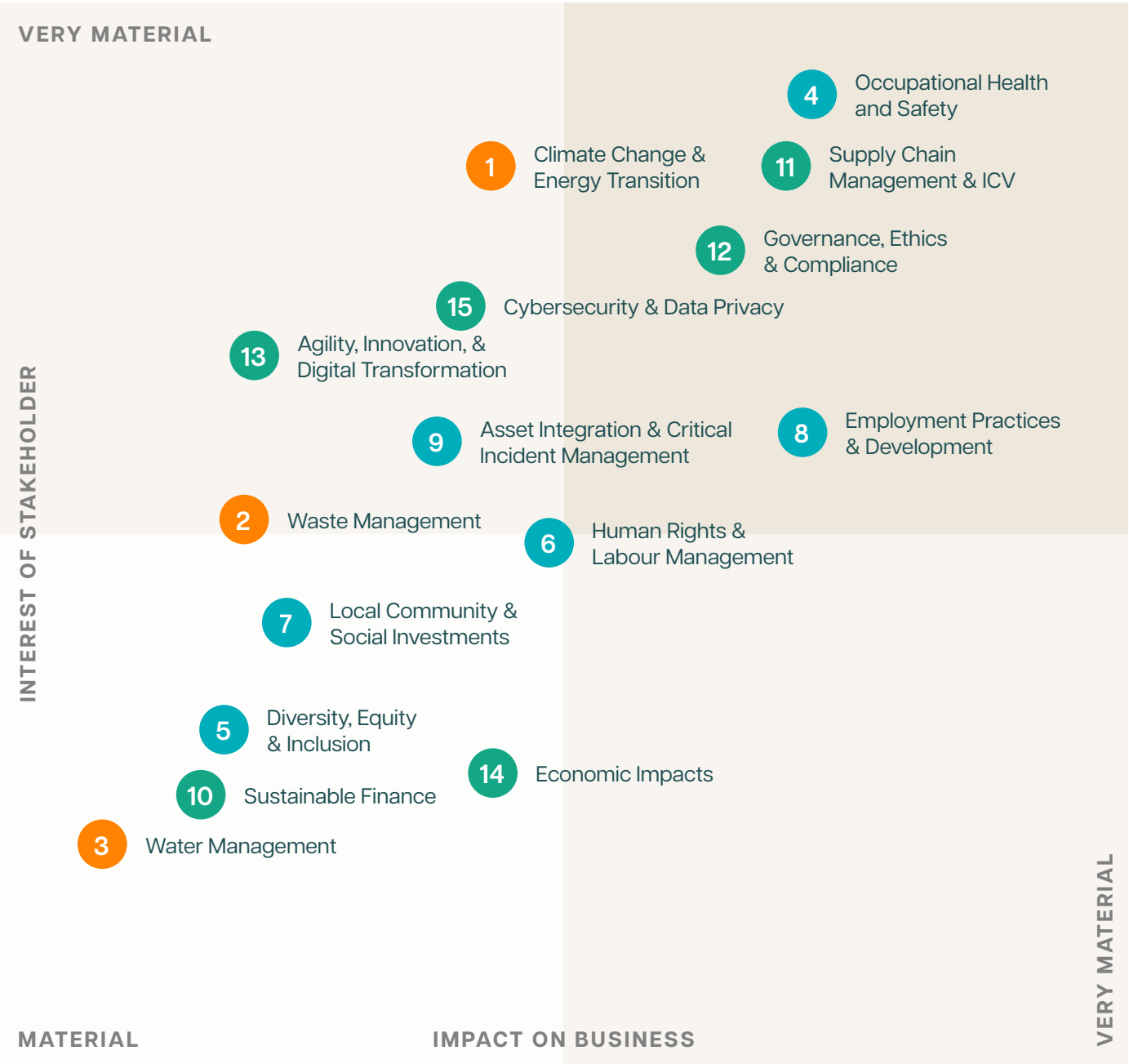
Environmental



Social



Governance





Our Sustainability Framework

We are moving towards our sustainability commitments via OQBI's sustainability framework. Built around four pillars, the framework organises critically important materiality topics into a practical structure for operationalising strategic sustainability initiatives and measuring our progress towards key ESG performance indicators (KPIs). OQBI's sustainability framework consists of four pillars:

- ▶ Optimising for a Sustainable Future
- ▶ Qualifying Our People and Practices
- ▶ Building Integrity and Operational Resilience
- ▶ Investing in Environmental Stewardship

The content of this report is structured around our sustainability framework.

Framework & Topics





Building Sustainable Future

Highlights

22.8%

contribution of domestic SMEs to the supply chain in 2024

USD 54.03m

total spending on suppliers, with USD 49.3 million spent on local suppliers

Oman Vision 2040 Pillars

- ✓ A Competitive Economy

Material Topics

- ✓ Sustainable Finance
- ✓ Supply Chain management & ICV
- ✓ Agility, Innovation, & Digital Transformation
- ✓ Economic Impacts

UN SDGs





Sustainable Finance

OQBI is actively planning to implement and enhance OQ Basic Industries integrates sustainable finance strategies in 2025. This effort includes a focus on green investments principles into its corporate strategy, aligning financial practices with environmental, social, and governance (ESG) considerations. The company allocates investment toward projects with defined environmental attributes and financing options utilizes instruments such as sustainability-linked loans and transition finance, which fund projects contingent upon achieving specific ESG milestones. structured around measurable ESG performance indicators.

These financing tools not only secure necessary funds but also align financial incentives with sustainability objectives, promoting a culture of instruments are applied to support capital structuring while reinforcing internal governance and accountability within the organisation. Moreover, OQBI will explore partnerships related to ESG metrics. ESG factors are incorporated into investment evaluation processes as part of risk and opportunity assessments.

Engagements with financial institutions specialising that specialize in sustainable investments. Collaborating with these entities will provide investment form part of the company's financing approach. This provides access to additional resources and external expertise, enabling effective expansion of OQBI's sustainable finance offerings.

The integration of ESG criteria into investment decision-making processes will further strengthen the organisation's ability to meet its sustainability commitments while ensuring robust financial returns and broadens funding sources under ESG-aligned terms.

OQBI plans to embark on several key financial projects and initiatives to support its strategic growth and sustainability agenda. A primary focus will be on enhancing sustainable finance mechanisms, including the development of ESG-aligned investment strategies. These initiatives aim to attract capital for projects that not only contribute positively to environmental sustainability but also align with the organisation's long-term financial goals. Furthermore, OQBI expects to invest in innovative financial technologies to improve the tracking and

reporting of ESG metrics.

This advancement will enhance transparency and boost stakeholder confidence in OQBI's commitment to sustainability.

Financial systems and tools have been deployed to track ESG-related metrics and to enhance reporting accuracy and transparency. These systems contribute to improved data governance and facilitate communication with stakeholders in line with applicable reporting standards.

The integration of ESG criteria into investment decision-making processes will further strengthen the organisation's ability to meet its sustainability commitments while ensuring robust financial returns



The integration of ESG criteria into investment decision-making processes will further strengthen the organisation's ability to meet its sustainability commitments while ensuring robust financial returns



Supply Chain Management & ICV

From procurement and logistics to distribution, our business is powered by a network of suppliers and partners, making responsible management of our supply chain an operational imperative.

2024 Supplier Data



70%
of local suppliers



USD 54.03M
total spending
on suppliers



USD 49.3M
total spending on
local suppliers

Contracts & Procurement

In accordance with OQBI's Contracts & Procurement Policy, all suppliers and contractors must be screened via a pre-qualification system to become an accredited OQBI vendor. Managed by our Vendor Management group, the pre-qualification requirements include a Code of Ethics declaration which must be signed by the vendor, as well as adherence to our safety standards and protocols. Small to medium enterprises (SMEs) with Riyadh Cards must also demonstrate adherence to our shared values and standards for ethical practices, social responsibility, environmental stewardship and community. The Contracts and Procurement Policy is available to all OQBI employees and suppliers.

In 2024, OQBI's Procurement and Contracts team achieved cost savings in excess of USD 2.8 million through strategic improvements in operational efficiency and resource optimisation. The team also completed a Lean Six Sigma project aimed at reducing contracts process lead time. As a result, the implementation of seven key solutions generated a 24% reduction in average lead time, from 170 days in 2023 to 129 days by Q3 2024. While the current lead time fell 7.75% short of the 2024 KPI target of 120 days, the progress achieved so far is expected to exceed the target by mid-2025.



Supporting SMEs

OQBI's SME Vendor Development Programme is focused on expanding and strengthening our long-term partnerships with local vendors, contributing to the economic development objectives of Oman's Vision 2040.

Sustainability in Action:

MazadCom

In 2024, OQBI signed a long-term agreement with MazadCom on a collaboration to engage SMEs in fostering innovative waste disposal solutions. The collaboration supports and enables Riyada holders in expanding their expertise and gaining experience in diverse activities that promote environmental protection, amplifying their own contributions to sustainable business practices.

OQBI has prior experience in selling catalysts and hazardous waste materials, having conducted an in-house auction in 2018. To enhance this process, OQBI partnered with MazadCom Smart Auction Solutions LLC, a Small and Medium Enterprise (SME) registered with Riyada in Oman. MazadCom, part of the Al Ghelbi International Engineering and

Contracting LLC group, operates an integrated electronic system specializing in smart auctions. Their services include online auctions and mobile applications, facilitating the sale of scrap materials, surplus equipment, and vehicles while ensuring best industry practices.

This partnership marks OQBI's first agreement with a Riyada-certified SME for catalyst auctions. By engaging local companies like MazadCom, OQBI not only strengthens market competition but also provides SMEs with valuable experience in handling hazardous waste materials. As MazadCom takes on catalyst sales for the first time, OQBI supports them in overcoming initial challenges, such as material estimation and regulatory compliance, ensuring a smooth and responsible waste disposal process.



In-Country Value (ICV)

We aim to share the benefits of our industry across Oman through our In-Country Value strategy, which seeks to improve the capacity of Omani people and companies by committing us to maximising our procurement of local goods and services. ICV is defined as the total spend retained in-country that benefits business development, contributes to human capability development, and stimulates productivity in Oman's economy. ICV terms and conditions are included in most of our major contracts.

Our 2024 ICV spend accounted for 30.12% of our total expenditure, with domestic SMEs contributing 22.8% and Riyada contractors contributing 15% to the supply chain.

In addition to local procurement, our ICV strategy includes investment in programmes designed to support local businesses and spur new job opportunities, such as site visits, physical workshops for SMEs and Riyada, and ring-fencing scope of works to NRS and SME Riyada.

In 2024 our ICV strategy resulted in 20 job positions for new graduates and training for 24 individuals via contractors and sub-contractors outside OQBI.

To ensure strong governance over local value creation and tendering, our ICV strategy is overseen by a formal ICV and Tender Committee with support from a dedicated secretary team and process. This approach also ensures full compliance and transparency, including a systematic Tender Secretary initial review.



30.12%
of total expenditure
was on ICV

Centralised Logistics

Our centralised approach to logistics management is an enterprise-wide driver of operational efficiency and impact reduction improvements. All logistics operations, including import/export and transportation, are managed by a dedicated in-house logistics resource focused on reducing our dependency on external parties, minimising delays, and streamlining workflows.

This centralised approach also improves coordination between departments and external stakeholders, ensuring timely and effective communication for logistics-related tasks. In 2024 we also began developing a comprehensive logistics dashboard to drive further cost reductions, enable data-driven decision-making, and facilitate real-time tracking of purchase orders.

Indicator	Unit	2023	2024
In Country Value Index	Percentage	27.12%	30.12%
Total spent to SMEs	USD Million	11.29	12.34
	Percentage	16%	22.82%
Spent to SMEs Riyadh	Percentage	27.12%	30.12%
Finance Payments to Contractors (Reported Contracts)	USD Million	32.17	26.96
ICV Index from Assets Expenditure (As reported by contractors)	Percentage	27.12%	30.12%





Agility, Innovation, & Digital Transformation

We are continuously investing in the platforms, programmes and resources to stay ahead of rapidly accelerating technological innovation and digital transformation throughout our industry and across our region.

In 2024, we implemented an Advanced Process Control (APC) system at our LPG operations. Integrated with our Foxboro IA Distributed Control System (DCS), the project included the installation of Schneider Electric's EcoStruxure APC software aimed at improving plant throughput, efficiency and product quality. By maximising the C2, C4, and C5 content in propane and butane, as well as optimising condensate Reid vapor pressure (RVP), the system is expected to drive significant commercial benefits, with estimated annual gains of USD 886,888, potentially reaching up to USD 1,318,260 during the APC performance evaluation period.

Key operational improvements driven by the system also include dynamic adjustments to varying feed gas compositions and real-time optimisation of distillation columns, covering the De-ethaniser, De-propaniser, De-butaniser, and Condensate Stabiliser. APC implementation also reduces operator intervention, allowing teams to focus on higher-level tasks, while enhancing economic performance through optimised resource utilisation and improved product yield.



We have also implemented a portfolio of platforms and systems designed to drive continuous improvement in the safety and efficiency of our operational processes.



E-Permit (E-PTW) system

An E-Permit (E-PTW) system ensures secure and reliable digital records, streamlines workflows and reduces challenges such as misplaced permits, approval delays, and tracking inefficiencies.



EKONS tool

The EKONS tool enhances operator decision-making and productivity by using advanced analytics and real-time data to dynamically adjust plant operations based on economic quantification of KPIs. To date, EKONS has resulted in an annual revenue increase of approximately USD 1.3 million.



Reliability Enhancement Programme

The Reliability Enhancement Programme engages Operations, Maintenance and Technical Services team (OMT) departments to assess and improve asset reliability. This analysis identifies system gaps and informs initiatives aimed at enhancing equipment strategy effectiveness and maintenance execution efficiency, thus boosting overall operational availability.



i-HSSE system

A user-friendly i-HSSE system provides real-time insights into safety performance via real-time, interactive dashboards and a robust tracking system that enhances accountability and timely resolution. The system also empowers employees to report safety observations or incidents, Management of Change (MOC), and inspections with ease, serving as a central hub for procedures, guidelines, and forms.



Area Reliability Committee (ARC)

The Area Reliability Committee (ARC) focuses on improving asset reliability and operational performance. The ARC systematically identifies and prioritizes potential threats through the collection of data from historical incidents, maintenance records, and real-time monitoring.

Using risk assessment tools like Failure Modes and Effects Analysis (FMEA), Hazard and Operability Study (HAZOP), and Root Cause Analysis (RCA), the ARC pinpoints risks and evaluates them using a risk matrix to prioritize actions and ensure risks are mitigated.

The ARC's risk management processes have been digitized through the THIQA tool, which further reduces manual tracking and enables data-driven decisions through a centralized platform.



In 2024, OQBI successfully implemented a seamless integration of the Inspection Data Management System (IDMS) from DNV-Synergy Plant with the Maintenance Management System (MMS) in SAP, enhancing the PSV (Pressure Safety Valve) testing procedures. This integration allows for the automatic population of the next inspection date and the creation of maintenance notifications directly in SAP, without manual intervention. By configuring the PSV testing interval logics in IDMS and linking these to the MMS in SAP, OQBI has established a foolproof and effective digital system for recording and managing PSV testing results. This digital enhancement not only ensures reliability but also supports sustainable operational processes, aligning with OQBI's commitment to digital transformation and operational excellence.



ESG in Action:

Wireless Vibration Monitoring

OQBI has enhanced its operational efficiency and asset management by adopting innovative wireless vibration monitoring technologies for its sea water pumps.

Positioned remotely, approximately 1 km from the Methanol plant by air and 1.5 km by road, these pumps are critical to operations. Previously monitored on a monthly basis, the transition to wireless vibration probes installed on the machinery allows for data to be wirelessly transmitted to gateways and then to a dedicated server for detailed trend analysis.

This setup enables configurable data collection frequencies, facilitating real-time monitoring that not only reduces unplanned downtime and maintenance costs but also improves failure prediction and anomaly detection, significantly boosting equipment reliability and longevity.



ESG in Action:

The EKONS LPG Project

The EKONS LPG Project at OQBI exemplifies innovation and efficiency through its incorporation of technology and business intelligence.

The project has introduced speedometer gauge displays for intuitive real-time tracking of KPIs, enabling a clear visual representation of operational status.

Additionally, real-time cost-saving calculations are displayed on dashboards, directly linking operational actions to financial outcomes. This methodology promotes continuous process optimisation, focusing on maintaining operational parameters within the “green zone” for proactive rather than reactive management.

This integration of technology enhances both operational efficiency and financial performance, driving forward OQBI's commitment to innovation and sustainable practices.



Economic Impacts

In 2024, OQBI made history when it became the first listed petrochemical company on the Muscat Stock Exchange through the successful completion of an IPO.

This significant economic impact milestone was made possible through the sustainable refinancing of existing loans and a restructuring of the company's capital to form a petrochemical group from previously distinct operational entities. The process helped to raise almost USD 1 billion in financing to help sustain business continuity at the most opportune cost efficiency.

As OQBI prepares for 2025, we anticipate specific financial risks and challenges, including potential volatility in global markets driven by geopolitical tensions and economic uncertainties. These conditions could impact funding availability and investment returns. To address these challenges, the finance team is developing a comprehensive risk management framework that includes scenario analysis and stress testing to evaluate potential impacts on the organisation's financial health.

We also plan to undertake several key financial initiatives aimed at supporting strategic growth and our sustainability agenda, including enhancing our sustainable finance processes through the development of ESG-aligned investment strategies, such as sustainability-linked loans and transition finance, which fund projects dependent on achieving specific ESG milestones.

These initiatives aim to attract capital for projects that contribute positively to environmental sustainability while facilitating our long-term financial goals. We also expect to invest in innovative financial technologies that facilitate better tracking and reporting of ESG metrics, improving transparency and enhancing stakeholder confidence in the organisation's commitment to sustainability. In addition, we will explore partnerships with financial institutions that specialise in sustainable investments, providing access to additional resources and expertise.

Ensuring financial resilience will be critical in navigating these future uncertainties. By adopting a proactive approach toward risk management and resilience planning, OQBI aims to safeguard its financial stability while continuing to pursue its strategic growth and sustainability objectives in 2025.



USD 1 bn

The process helped to raise almost USD 1 billion in financing to help sustain business continuity at the most opportune cost efficiency.



Financial Management and ESG Strategy

Our Finance Department plays a crucial role in integrating ESG considerations into our decision-making processes. With strategic guidance and oversight from our Board of Directors, the finance team is responsible for developing and leveraging responsible financial management strategies that fully consider ESG risk and mitigation and ensure alignment with our ESG KPIs alongside our long-term business objectives. The team plays a vital role in ensuring our compliance with international ESG standards and reporting frameworks as well as regular audits of ESG reporting practices to drive continuous improvement.

Addressing Climate-Related Financial Risk

We evaluate and assess the financial impact of climate-related risks and opportunities on our operations via thorough risk assessments that consider a range of climate scenarios and their potential influence on our financial performance. By integrating climate-related risk into our financial forecasting models, we gain valuable insight into the potential impact of climate

The alignment of our financial operations and our ESG performance targets has presented a variety of challenges, including data quality and availability for ESG decision-making and reporting, as well as the cultural shift required to integrate ESG considerations into established financial processes. Regulatory compliance adds further complexity as we navigate quickly evolving ESG regulations within our industry and our region while aligning our financial practices with these requirements.

on our cash flows, asset values, and overall business viability. Collaboration between the finance team and other departments further ensures climate-related considerations are integrated into our strategic planning, aligning operational decisions with long-term business performance and sustainability objectives.

Looking Ahead

As we look ahead to 2025, we will be working on a comprehensive risk management framework that includes scenario analysis and stress testing to help ensure financial resilience.

This proactive approach to risk management and resilience planning aims to safeguard our financial stability while pursuing strategic growth and sustainability objectives.

We are also taking further steps to close gaps in tracking and reporting our ESG-related financial data. This includes working towards standardised metrics for measuring outcomes, such as energy efficiency savings or carbon offsets, and enhancing our data collection systems.





Empowering our People

Highlights

494

volunteers
contributed 1,403
volunteer hours
in 2024

22

sponsorship
events supported
community
well-being and
sustainability

**878,779
USD**

invested in
community
development
projects in 2024

Oman Vision 2040 Pillars

- ✓ A Society of Creative Individuals
- ✓ Responsible State Agencies

Material Topics

- ✓ Human Rights & Labor Management
- ✓ Local Community & Social Investments
- ✓ Occupational Health and Safety
- ✓ Employment Practices & Development
- ✓ Diversity, Equity & Inclusion

UN SDGs





Human Rights & Labor Management

We adhere to high standards of labour management and human rights, actively ensuring ethical practices aligned with our company's values, and our compliance with international guidelines.





Local Community & Social Investments

OQBI is focused on exemplifying good corporate citizenship throughout the Dhofar region through a range of corporate social responsibility (CSR) initiatives designed to enhance lives and engage our employees in the spirit of service and community.

In 2024, 494 headcount contributed 1403 volunteer hours to causes and community-driven initiatives throughout the Dhofar region.

Some of the noteworthy projects we undertook in 2024 included establishing a state-of-the-art chemical engineering research and development laboratory at the University of Technology and Applied Science – Salalah along with the provision of equipment for the OQ Innovation Laboratory at the Vocational College. We also led or supported a range of events focused on community well-being and sustainability throughout 2024, including the Salalah Free Zone Safety Week, World Environment Day, and blood donation campaigns, and participated in the LCOY Oman climate change conference. We also collaborate with government and non-

governmental organisations to address critical community needs in education, healthcare, and economic development. Our partnerships with entities such as the Dhofar Governor's Office, Ministry of Social Development, and Omani Women's Associations across multiple regions helps drive coordinated efforts to create positive impact by enabling resource sharing and knowledge exchange. Our participation in community-based committees further amplify our contributions towards Oman Vision 2040 objectives.



ESG in Action:

OQ Innovation Laboratory at Vocational College Salalah

The OQ Innovation Laboratory at Vocational College Salalah provides students and community members with access to advanced technologies and hands-on learning opportunities. In alignment with Oman's Vision 2040, the lab fosters creativity, critical thinking, and problem-solving, enabling participants to develop innovative solutions and preparing the next generation of leaders.



2024 Volunteer Events

Blood donation

OQBI conducted two blood donation campaigns, with a total of 35 volunteers contributing to the event. Additionally, such campaigns help raise awareness about the importance of blood donation and the positive impact it has on saving lives.



Tree plantation

OQBI led a volunteer campaign to plant wild seedlings at Sahal Hamrair. The initiative involved participation from OQ Assets and the Environment Authority, highlighting a strong commitment to environmental stewardship.

Iftar Ramadhan initiative

OQBI, with the participation of OQ employees, organised a campaign during Ramadan to distribute 300 Iftar meals to low-income families, with a total of 9 volunteers contributing to the initiative.

Awareness about Invasive Plants & Scattering Seeds

OQBI led a volunteer campaign to raise awareness about invasive plants and seed scattering. The initiative saw participation from OQBI, the Environment Authority, and the Nature Conservation Society in Dhofar Governorate, underscoring a strong commitment to environmental stewardship. The campaign was sponsored by His Excellency Dr. Abdullah Al-Amari, Chairman of the Environment Authority.



AL Dahariz Beach Cleaning & seedling planting

OQBI demonstrated its dedication to environmental preservation by organising a volunteer event to clean Al Dahariz Beach and plant seedlings during the Khareef season in 2024. The event involved more than 38 volunteers, who collectively contributed 76 volunteer hours.

2024 Sponsorships Events

National Science Week

The Ministry of Education's National Science Week advanced STEM learning and inspired innovation through various activities for teachers, students, and enthusiasts in science, technology, engineering, and mathematics.

Security and Safety Symposium

The Security and Safety Symposium for Vital Facilities in the Dhofar Governorate focused on enhancing safety practices, leveraging modern technologies, and providing practical solutions to safeguard key facilities and support national development.

Community Competitions

Salalah Health Committee's awareness campaigns and community competitions to reduce the spread of drugs extended beyond the Khareef season and included all schools in Salalah plus some schools outside the region.

Remove Abandoned Nets

An initiative to remove abandoned fishing nets in Raysut successfully raised awareness and spurred action to reduce the harmful impact of abandoned "ghost" nets on local marine ecosystems.

Traffic Safety Exhibition

A traffic safety exhibition at Salalah Gardens Mall during the Khareef season 2024 successfully promoted awareness and education on traffic safety.

Mirbat Protective Fence

We funded a protective fence to safeguard endangered trees in Mirbat. The fence will shield the trees from unauthorised access, wildlife, and human interference, ensuring their preservation and long-term survival.

Provide 40 Computers for students with visual impairment in Dhofar Schools

OQBI funded the purchase of 40 computers for blind and visually impaired students across all schools in the governorate, in collaboration with the Directorate General of Education in Dhofar.



Social Investment

OQBI also undertook a variety of social investment projects in 2024 aimed at enhancing culture, education, research, and economic development in alignment with Oman Vision 2040. These initiatives create long-term value by fostering innovation, supporting SMEs, and promoting tourism in the Dhofar Governorate

Dhalkout Cultural Centre:

A key cultural hub for educational and cultural events, community engagement and social development in western Dhofar..

Madabi Arzat:

A strategic partnership with Dhofar Municipality to develop a restaurant hub for SMEs and local entrepreneurs to showcase their businesses and services.

Ittin Oasis Park:

A family-friendly park that integrates educational games and recreational spaces for children and families.

Salalah Autism Centre (Furnishing):

essential equipment and furniture to enhance the Centre's learning environment for children with autism.

Chemical Research Laboratory:

Located at the University of Technology and Applied Sciences – Salalah, the lab enables students to gain practical proficiency and hands-on experience in solving industry challenges.

OQ Innovation Laboratory at Vocational College Salalah:

A state-of-the-art innovation space equipped with advanced technology and research tools, supporting students, universities, and civil society members in driving national innovation and research.

The Hayour Cave (Samhan Mountain)

Tourism development promotes eco-tourism and business opportunities for Omani youth while capitalising on the scenic beauty of Dhofar's mountain range.

AI Wafa Center

Enhancements to the rehabilitation environment at AI Wafa Center for the Rehabilitation of Persons with Disabilities in the State of Taqah helped ensure delivery of high-quality rehabilitation services.

Equipping the new rehabilitation center building for people with disabilities in the State of Al Mazyouna provided rehabilitation services to individuals with disabilities in the state and surrounding areas.

Coral Reefs & Underwater Museum Project:

As a forward-thinking petrochemicals company in Dhofar, we proposed a transformative Corporate Social Investment (CSI) project to enhance the environment and support the local economy by sinking heavy objects into Mirbat waters, including underwater replicas of famous Dhofar monuments. The first-in-the-region “museum” will serve as habitat for marine life, boost tourism, and create a unique attraction for divers.



Indicator	Unit	2023	2024
Community investment	USD	852,377	878,779
Sponsorship expenditure	USD	182,030	275,237
Number of CSR projects	Number	7	7
Number of beneficiaries	Number	219	9,300
Number of sponsorships	Number	10	22

The significant increase in the number of beneficiaries from 219 in 2023 to 9,300 in 2024 can be attributed to the activation of the OQ Innovational Lab and the expansion of community engagement initiatives. In 2024, the lab was launched to support educational and innovation-driven programmes, reaching a substantial number of college students, with more than

3,000 students benefiting from its activities. Additionally, the Dhalkout Cultural Centre played a key role in broadening outreach, supporting over 5,000 individuals residing in the Wallaya region. These initiatives have contributed to a notable rise in beneficiaries, demonstrating OQBI's strengthened commitment to social impact and community development.

Indicator	Unit	2023	2024
Number of volunteers	Number	312	494
Employee volunteer hours	Hours	914	1,403
Number of volunteering days	Days	18	13





Occupational Health and Safety



4.7.m hours

On 30th June 2024 we were proud to reach 4.7. million-man hours without a Lost Time Injury (LTI).

This significant operational milestone reflects our deep commitment to the health and safety of our employees, contractors and visitors through programmes and processes designed to promote a culture of safe behaviours, systems, and processes.

To further this aim, in 2024 we also began development of a joint comprehensive report intended to identify gaps and areas for improvement in our contractor engagements.

Led by our HSSE Committee with oversight from the Board of Directors, our health and safety strategy is driven by a publicly available Health and Safety Policy and managed via an occupational health and safety management system (OHSMS). The system encompasses all workers, activities, and workplaces. Hazards are identified using a risk matrix and hierarchy of control, and workers can safely and confidentially report potential hazards or safety concerns through our Intelex system without fear of backlash/consequences.

Worker participation in health and safety is actively fostered through committee participation, feedback mechanisms, inspections, ongoing consultations and regular communication between employees and management.



Health and Safety Policy

OQBI's comprehensive Health and Safety Policy guides protection of the health, safety and welfare of our employees by promoting a healthy safety and environment-focused culture. The policy sets forth guidance and requirements for the following:

Compliance & Best Practices

- ▶ Upholding all safety rules
- ▶ Compliance with Article 10 of Ministerial Decision 286/2008 through health and safety programme endorsed by the Ministry of Labour
- ▶ Following industry health and safety best practices, such as electronic work permits and other digital health and safety solutions, including the use of electronic reporting systems, journey management systems and emergency and crisis management systems
- ▶ Setting health and safety objectives, targets and measures, appraise and publicly report on the Company's health and safety performance

Risk Management & Prevention

- ▶ Routinely evaluating practices and procedures to maintain and improve the health and safety of employees, consumers, contractors and sub-contractors
- ▶ Using the TapRoot® system for root cause analysis of all injuries, incidents, and occupational illnesses to ensure all learning from previous incidents is addressed and communicated to employees to prevent recurrence

Training

- ▶ Health and safety training for all staff
- ▶ Specialised training for employees and contractors whose work may give rise to health and safety concerns, ensuring they understand their accountability for implementing our health and safety policies and upholding related health and safety legislation in Oman

Contractor & Supplier Engagement

- ▶ Ensuring service providers maintain high standards of food safety, including ISO 22000 accreditation for food safety management, ISO 41001-2018 (facility management systems) and hazard analysis and critical control point ("HACCP") certification
- ▶ Setting a high standard for contractors' health and safety specifications and requirement and using contractor selection criteria based on health and safety evaluations

Culture-Building

- ▶ Ensuring employees and contractors are aware of hazards and safe work practices in their work premises
- ▶ Promoting occupational health and industrial hygiene through:
 - ▶ pre-employment and periodic medical examinations
 - ▶ fitness to work programmes
 - ▶ health risk assessments
 - ▶ occupational exposure limit monitoring
 - ▶ health surveys and audits
 - ▶ occupational health programmes and monitoring
 - ▶ primary healthcare services, including medical emergency services
- ▶ Motivating all employees and contractors to report unsafe acts, near misses and health and safety violations, and implementing a reward and recognition scheme for promoting a positive health and safety culture at the Company
- ▶ Seeking to ensure the environment is protected against any pollution created due to operations

Health & Safety Training

We actively cultivate a safety-first culture through the provision of regular health and safety training, including fatigue management, security management, and environmental awareness. OQBI employees also have access to non-occupational medical and healthcare services.



ESG in Action:

Strengthening a Safety-First Culture

Throughout 2024, we focused on strengthening our safety-first culture through a series of safety, awareness, and sustainability initiatives within our company and our industry including:

- ▶ An Life Saving Rules (LSR) Champion Theme
- ▶ Participation in the Omani Industrial Day Event (SFZ)
- ▶ Publishing Security Guideline Roles for all OQ Salalah employees

- ▶ Awareness campaigns on fatigue management and heat stress
- ▶ Security inspections and panel discussions on the impact of climate change on occupational safety during World Safety Day Roadshow.

The year concluded with events such as HSSE benchmarking on drop objects, publishing safety tips, reinforcing OQBI's dedication to operational excellence, safety, and community engagement.

Compliance

We comply with all applicable laws and regulations on labour and occupational health and safety standards, including the Labour Law and the Ministry of Labour Ministerial Decision 286/2008, as amended, for the Regulations for Occupational Health and Safety at Enterprises Governed by the Labour Law.

Based on robust health and safety protocols, our emergency response infrastructure features dedicated firefighter units, medical teams, and regular safety drills to ensure preparedness and compliance with international standards.

The various health and safety requirements of these laws and requirements place primary responsibility for precautionary health and safety measures on the employer. According to these health and safety-related laws and regulations, we are required to identify potential health and safety hazards, evaluate potential risks to employees and promote an occupational health and safety policy.



Safety and Emergency Response

We have an established safety and emergency response system in place featuring standalone firefighting units, medical support teams with advanced equipment, and operations and protocols strictly aligned with national standards including Civil Defense and Ambulance Authority guidelines, and international standards such as the Federal Emergency Management Agency, National Fire Protection Association and Occupational Safety and Health Administration guidelines, ensuring the highest levels of safety and reliability.

Key elements of our safety and emergency response system:

- ▶ Highly trained professionals with expertise in emergency response
- ▶ Dedicated firefighter units with specialised capabilities and the latest technology and equipment for firefighting and rescue operations
- ▶ Two fully equipped fire stations with fire trucks and dedicated fire teams specifically located at the methanol and ammonia plants and the LPG plant
- ▶ Continuous preparedness to undertake emergency response activities at any time
- ▶ Two operational medics facilities and a qualified medical team available to provide immediate medical assistance
- ▶ Ongoing training programmes to maintain and enhance skills and knowledge
- ▶ Regular drills and education programmes to increase community awareness and preparedness

Asset Integrity and Critical Incident Management

The comprehensive maintenance of machinery, equipment and other physical assets is a foundational enabler of a safety, healthy workplace. Our Maintenance Department conducts routine maintenance on all equipment in our plants to ensure safe, smooth, and reliable operation with the aim of preventing accidents and minimising downtime.

Specialised disciplines within our preventive maintenance approach include mechanical maintenance, instrumentation, and performance monitoring.

In 2024, we significantly enhanced this process safety culture through additional training and competency improvements, increased communication and employee engagement, leadership engagement, and a range of digitalisation projects.

These activities included updating seven process safety procedures, structured process safety meetings at all organisational levels and the integration of digital technology such as the Intelex system. This has improved productivity, efficiency, and the management of safety protocols, including changes, overrides of protective devices, and the handling of safety barriers deferrals, deviations, and waivers.

Process Safety Rules



Follow startup and shutdown procedures & sign off after every step



Walk the line, verify and validate any line up change



Always take mitigating measures for Overrides and for failure of process safety barriers



No Change without MoC



Assure mechanical completion & tightness, after maintenance work.



Always use I barriers for hydrocarbon / chemical drains & vents



Never leave draining unattended

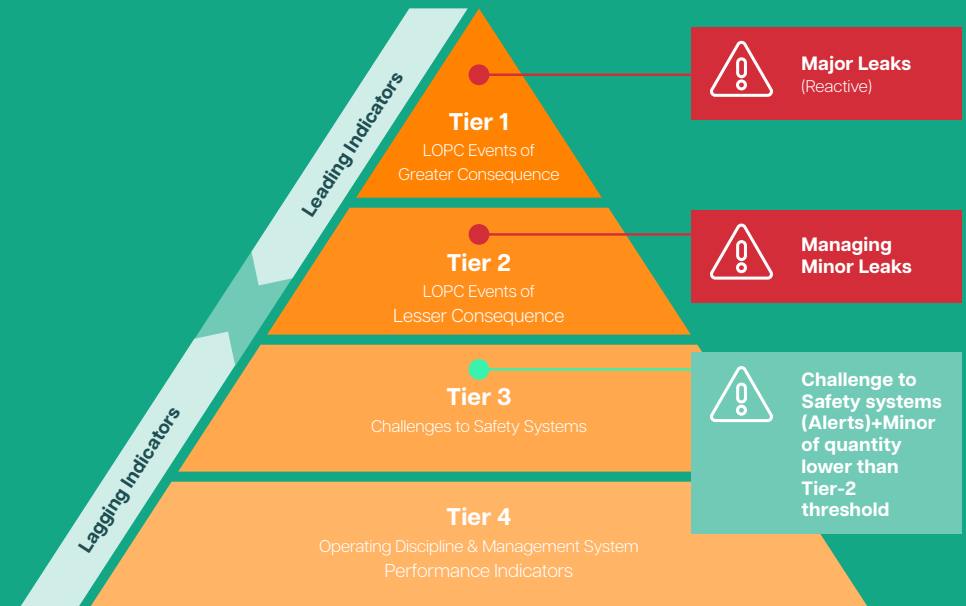


No connection to utilities without Risk assessment/ MoC/ Procedure & Backflow protection

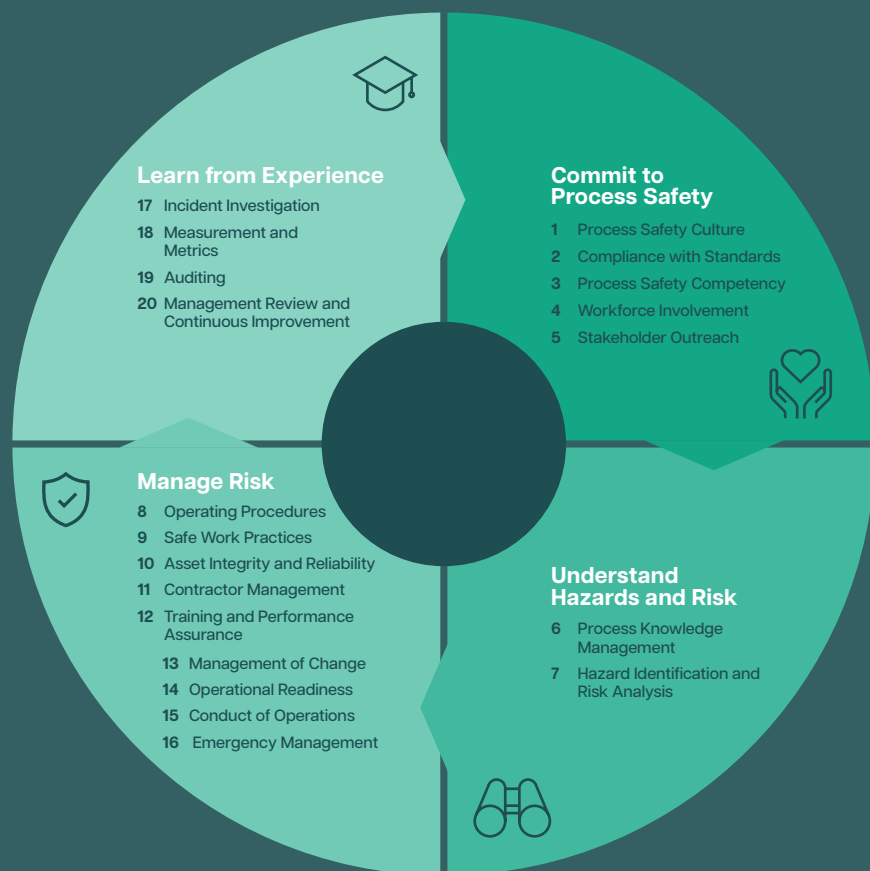


Verify equipment is pressure free & positive isolation before starting maintenance work

Process safety incidents classification As per API 754



Process Safety Management



In another significant step to amplify our safety-first culture, we also established a new Process Safety Committee with employees and leadership. The Committee conducts monthly audits and site tours to identify and address potential safety hazards. In addition, the leadership team conducts additional Process

Safety Assessments to actively drive further improvements in effective safety management. These efforts have increased the awareness and effectiveness of our process safety management across the organisation, as evidenced by our effective handling of incidents and near misses, enhancing our overall safety culture.

Employee work hours (Hours)

2022 681,172

2023 840,434

2024 837,807

Contractor work hours (Hours)

2022 1,331,730

2023 2,772,900

2024 1,472,562

Indicator	Unit	2022	2023	2024
Total Recordable Injury Frequency (TRIF)	Number	0.50	0.55	0.43
Lost Time Injury Frequency Rate (LTIFR)	Number	0.00	0.28	0.43
Work- Related Fatalities	Number	0	0	0
Fatality rate	Number	0	0	0
Employee fatalities	Number	0	0	0
Contractor fatalities	Number	0	0	0
Employee lost time injuries	Number	0	0	0
Contractor lost time injuries	Number	0	1	1
Employee total recordable injuries	Number	0	0	0
Contractor total recordable injuries	Number	1	2	2
Emergency response drills	Number	23	23	25
Safety incident investigation initiated	Number	8	59	146
Safety incident investigation completed	Number	8	59	146

Product Quality

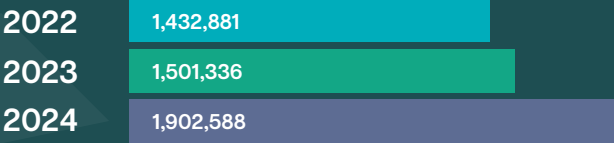
All OQBI products adhere to Federal Grade AA and International Methanol Producers and Consumers Association (IMPCA) standards and comply with industry regulations.

Product quality is annually assessed via Environment, Health, and Safety (EHS) impact assessments on our methanol and products through Hazard Identification and Risk Assessment (HIRA) and environmental registers.

In 2024, we successfully achieved the renewal of the No Objection Certificate (NOC) for the export of petroleum products, ensuring compliance with relevant regulatory standards and continuing our commitment to global trade practices.

Indicator	Units	2022	2023	2024
Methanol	Tonnes	1,131,026	901,669.27	1,213,285.85
Ammonia	Tonnes	92,896	263,870.00	324,671.67
LPG	Tonnes	208,959	335,797.00	364,630.04
LPG + Residual Gas	Tonnes	1,773,551	2,518,695.797	2,121,397

Total Production
(Tonnes)





Elevating Our Practices

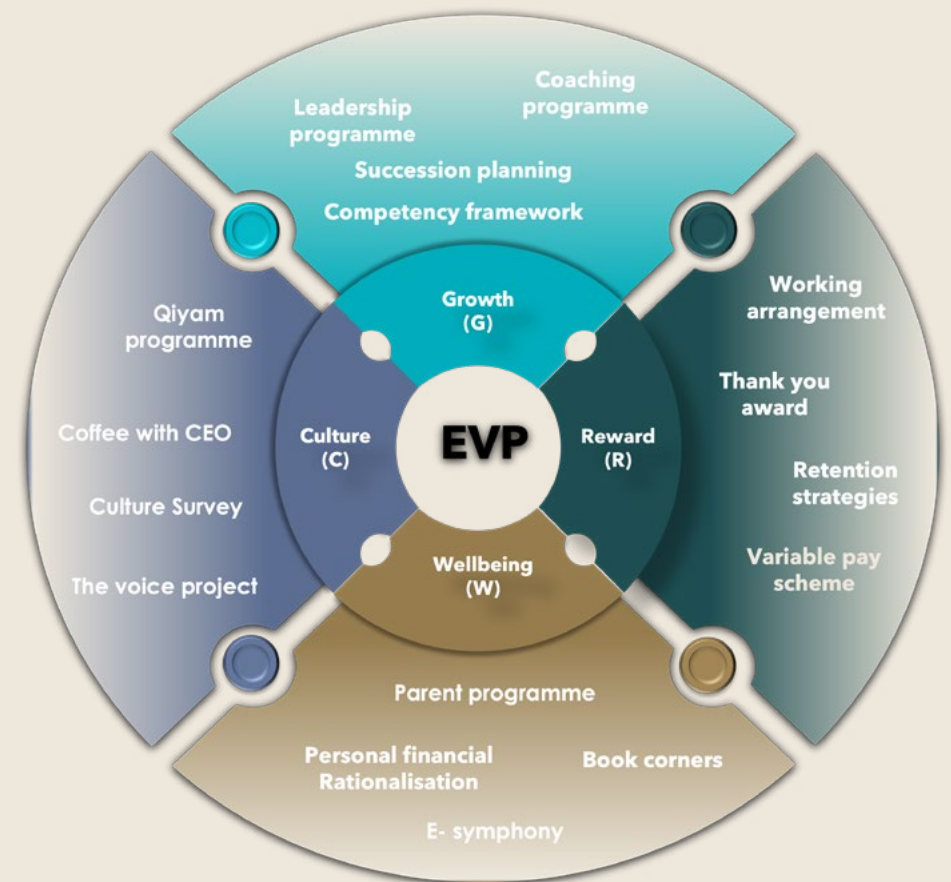
As the proud employer of some of Oman's most talented individuals, we are committed to supporting the development of talent throughout our region in alignment with the Oman Vision 2040.

All employees have the opportunity to grow their professional skills, enjoy a fulfilling work-life balance, and pursue rewarding careers with our company, and to achieve this we offer a value proposition for employees focused on four holistic pillars: reward, growth, wellbeing, and culture.

These pillars provide a platform for offering competitive compensation and benefits along with career training and development programmes.

In 2024, QQBI reinforced its Employee Value Proposition (EVP) by implementing initiatives that foster a positive and motivating work environment. The EVP is designed to support a performance-driven culture by offering programs that enhance employee engagement, professional development, and overall job satisfaction. These efforts align with QQBI's strategic focus on creating a workplace where employees feel valued and inspired to contribute to the organisation's success.

QQBI prioritises business continuity and leadership stability through a robust succession planning framework. The key objective of this initiative is to identify and develop future leaders within the organisation, ensuring a smooth transition in leadership roles and mitigating risks associated with key talent departures. By investing in its internal talent pipeline, QQBI demonstrates a proactive approach to maintaining organisational resilience and supporting long-term growth.



As part of its commitment to a performance-driven culture, OQBI implemented a comprehensive Reward and Recognition Scheme in 2024. The programme is designed to acknowledge individuals and teams who go above and beyond their daily responsibilities, contributing extraordinary value to the organisation. The scheme includes a variety of recognition initiatives, such as awarding 'Thank You' certificates, nominating employees for the 'Above & Beyond' and 'Testahal Awards,' and selecting a 'Grand Winner' through Chief-level nominations. This approach not only enhances employee morale but also reinforces a culture of appreciation and excellence within the workplace.

To address present and future workforce needs, we also support a variety of graduate training positions and internal recruitment initiatives designed to help us cultivate talent from within. Entitlement to certain benefits is based on the Company's business and financial performance, as well as employee performance.

Our recruitment team seeks to fill vacant positions based on the skills and expertise required for open jobs, while giving priority to internal talent in a fair manner. All candidates are selected based on capability assessments to ensure the best candidate is appointed. In 2024, OQBI

initiated a mobility programme to rotate internal employees across functions, enhancing cross functional collaboration and skill development within our company. Conducting 5 Awareness sessions for performance and Leadership assessment.

In 2024, OQBI continued to enhance its training initiatives across the workforce. The total number of training hours for females saw a significant increase, rising from 1,357 hours in 2023 to 2,809 hours in 2024, an impressive growth of approximately 107%. Overall, the total workforce training hours increased from 13,678 hours in 2023 to 15,373.5 hours in 2024, marking an overall rise of 12.4%. This data underscores OQBI's commitment to developing its workforce through consistent and expanding training opportunities.



12.4%

Increase in workforce
training hours





Diversity, Equity & Inclusion

OQBI is committed to cultivating a welcoming, open and inviting workplace that values the expertise and contributions of all employees regardless of age, ethnicity or background.

In the short term, our diversity and inclusion initiatives are also focused on increasing youth participation in the workforce and raising the proportion of employees with disabilities to 2% of our total workforce. As part of these efforts, OQBI launched the Springboard Special Ladies Training programme, designed to empower women by providing them with the skills and opportunities needed to thrive in the workplace. This initiative reflects our dedication to fostering an equitable and diverse workforce while supporting women’s professional development.

To promote workforce diversity, inclusion, and non-discrimination, OQBI has established a comprehensive People Policy that sets out mandatory practices and rules for managing employees’ aspirations. This policy ensures complete transparency in the application and implementation of the People policies and guidelines. It states that all norms be applied justly across all employees,

fostering a culture of fairness throughout the company. Additionally, the policy is designed with flexibility, allowing for adjustments and enhancements based on both internal and external environmental requirements. To support daily operations and guide employees in People-related matters, a comprehensive and updated document of People policies and guidelines is maintained as a ready reference. This framework not only governs the day-to-day administration but also aligns with our commitment to upholding and promoting an inclusive workplace.

OQBI’s employment strategies are firmly focused on providing substantial employment opportunities to residents and nationals of host countries, specifically through our Omanisation initiative. Our goal is to achieve an Omanisation percentage target of 83%, supported by batch recruitment sessions facilitated by the Ministry of Labor, such as those seen in batch 11. This approach not only

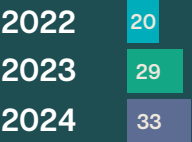
supports local employment but also aligns with national development goals.

In terms of promoting diversity and inclusion at the local level, especially within management roles, our strategy includes comprehensive succession planning and leadership training programmes, such as Itqan and Massar.

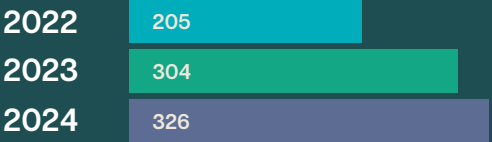
These programmes are designed to prepare Omanis for leadership positions, ensuring that recruitment priorities align with our commitment to fostering a diverse and inclusive workplace. This focused recruitment strategy prioritises Omanis, aiming to cultivate a leadership pipeline that reflects the rich diversity of the local community.

Indicator	Unit	2022	2023	2024
Number of full time national employees	Number	225	333	359
National full time employees in senior management	Number	4	4	4
Number of employees of other nationalities	Number	64	76	76

Female national employees



Male national employees





Case Study:

ITQAN Programme

The programme aims to develop functional system that improves employees' competence. A competent workforce will ensure sustainability, growth and success.

Program values:

- ▶ Competent workforce
- ▶ Continue our growth journey
- ▶ Sustainable business

Through the programme, we aim to:

Improve:

- ▶ Safety knowledge
- ▶ Staff capabilities
- ▶ Career prospects
- ▶ Talent performance

Reduce:

- ▶ Human error
- ▶ Time to complete a task
- ▶ Operating cost
- ▶ Lack of knowledge



Workforce Overview

In 2024, OQBI's workforce showed overall growth and stability across key employment categories.

The total number of permanent employees increased by 8.2%, rising from 401 in 2023 to 434 in 2024. Female permanent employees saw an increase of 8, reaching 34, while male permanent employees rose by 25 to 400.

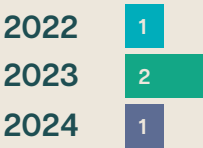
Temporary employees remained stable, with only 1 temporary employee retained in both 2023 and 2024. The office-based employee count increased significantly, from 262 in 2023 to 298 in 2024. Female office-based employees grew from 26 to 36, while male office-based employees increased by 26, totaling 262 in 2024.

In 2024, OQBI maintained stability in senior management, with the total number of senior management employees remaining unchanged at 4, all of whom were male. Middle management saw significant growth, with the total number of employees increasing from 26 in 2023 to 64 in 2024, reflecting a remarkable 146% rise. Female representation in middle management improved slightly, with an increase from 5 in 2023 to 7 in 2024. Male employees in middle management experienced substantial growth, rising from 21 to 57.

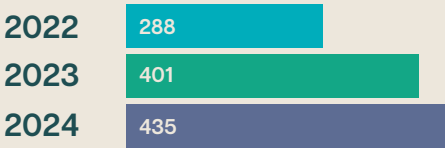


146% rise
in total number of
employees

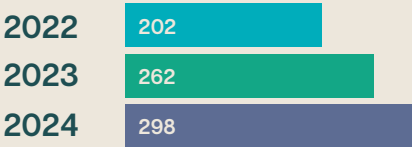
Temporary employees



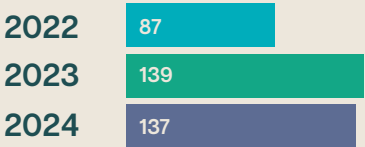
Permanent employees



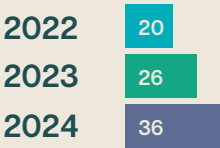
Office-based employees



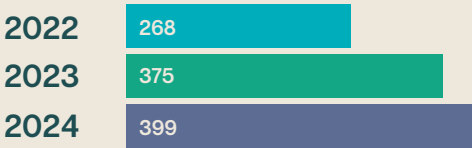
Employees based on site



Female permanent employees

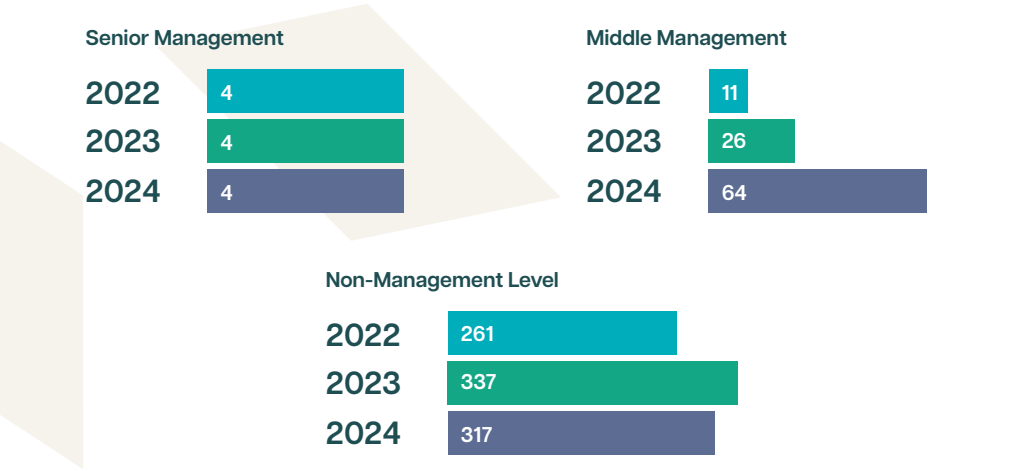


Male permanent employees



Indicator	Unit	2022	2023	2024
Female temporary employees	Number	0	1	0
Male temporary employees	Number	1	1	1
Female	Number	20	26	36
Male	Number	182	236	262
Female	Number	0	0	0
Male	Number	87	139	137

At the non-managerial level, the total number of employees decreased from 337 in 2023 to 317 in 2024, indicating a 5.9% reduction. However, female employees at this level continued to grow, with an increase from 25 in 2023 to 27 in 2024. Male employees at the non-managerial level decreased from 308 to 290.



Indicator	Unit	2022	2023	2024
Male employees in senior management	Number	4	4	4
Female employees in senior management	Number	0	0	0
Female employees in middle management	Number	0	5	7
Male employees in middle management	Number	11	21	57
Female employees in Non-managerial Level	Number	20	25	27
Male employees in Non-managerial Level	Number	241	308	290

In 2024, OQBI's workforce composition by age group showed a balanced distribution across all categories. Employees under 30 years old decreased from 78 in 2023 to 61 in 2024, reflecting a 21.8% reduction.

Conversely, the number of employees aged between 30 and 50 increased significantly from 283 in 2023 to 331 in 2024, demonstrating a robust 17% growth.

The proportion of employees over 50 years old also saw a modest increase, from 40 in 2023 to 43 in 2024.

These trends indicate OQBI's emphasis on experienced talent while maintaining a diverse age representation within the workforce.

Indicator	Unit	2022	2023	2024
Under 30 years old	Number	31	78	61
Between 30-50 years old	Number	228	283	331
Over 50 years old	Number	30	40	43

In 2024, OQBI actively expanded its workforce, welcoming 39 new employees across its operations, reflecting an 18% increase from 33 new hires in 2023. The company maintained its focus on gender diversity by hiring 4 female employees and continued to strengthen its operational capabilities with 35 male recruits. A key

emphasis was placed on attracting young talent, with 27 new employees under 30 years old joining the organisation. Additionally, 10 new hires were within the 30-50 age bracket, while the company broadened its experience pool by hiring 2 employees over 50 years old for the first time in three years

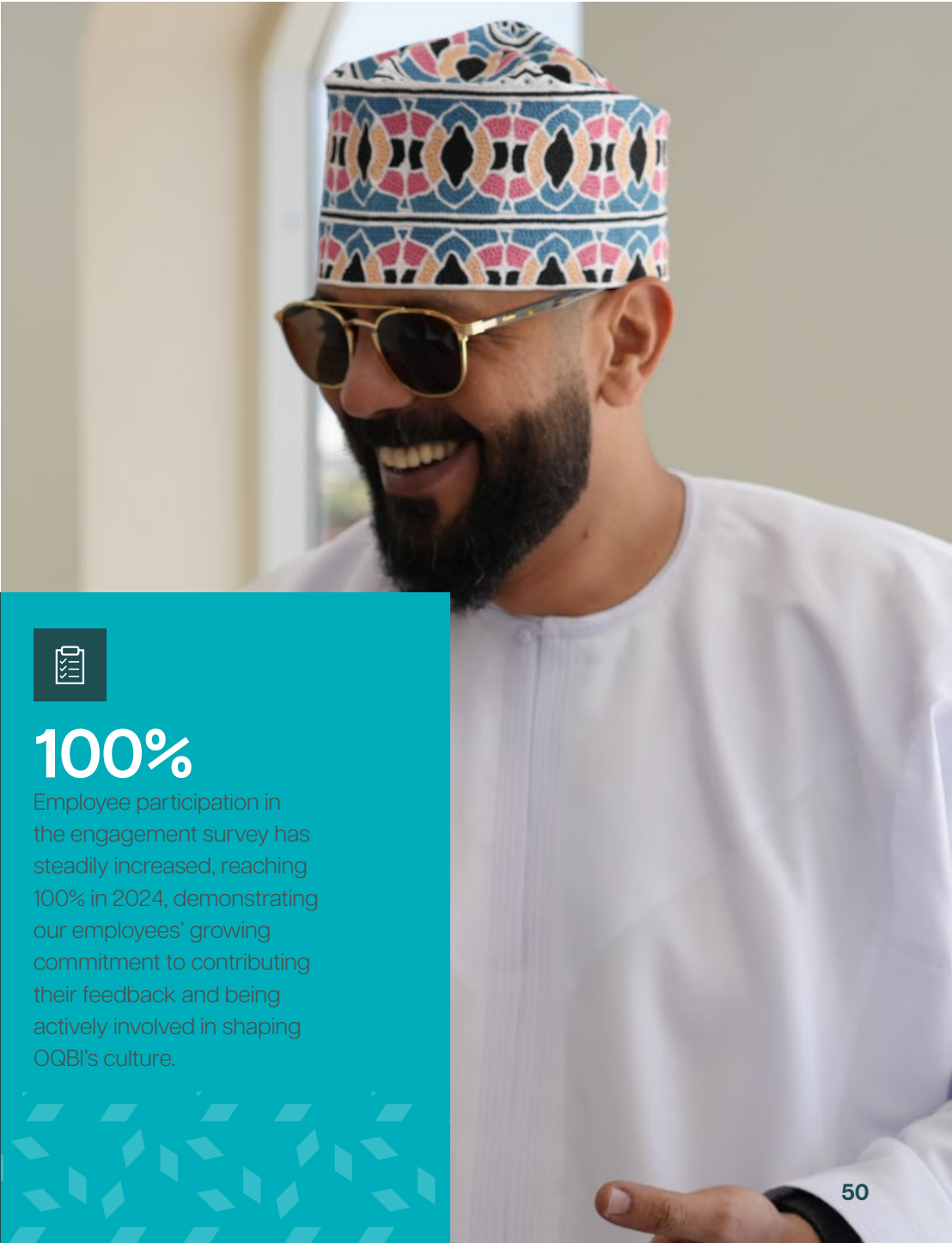
Indicator	Unit	2022	2023	2024
Total number of new employees who joined the organisation	Number	24	33	39
Total number of new employees who joined the organisation (female)	Number	1	4	4
Total number of new employees who joined the organisation (male)	Number	23	29	35
Total number of new employees who joined the organisation (under 30)	Number	11	20	27
Total number of new employees who joined the organisation (30-50)	Number	13	13	10
Total number of new employees who joined the organisation (over 50)	Number	0	0	2

In 2024, OQBI experienced an increase in employee turnover, with 28 employees leaving the organisation, compared to 11 in 2023. This rise contributed to an overall turnover rate of 8%, up from 3% in the previous year.

The departures were solely among male employees, as no female employees left the company for the third consecutive year. The majority of exits occurred within the 30-50 age group, with 16 employees leaving, followed by 8 employees under 30, and 4 employees over 50.

At OQBI, we are committed to building a thriving and inclusive workplace culture that fosters engagement, motivation, and loyalty among our employees. Through our continuous efforts, we have strengthened employee participation in shaping our work environment, as reflected in the Annual Culture & Employee Engagement Survey results over the past three years.

Indicator	Unit	2022	2023	2024
Total number of employees who left the organisation	Number	8	11	28
Total number of employees who left the organisation (female)	Number	0	0	0
Total number of employees who left the organisation (male)	Number	8	11	28
Total number of employees who left the organisation (under 30)	Number	1	3	8
Total number of employees who left the organisation (30-50)	Number	4	6	16
Total number of employees who left the organisation (over 50)	Number	3	2	4
Turnover rate	Rate	4%	3%	8%



100%

Employee participation in the engagement survey has steadily increased, reaching 100% in 2024, demonstrating our employees' growing commitment to contributing their feedback and being actively involved in shaping OQBI's culture.



Engagement and Culture Survey Results

At OQBI, we believe that an engaged and motivated workforce is the foundation of a thriving OQBI.

To reinforce our commitment to employee well-being, satisfaction, and professional growth, we introduced the Internaa Programme—a dedicated initiative designed to enhance workplace engagement, foster collaboration, and create a positive work environment.



2022 Results

85%

Participation rate

66%

Satisfaction & Motivation

80%

Loyalty

85%

Response Rate

2023 Results

93%

Participation rate

73%

Satisfaction & Motivation

86%

Loyalty

93%

Response Rate

2024 Results

100%

Participation rate

81%

Satisfaction & Motivation

90%

Loyalty

100%

Response Rate

B

Integrity and Operational Resilience

Highlights

ZERO

incidents of discrimination reported in 2024

8

attempted cyberattacks, a 76% reduction from 2022

**ISO/IEC
27001:2013**

certification maintained for Information Security Management System

Oman Vision 2040 Pillars

- ✓ Responsible State Agencies

Material Topics

- ✓ Asset Integrity & Critical Incident Management
- ✓ Cybersecurity & Data Privacy
- ✓ Governance, Ethics & Compliance

UN SDGs





Governance, Ethics & Compliance

OQBI has a duty to maintain robust standards of governance across our enterprise, and we are committed to conducting business in an ethical manner that strengthens our position as a trusted partner to our employees, customers, suppliers, investors, communities and other stakeholders.

Our governance structure includes a Board of Directors who supervises and monitors the management of our company within a framework of prudent and effective controls with support from key Board level committees including:

- ▶ An **Audit and Risk Committee** to ensure financial integrity, prevents fraud, and evaluates internal controls
- ▶ A **Nomination and Remuneration Committee** to oversee executive appointments and remuneration policies and enhance transparency and accountability

In 2024, OQBI conducted a comprehensive series of awareness sessions aimed at reinforcing the company's ethical standards and operational guidelines among employees across various levels. New joiners participated in sessions on the code of business conduct and conflict of interest, ensuring they understood the company's expectations from the outset.

Top management attended specialised sessions focused on Performance Appraisal and Consequences, enhancing leadership accountability and effectiveness. Additionally, new interns were introduced to the company's ethical framework through multiple ethics awareness sessions, including two specifically designed for their role. The company also held three confidentiality awareness sessions, further emphasising the importance of data security and privacy. The series culminated in an Ethic Week, which broadened the scope of engagement and reinforced the culture of integrity throughout the organisation.

Whistleblowing and Grievance Mechanisms

OQBI is committed to ensuring all employees can report incidents of harassment, discrimination, or safety concerns securely and without fear of retribution. Our structured grievance mechanism provides a clear and accessible process for voicing these concerns, ensuring timely resolutions through steps such as submission, registration, evaluation, resolution development, communication, and continuous monitoring.



ZERO

There were no reported incidents of discrimination within our organisation in 2024.



Cybersecurity & Data Privacy

The increasingly complex nature of digital information and communication and increases in unauthorised access attempts and cyberattacks on corporations globally, OQBI is exposed to a variety of data privacy and cybersecurity risks ranging from data theft or loss to cyberattacks, stoppages, business interruptions, and the failure or technical obsolescence of IT systems.

To safeguard data privacy and security, we employ world-class data privacy and cybersecurity measures. We also take a continuous improvement approach to the ongoing enhancement of our cybersecurity systems.

Digitalisation

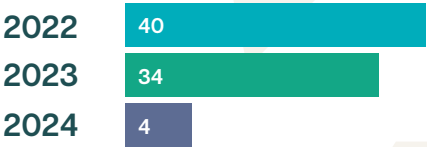
From Fourth Industrial Revolution (4IR) technologies to new systems for visitor and document management, we are harnessing the rapid digital transformation of our industry and our region to streamline operations and enhance our efficiency. In addition to developing internal digital solutions such as a self-control assessment system, budget planning tool, communications hub, and a plant production system, we are partnering with third-party vendors to implement a Plant Information Vision system, a Visitor Management System, and an ARC Reliability & Integrity System.

In 2024 we collaborated with Oman Investment Authorities (OIA) to organise a hackathon focused on driving innovations to tackle real challenges faced by OIA companies. We also developed dashboards and applications to automate business processes and further enable data-driven decision-making across our enterprise.

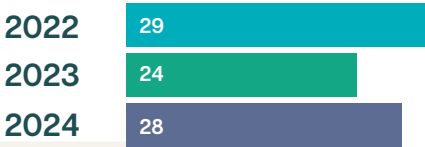
We manage certain aspects of our own information and communications technology infrastructure requirements, including end-user devices, the data and voice network, the backbone of our transmission network, our telecommunications infrastructure, and all applications used by our company such as our Sharepoint network.

We also own and operate our own data centres in addition to using data centres at the OQ level, both of which provide the hosting, database, storage, and backup infrastructures necessary for our business applications, ensuring all data is backed up regularly in accordance with our backup and retention policies.

Attempted cyberattacks



Actual cyberattacks



Data Protection

Since 2022 we have adhered to the ISO/IEC 27001:2013 standard for implementing and sustaining an Information Security Management System ("ISMS"). The ISMS is regularly audited and certified by an independent external certification body based on ISO/IEC 27001:2013.

We provide all our employees with access to anti-phishing awareness programmes and mandatory cybersecurity training.

Both at the OQBI level and the OQ Group, network access security is regularly tested, and weaknesses are identified and remedied. operates a cloud-based disaster recovery centre for our shared IT services. In addition, we operate a separate cloud-based disaster recovery centre for our local critical business applications as part of our business continuity plan. We also continuously monitor changes to laws, regulations, and IT-related cybersecurity threats, and we apply mitigation controls to minimise risk and ensure compliance with regulations. Cybersecurity-related internal and external network penetration tests are periodically performed by independent security companies to identify and mitigate security vulnerabilities as soon as possible.





Driving Environmental Stewardship

Highlights

25%

reduction in GHG emissions targeted by 2030, with a goal of net-zero emissions by 2050

64 tns.

of hazardous waste generated in 2024, a 17.9% reduction from 2023

Oman Vision 2040 Pillars

- ✓ An Environment with Sustainable Components

Material Topics

- ✓ Climate Change & Energy Transition
- ✓ Waste Management
- ✓ Water Management

UN SDGs





Investing in Environmental Stewardship

OQBI understands that our products and manufacturing processes can have an impact on our environment, and we are actively working to understand, manage, and minimise those impacts.

To accomplish this, we are taking a multi-faceted approach to addressing our most material environmental concerns in accordance with our ESG strategy and framework. This includes taking steps towards decarbonisation and GHG reduction, optimising our energy and water consumption, and responsibly managing waste. Using 2023 as a baseline year, we have also set targets for measurable performance improvement across these critical areas.

OQBI is ISO 14001 certified, reflecting its commitment to environmental responsibility and compliance with international sustainability standards. This certification underscores OQBI's proactive approach to managing environmental impacts, ensuring adherence to regulatory requirements, and continuously improving its environmental performance. By aligning with ISO 14001, OQBI demonstrates its dedication to reducing its environmental footprint, optimising resource use, and fostering a culture of sustainability across its operations.

Environmental Compliance

The nature of our products means that full compliance with environmental regulations and best practices for chemical safety is at the foundation of our approach to environmental stewardship. We are bound by all laws and requirements set forth by the Oman Environmental Authority, including the main Chemical Regulation framework for the handling, use, and management of hazardous chemicals in Oman, and the law on the Conservation of the Environment and Prevention of Pollution.

The Chemical Regulation requires OQBI to maintain a valid Environmental Permit (EP) for all activities involving hazardous chemicals, with each chemical listed on the EP. We must also secure and maintain permits from the Civil Defence and Ambulance Authority for the transportation and storage of hazardous chemicals.





Climate Change & Energy Transition

In 2023 Oman adopted a national plan for carbon neutrality that targeted significant GHG emissions reductions across key industries, including oil and gas, electricity production, and chemicals.

In full support of this plan, OQBI has established a decarbonisation roadmap that targets a 25% decrease in our GHG emissions by 2030 using a 2023 baseline with the aim of achieving net zero emissions by 2050. The roadmap identifies more than 30 potential opportunities to reduce Scope 1 and Scope 2 GHG emissions over the next 10 years.

Our decarbonisation roadmap targets a 25% decrease in our GHG emissions by 2030 using a 2023 baseline with the aim of achieving net zero emissions by 2050.

In 2024 we initiated GHG emissions and energy efficiency studies and implementation plans to accelerate our progress towards these targets.

We aim to use these studies and plans to maintain and improving our GHG emissions and intensity measurement and reporting.

The majority of our GHG emissions are direct, Scope 1 emissions from sources controlled or owned by our company, along with indirect Scope 2 emissions associated with the purchase of electricity and in January 2024 we began to report these emissions monthly. We do not currently measure indirect Scope 3 emissions (indirect emissions not included in Scope 2).

Through the implementation of five key decarbonisation initiatives, OQBI has achieved a CO₂ reduction of 26,472 MT in 2024. These initiatives include optimising the steam system, maximising ammonia feed purge gas while minimising ammonia feed purge gas for firing, enhancing PSA unit efficiency, diverting flash gas to the

synloop, and implementing APC in LPG operations. Additionally, improvements in methanol plant reliability have significantly contributed to reducing CO₂ emissions by approximately 105,000 tons per year. This reduction is further supported by other initiatives such as pigtail replacement, catalyst replacement, implementing automated reformer temperature control, and general turnaround (TA) activities, reinforcing OQBI's commitment to sustainability and operational efficiency.

Indicator	Unit	2022	2023	2024
Direct GHG emissions (Scope1)	Million tonnes of CO ₂ equivalent	1.32	1.04	1.65
Indirect GHG emissions (Scope 2)	Million tonnes of CO ₂ equivalent	0.06	0.10	0.108
Total GHG emissions (Scope 1 + Scope 2)	Million tonnes CO ₂ equivalent	1.38	1.53	1.77
GHG Intensity	Tonnes CO ₂ /Tonnes Product	0.93	0.77	0.93
Total energy consumption	GJ	60,513,156	56,637,597	76,360,205
Energy intensity	GJ per mt production	40.23	37.66	40.1



Waste Management

Alongside our focus on recycling and re-purposing unused scrap and surplus materials, we are driving down the volume of waste we generate across the company through enhanced inventory tracking and operational efficiency and resource optimisation improvements.

These improvements include a clear and structured Auction and Sales Procedure, an initiative that generates additional revenue by selling recyclable, obsolete, and expired materials while promoting innovative waste disposal solutions. In 2024, the initiative generated is approximately 55,000 USD in additional revenue.

Wastewater and hazardous waste generated as a by-product of our

operations constitute two of our primary waste streams. To ensure the safe handling and responsible disposal of this waste we use authorised personnel and facilities to collect, store, dispose of and transport hazardous waste in full compliance with all regulations for the management of hazardous waste to protect human health and the environment set forth in Ministerial Decision 18/1993.



232 tn.

In 2024 we generated 232 tonnes of waste, including 64 tonnes of hazardous waste.

Indicator	Unit	2022	2023	2024
Total waste generated	Tonnes	84	662	232

Hazardous waste (Tonnes)

2022	16
2023	78
2024	64

Non-hazardous waste (Tonnes)

2022	68
2023	584
2024	167





Water Management

Our water management system features a dedicated seawater intake facility and treatment plan to reduce our reliance on groundwater supply systems.

To maximise water efficiency and conservation, we use data-driven insights from regular water usage monitoring to identify opportunities for system and efficiency improvements that could yield additional water savings.

We are currently establishing baseline water usage data to drive further water efficiency in alignment with Oman 2040 objectives.

Indicator	Unit	2022	2023	2024
Seawater withdrawal	Million cubic metres	116	107	110.7
Seawater discharge	Million cubic metres	114	105	109.1

Water consumption (Million cubic metres)





Appendix





Appendix A - GRI Content Index

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.

Statement of use	OQBI has reported in accordance with the GRI Standards for the period of 1st January to 31st December 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. N°.
			Requirement(s) Omitted	Reason	Explanation	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	7-9				
	2-2 Entities included in the organization's sustainability reporting	3				
	2-3 Reporting period, frequency and contact point	3				
	2-4 Restatements of information	No restatements				
	2-5 External assurance	No external assurance				
	2-6 Activities, value chain and other business relationships	7				
	2-7 Employees	48-50				
	2-8 Workers who are not employees	23-25, 50				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. N°.
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021 (Cont.)	2-9 Governance structure and composition	10-13, 53				
	2-10 Nomination and selection of the highest governance body	13				
	2-11 Chair of the highest governance body	4, 5				
	2-12 Role of the highest governance body in overseeing the management of impacts	12				
	2-13 Delegation of responsibility for managing impacts	12, 53				
	2-14 Role of the highest governance body in sustainability reporting	12				
	2-15 Conflicts of interest	53				
	2-16 Communication of critical concerns	53				
	2-17 Collective knowledge of the highest governance body	10-13, 53				
	2-18 Evaluation of the performance of the highest governance body	10-13, 53				
	2-19 Remuneration policies	13, 53				
	2-20 Process to determine remuneration	13				
	2-21 Annual total compensation ratio	Not disclosed		Information unavailable/ incomplete	Annual total compensation data unavailable due to confidentiality constraints	
	2-22 Statement on sustainable development strategy	17				
	2-23 Policy commitments	13, 23, 37-39, 46				
	2-24 Embedding policy commitments	13, 23, 37-39, 46				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. N°.
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021 (Cont.)	2-25 Processes to remediate negative impacts	53				
	2-26 Mechanisms for seeking advice and raising concerns	53				
	2-27 Compliance with laws and regulations	53, 55, 57, 59				
	2-28 Membership associations	Not disclosed		Information unavailable/ incomplete	The organization does not currently maintain a consolidated list of memberships across all departments or subsidiaries.	
	2-29 Approach to stakeholder engagement	18				
	2-30 Collective bargaining agreements	Not disclosed		Legal prohibitions	Collective bargaining is prohibited in Oman	
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	18-19				
	3-2 List of material topics	19				
Economic Impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	29, 30				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	29				
Supply Chain Management & ICV						
GRI 3: Material Topics 2021	3-3 Management of material topics	23-25				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	23-25				
Climate Change & Energy Transition						
GRI 3: Material Topics 2021	3-3 Management of material topics	58				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. N°.
			Requirement(s) Omitted	Reason	Explanation	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	58				
	302-3 Energy intensity	58				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	58				
	305-2 Energy indirect (Scope 2) GHG emissions	58				
	305-4 GHG emissions intensity	58				
Water Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	60				
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	60				
	303-4 Water discharge	60				
	303-5 Water consumption	60				
Waste Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	59				
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	59				
	306-3 Waste generated	59				
Diversity, Equity & Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	46				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	49, 50				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	44				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. N°.
			Requirement(s) Omitted	Reason	Explanation	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	46, 49				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	52, 53				
Occupational Health and Safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	37-43				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	37, 41, 42				
	403-2 Hazard identification, risk assessment, and incident investigation	40, 42, 43				
	403-4 Worker participation, consultation, and communication on occupational health and safety	38 - 40				
	403-5 Worker training on occupational health and safety	39				
	403-8 Workers covered by an occupational health and safety management system	38				
	403-9 Work-related injuries	42				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	43				
Employment Practices & Development						
GRI 3: Material Topics 2021	3-3 Management of material topics	44, 45				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	45				
	404-2 Programs for upgrading employee skills and transition assistance programs	44				

Local Community & Social Investments						
GRI 3: Material Topics 2021	3-3 Management of material topics	33				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	33-36				
The topics listed below are material to OQBI but do not have corresponding specific GRI disclosures.						
Sustainable Finance						
GRI 3: Material Topics 2021	3-3 Management of material topics	22				
Asset Integrity & Critical Incident Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	40				
Cybersecurity & Data Privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	54				
Governance, Ethics & Compliance						
GRI 3: Material Topics 2021	3-3 Management of material topics	53				
Agility, Innovation & Digital Transformation						
GRI 3: Material Topics 2021	3-3 Management of material topics	26				
Human Rights & Labour Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	32				



Appendix B - MSX Content Index

Category	Metric	Calculation	Page Number(s) or Direct Answer
Environment	E1. GHG Emissions	E1.1) Total amount in CO2 equivalents, for Scope 1	58
		E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable)	58
		E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	Not Applicable
	E2. Emissions Intensity	E2.1) Total GHG emissions per output scaling factor	58
		E2.2) Total non-GHG emissions per output scaling factor	Not Applicable
	E3. Energy Usage	E3.1) Total amount of energy directly consumed	58
		E3.2) Total amount of energy indirectly consumed	Not Applicable
	E4. Energy Intensity	Total direct energy usage per output scaling factor	58
	E5. Energy Mix	Percentage: Energy usage by generation type	Not Applicable
	E6. Water Usage	E6.1) Total amount of water consumed	60
		E6.2) Total amount of water reclaimed	Not Applicable
	E7. Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes/No	Not Applicable
		E7.2) Does your company follow specific waste, water, energy, and/or recycling policies? Yes/No	Not Applicable
		E7.3) Does your company use a recognized energy management system?	Not Applicable
	E8. Environmental Oversight	Does your Management Team oversee and/or manage sustainability issues? Yes/No	Yes
	E9. Environmental Oversight	Does your Board oversee and/or manage sustainability issues? Yes/No	Yes
	E10. Climate Risk Mitigation	Total amount invested, annually, in climate related infrastructure, resilience, and product development	Not Applicable

Category	Metric	Calculation	Page Number(s) or Direct Answer
Social	S1. CEO Pay Ratio	S1.1) Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation	Not Applicable
		S1.2) Does your company report this metric in regulatory filings? Yes/No	Not Applicable
	S2. Gender Pay Ratio	Ratio: Median male compensation to median female compensation	Not Applicable
	S3. Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees	48
		S3.2) Percentage: Year-over-year change for part-time employees	48
		S3.3) Percentage: Year-over-year change for contractors/consultants	Not Applicable
	S4. Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women	48
		S4.2) Percentage: Entry and mid-level positions held by men and women	49
		S4.3) Percentage: Senior- and executive level positions held by men and women	49
	S5. Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees	Not Applicable
		S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	Not Applicable
	S6. Non Discrimination	Does your company follow non-discrimination policy? Yes/No	Yes
	S7. Injury Rate	Percentage: Frequency of injury events relative to total workforce time	42
	S8. Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy? Yes/No	Yes
	S9. Child & Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No	Yes following Oman Labor Law
		S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	Yes
	S10. Human Rights	S10.1) Does your company follow a human rights policy? Yes/No	Yes
		S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	Yes

Category	Metric	Calculation	Page Number(s) or Direct Answer
Governance	G1. Board Diversity	G1.1) Percentage: Total board seats occupied by men and women	Not Applicable
		G1.2) Percentage: Committee chairs occupied by men and women	Not Applicable
	G2. Board Independence	G2.1) Does company prohibit CEO from serving as board chair? Yes/No	No – the CEO is allowed to serve as board chair in other companies
		G2.2) Percentage: Total board seats occupied by independent board members	Not Applicable
	G3. Incentivized Pay	Are executives formally incentivized to perform on sustainability?	Not Applicable
	G4. Supplier Code of Conduct	G4.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/ No	Yes
		G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	Information Not Available
	G5. Ethics & Prevention of Corruption	G5.1) Does your company follow an Ethics and/or Prevention of Corruption policy? Yes/No	Yes
		G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	Not Applicable
	G6. Data Privacy	G6.1) Does your company follow a Data Privacy policy? Yes/No	Yes
		G6.2) Has your company taken steps to comply with GDPR rules? Yes/No	Not Applicable
	G7. Sustainability Reporting	Does your company publish a sustainability report? Yes/No	Yes
	G8. Disclosure Practices	G8.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	Yes
		G8.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No	Yes
		G8.3) Does your company set targets and report progress on the UN SDGs? Yes/No	Yes
	G9. External Assurance	Are your sustainability disclosures assured or verified by a third-party audit firm? Yes/No	No



Appendix C - UN SDGs Alignment

UN SDG	Reference to Section	Page Number(s)
SDG 3: Good Health and Wellbeing	Qualifying Our People & Practices	37-45
SDG 5: Gender Equality	Qualifying Our People & Practices	46-49
SDG 7: Affordable and Clean Energy	Investing in Environmental Stewardship	57, 58
SDG 8: Decent Work and Economic Growth	Optimising for a Sustainable Future	22, 29, 30, 53
	Building Integrity and Operational Resilience	
SDG 9: Industry, Innovation and Infrastructure	Optimising for a Sustainable Future	26-28, 57
	Investing in Environmental Stewardship	
SDG 10: Reduced Inequalities	Qualifying Our People & Practices	32, 46, 53
SDG 11: Sustainable Cities and Communities	Qualifying Our People & Practices	33-36
SDG 12: Responsible Consumption and Production	Investing in Environmental Stewardship	58
SDG 13: Climate Action	Investing in Environmental Stewardship	58



Appendix D - SASB Alignment

Relevant SASB Industry	Topic	Metric	Unit of Measure	Relevant SASB Code	Page number(s) and/or direct answers
Chemicals	Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Metric tons (t) CO ₂ -e, Percentage (%)	RT-CH-110a.1	58
		Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	RT-CH-110a.2	58
	Air Quality	Air emissions of the following pollutants: (1) NOX (excluding N ₂ O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Metric tons (t)	RT-CH-120a.1	Not Applicable
	Energy Management"	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy 2	Gigajoules (GJ), Percentage (%)	RT-CH-130a.1	58
	Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m ³), Percentage (%)	RT-CH-140a.1	60
		Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	RT-CH-140a.2	Not Applicable
		Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	RT-CH-140a.3	60
	Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled ³	Metric tons (t), Percentage (%)	RT-CH-150a.1	59
	Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	n/a	RT-CH-210a.1	Not Applicable
	Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Rate	RT-CH-320a.1	42
		Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	n/a	RT-CH-320a.2	37-43
	Product Design for Use-phase Efficiency	Revenue from products designed for use phase resource efficiency	Reporting currency	RT-CH-410a.1	Not Applicable
	Safety & Environmental Stewardship of Chemicals	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Percentage (%) by revenue, Percentage (%)	RT-CH-410b.1	Not Applicable
		Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	n/a	RT-CH-410b.2	43, 57

Relevant SASB Industry	Topic	Metric	Unit of Measure	Relevant SASB Code	Page number(s) and/or direct answers
Chemicals (cont)	Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Percentage (%) by revenue	RT-CH-410c.1	Not Applicable
	Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	n/a	RT-CH-530a.1	Not Applicable
	Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR) ⁴	Number, Rate	RT-CH-540a.1	40
		Number of transport incidents ⁵	Number	RT-CH-540a.2	Not Applicable

2. **Note to RT-CH-130a.1** – The entity shall discuss its efforts to reduce energy consumption and/or improve energy efficiency throughout the production processes.
3. **Note to RT-CH-150a.1** – The entity shall disclose the legal or regulatory framework(s) used to define hazardous waste and recycled hazardous waste, and the amounts of waste defined in accordance with each applicable framework.
4. **Note to RT-CH-540a.1** – The entity shall describe incidents with a severity rating of 1 or 2, including their root cause, outcomes, and corrective actions implemented in response.
5. **Note to RT-CH-540a.2** – The entity shall describe significant transport incidents, including their root causes, outcomes, and corrective actions implemented in response.
6. **Note to RT-CH-000.A** – Production should be disclosed for each of the entity's reportable segments, where products and service segments are determined according to FASB ASC 280-10 and production is reported as weight for solid products and volume for liquid and gas products.



Appendix E - Acronyms

Acronym	Meaning
APC	Advanced Process Control
ARC	Area Reliability Committee
CEO	Chief Executive Officer
CO₂	Carbon Dioxide
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
EHS	Environment, Health, and Safety
EP	Environmental Permit
ESG	Environmental, Social, and Governance
FMEA	Failure Modes and Effects Analysis
GHG	Greenhouse Gas
GJ	Gigajoule
GRI	Global Reporting Initiative
HAZOP	Hazard and Operability Study

Acronym	Meaning
HIRA	Hazard Identification and Risk Assessment
HSSE	Health, Safety, Security, and Environment
ICV	In-Country Value
IDMS	Inspection Data Management System
IMPCA	International Methanol Producers and Consumers Association
IPO	Initial Public Offering
ISMS	Information Security Management System
IT	Information Technology
KPIs	Key Performance Indicators
LOPC	Loss of Primary Containment
LSR	Life Saving Rules
LTI	Lost Time Injury
LTIFR	Lost Time Injury Frequency Rate
MMS	Maintenance Management System

Acronym	Meaning
MOC	Management of Change
MoC	Management of Change
MSX	Muscat Stock Exchange
MT	Metric Tonne
MTBE	Methyl Tertiary Butyl Ether
NOC	No Objection Certificate
NRS	National Registration System
OHSMS	Occupational Health and Safety Management System
OIA	Oman Investment Authority
OMR	Omani Rial
OMT	Maintenance and Technical Services team
OQBI	OQ Base Industries
PSV	Pressure Safety Valve
RCA	Root Cause

Acronym	Meaning
RVP	Reid Vapor pressure
SAP	Systems, Applications, and Products
SASB	Sustainability Accounting Standards Board
SME	Small and Medium Enterprise
STEM	Science, Technology, Engineering, and Mathematics
TA	Turnaround
TRIF	Total Recordable Injury Frequency
UN SDGs	United Nations Sustainable Development Goals
USD	United States Dollar