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UZBEKNEFTEGAZ JSC

REPORT
2024

EMPOWERING
SUSTAINABLE GROWTH

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ABOUT THE COMPANY

EM-EP-000.A

In 2024, the Company produced

68.20 thousand tonnes of oil

27,064.80 million m^3 of natural gas

1,325 thousand tonnes of gas condensate

647.60 thousand tonnes of liquefied gas

Uzbekneftegaz JSC (hereinafter referred to as the Company) is the largest state-owned company in the Republic of Uzbekistan, a leader in the oil and gas industry of Uzbekistan. The Company includes four Oil and Gas Production Departments (OGPDs) – Mubarek, Shurtan, Gazli, and Vodiy, and the Ustyurt Gas Production Department (GPD), specializing in hydrocarbon extraction. Four structural units of Uzbekneftegaz JSC - Shurtan Gas Chemical Complex LLC, Bukhara Oil Refinery LLC and the Mubarek Gas Processing Plant, and Uzbekistan GTL LLC are engaged in hydrocarbon processing.

Uzbekneftgaz JSC is a vertically integrated oil and gas company whose operations span the full production cycle—from exploration and production **(Upstream)** to processing and marketing **(Downstream)**. The Upstream segment includes the producing divisions (the Mubarek, Shurtan, Gazli, Ustyurt and Vodiy Oil and Gas Production Departments), which ensure the extraction of crude oil, gas condensate and natural gas. In the Downstream segment, the Company operates key processing facilities (the Mubarek Gas Processing Plant, the Shurtan Gas Chemical Complex, the Bukhara Oil Refinery, Uzbekistan GTL and Uz-Kor Gas Chemical), which produce fuels, liquefied petroleum gas and petrochemical products. Finished products are marketed through 14 oil depots and the distribution companies Uztransgaz JSC, Hududgaztaminot JSC and UzGasTrade JSC.

Uzbekneftegaz JSC recognizes the importance of its impact on economic development, the environment, and society, and continuously improves its sustainable development management system to minimize and eliminate potential negative impacts. The principles and objectives of sustainable development are integrated into the overall strategy and key business processes.

ENVIRONMENTAL FACTORS

Greenhouse Gas Emissions

Disclosed indicators: EM-EP-110a.1, EM-EP-110a.2, EM-RM-110a.1, EM-RM-110a.2.

EM-EP-110a.1, EM-RM-110a.1.

Given the specific nature of its operations in hydrocarbon extraction and processing, the Company places high priority on climate resilience and the reduction of greenhouse gas emissions, viewing these areas as integral to its long-term sustainable development. The Company consistently evaluates its emissions profile and implements measures to reduce it, aiming to minimize its environmental impact.

In 2024, total Scope 1 GHG emissions from upstream operations amounted to **2,891,686.30** tonnes, representing a 5.9% increase compared to 2023 (2,731,063 tonnes). Over the same reporting period, total Scope 1 GHG emissions from downstream operations reached **1,942,648.38** tonnes, which is 0.46% lower than in 2023 (1,951,676.46 tonnes).

Emissions, tonnes	**Upstream operations**		**Downstream operations**	
	2023	**2024**	**2023**	**2024**
CO_2	2,722,541.83	2,883,890.30	1,945,586.82	1,936,586.91
Methane (CH_4)	7,221.60	7,649.58	5,160.71	5,136.84
Nitrous Oxide (N_2O)	1,299.89	146.42	928.93	924.63
Total	**2,731,063.31**	**2,891,686.30**	**1,951,676.46**	**1,942,648.38**

In the structure of direct greenhouse gas emissions from upstream operations, methane (CH_4) accounts for a negligible portion of the total volume:

- In 2023, the share of methane was 0.26% of total Scope 1 emissions;
- In 2024, it was 0.27% of total Scope 1 emissions.

In the structure of direct greenhouse gas emissions from downstream operations, methane (CH_4) also accounts for a negligible portion of the total volume:

- In 2023, the share of methane was 0.26% of total Scope 1 emissions;
- In 2024, it was 0.26% of total Scope 1 emissions.

According to the requirements of the current legislation of the Republic of Uzbekistan, emission standards for pollutants are established for each enterprise individually, including for methane – 1,690.32 tonnes/year (in CO_2 equivalent – 47,328.82). Currently, emission standards for carbon dioxide (CO_2) are not established in national legislation.

The development of these standards is carried out by the Company itself, and approval is made by the Uzbek Agency for Technical Regulation under the Cabinet of Ministers of the Republic of Uzbekistan.

During the reporting period, a significant reduction in pollutant emissions was recorded compared to previous reporting periods. In particular, the volume of sulfur dioxide (SO_2) emissions decreased by 58.1% since 2021 (from 90,020.7 tonnes in 2021 to 37,675.2 tonnes in 2024). This result was achieved through the modernization and repair of existing dust and gas cleaning installations, as well as the commissioning of a new sulfur cleaning unit No. 6 at the Mubarek Gas Processing Plant with a design capacity of 12,000 m^3/hour of acid gases.

Uzbekneftegaz JSC employs a combined approach to accounting and controlling greenhouse gas and pollutant emissions, based on continuous monitoring systems (CEMS), instrumental measurements, and mass-balance calculations:

- **The Continuous Emissions Monitoring System (CEMS)** is used at emission sources equipped with automated gas analyzers and enables continuous collection of data on pollutant concentrations. Information is recorded and processed in real time, and the monitoring results are compiled into reporting materials used both for regulatory compliance and for internal analysis of environmental performance.
- Under **the instrumental measurement method**, emissions are monitored using certified measuring devices in accordance with the approved monitoring schedule. The collected data are systematized, recorded in observation logs and compared against the established maximum permissible emission limits.
- Under **the calculation and balance method**, all input material and energy flows, including feedstock and fuel are measured and assessed. Based on these data, pollutant emissions are calculated using formulas prescribed by regulatory and technical documents. Consumed fuel and energy resources are converted into corresponding emission volumes using approved emission factors.

EM-EP-110a.2, EM-RM-110a.2

The Company calculates direct greenhouse gas (Scope 1) emissions generated during upstream and downstream operations, expressed in tonnes of CO_2 equivalent, across defined categories of emission sources.

Emissions, tonnes	Upstream operations		Downstream operations	
	2023	2024	2023	2024
Combusted Hydrocarbons	2,722,541.83	2,883,890.30	1,945,586.82	1,936,586.91
Other Emissions	7,221.60	7,649.58	5,160.71	5,136.84

The Company calculates the total volume of direct greenhouse gas emissions (Scope 1) resulting from mobile combustion and unorganized (fugitive) emissions, including emissions occurring during upstream and downstream operations.

Emissions, tonnes	2023	2024
Mobile Combustion	32,803.81	32,592.03
Unorganized (Fugitive) Emissions	312.50	1,879.33

Indirect Energy Emissions (Scope 2)

The volume of indirect greenhouse gas emissions (Scope 2) generated by the Company as a result of energy consumption during extraction and processing activities decreased by 8.6% in 2024 compared to 2023, amounting to **1,064,589.93 tonnes,** down from **1,164,673.29 tonnes.**

Emissions, tonnes	2023	2024
Indirect Energy Emissions (Scope 2)	1,164,673.29	1,064,589.93

Air Quality

Disclosed indicators: EM-EP-120a.1, EM-RM-120a.1.

EM-EP-120a.1, EM-RM-120a.1.

Reducing pollutant emissions into the atmosphere is one of the key priorities of the environmental policy of Uzbekneftegaz JSC. The Company consistently develops its air quality management system by implementing technical and organizational measures aimed at reducing the impact of production activities on the environment.

In 2024, compared to 2023, the most noticeable change in upstream operations was the reduction of carbon monoxide (CO) emissions, which decreased from **16,899.18 tonnes** to **13,182.48 tonnes**, corresponding to a reduction of 21.9%.

Pollutants, tonnes	2023	2024
Carbon Monoxide (CO)	16,899.18	13,182.48
Nitrogen Oxides (NO_x)	3,042.94	3,096.75
Sulfur Oxides (SO_x)	2,764.53	3,929.90
Particulate Matter PM_{10}	245.10	230.68
Non-Methane Volatile Organic Compounds (VOC)	0.63	0.62

In 2024, compared to 2023, the total volume of pollutant emissions from downstream operations decreased by **more than half**, primarily due to a significant reduction in sulfur dioxide (SO_2) emissions, from **72 840,12 tonnes** to **33 736,73 tonnes.**

Pollutants, tonnes	**2023**	**2024**
Nitrogen Oxides (NO_x)	2,027.10	2,113.65
Sulfur Oxides (SO_x)	72,840.12	33,736.77
Particulate Matter PM_{10}	227.56	228.97
Non-Methane Volatile Organic Compounds (VOC)	5.29	23.35

In accordance with the Action Plan approved in 2019 by Uzbekneftegaz JSC for reducing pollutants by 2030, the Company is consistently implementing technical and organizational measures aimed at enhancing the environmental efficiency of production assets and reducing negative impacts on the environment

The most significant results have been achieved at the **Mubarek Gas Processing Plant,** where the construction of a new sulfur production unit was completed in 2024, preventing emissions of up to 2 000 tonnes of SO_2 per year. Projects for generating electricity from secondary sources are also ongoing: a 16 MW steam turbine and a 2 MW expander-generator will provide over 120 million kWh per year and will allow for the annual prevention of approximately 250 tonnes of CO_2 emissions.

In 2024, the **Shurtan OGPD** underwent modernization of sulfur production units and implemented solar water heaters, which reduced the consumption of fuel gas. Additionally, automatic emission control systems were installed, and energy-efficient measures were carried out, resulting in a reduction of fuel usage by more than 1 million m^3 per year.

At the **Gazli OGPD,** a project is being implemented to process sour gases into sulfuric acid, with an expected volume of 128 million m^3 per year. Mobile units for gas disposal during well purging have already been installed, reducing emissions by approximately 18,000 m^3 per day.

At the **Bukhara Oil Refinery,** the use of waste technological gas instead of natural gas has begun, which reduces fuel consumption by 500 000 m^3 per year.

The Company is also implementing a project to introduce mobile units in the Shurtan, Gazli, and Mubarek OGPDs for cleaning wellbore fluids with subsequent gas disposal, which was previously burned off in flares during purging. The implementation of this project aims to reduce pollutant emissions, including methane emissions.

The completion of the remaining projects is scheduled for 2025–2026. By 2030, the Company expects that the implementation of the Action Plan will save **151 273,070 thousand m^3** of fuel gas, reduce atmospheric emissions by **7 919,14 tonnes** per year, and additionally generate **123 183 thousand kWh** of electricity.

Activities planned for completion in 2025-2026

No.	Activities	Implementation Mechanism	Expected Results	Execution Period
1	**MUBAREK GAS PROCESSING PLANT**			
1.1	Electricity generation using a 16 MW steam turbine through the efficient use of steam energy from boiler No. 2 at the Mubarek Gas Processing Plant.	1. Development of an extended technical and economic calculation (ETEC) for the project in accordance with technical documentation in collaboration with UzLITIneftegaz JSC. 2. Review and approval by the Scientific and Technical Council. Conducting design and construction works after project documentation approval.	114,240,000 kWh of electricity will be generated annually, saving 16,336,320 m^3 of fuel gas, and preventing emissions of 228.7 tonnes of CO_2, 26 tonnes of NO_2, and 6.5 tonnes of NO annually.	During 2023-2025
1.2	Generation of 2 MW of electricity by installing an expander-generator unit in the gas reduction system at the outlet of the Mubarek Gas Processing Plant.	1. Conducting research and development work and developing the corresponding technical documentation in collaboration with UzLITIneftegaz JSC. 2. Review by the Scientific and Technical Council, determining the necessary equipment, and implementing construction works after project documentation approval.	Planned generation of 8,943,000 kWh of electricity per year, saving 1,278,000 m^3 of fuel gas, and preventing emissions of 28.5 tonnes of CO_2, 3 tonnes of NO_2, and 1 tonnes of NO annually.	During 2023-2026
2	**SHURTAN OGPD**			
2.1	Acquisition of 2 mobile units for cleaning the productive horizon of wells from liquids for gas disposal, which is burned during well purging in flares.	1. Development of technical specifications for the procurement of mobile equipment; 2. Coordination with companies regarding the acquisition of mobile equipment; 3. Conducting industrial tests of mobile equipment at wells; 4. Signing a contract with the manufacturing company; 5. Financing the contract, delivery, and commissioning of mobile devices.	Reduction of emissions of SO_2, NO_2, NO, CO, and CH_4 into the atmosphere.	During 2023-2025
2.2	Utilization of thermal energy from flue gas boilers through heat exchangers for heating systems.	1. Procurement of 500 meters of pipe with a diameter of 108x6 mm; 2. Conducting pipeline installation works.	Reduction of fuel gas consumption by 1,226,036 m^3, which will decrease the amount of pollutant gases emitted into the atmosphere.	During 2023-2025

No.	Activities	Implementation Mechanism	Expected Results	Execution Period
3	**GAZLI OGPD**			
3.1	Production of sulfuric acid from sour gases burned in flares.	1. Development of the final project concept; 2. Signing a licensing agreement for project implementation; 3. Development of a technical and economic justification for the project; 4. Execution of construction and installation works.	Utilization of sour gases burned in flares amounting to 128 million m^3/year.	During 2024-2026
3.2	Improvement of the quality of raw water supplied to technological equipment.	1. Development of project documentation; 2. Procurement of necessary materials and equipment; 3. Construction of treatment facilities.	Treatment of wastewater discharged by technological facilities.	During 2024-2025
3.3	Acquisition of 2 mobile units for cleaning wellbore fluids for gas disposal, which is burned during atmospheric emissions at wells in the Gazli OGPD.	1. Development of project documentation; 2. Procurement of necessary materials and equipment and installation of equipment.	Reduction of atmospheric emissions by 18,000 m^3/day.	During 2024-2025
4	**MUBOREK OGPD**			
4.1	Acquisition of mobile equipment for cleaning wellbore fluids (2 units) for gas disposal, which is burned during well purging.	1. Development of technical and economic justification and signing a contract for the procurement of equipment; 2. Delivery, installation, and commissioning.	Disposal of 11.0 million m^3 of flared associated gas and harmful substances, reducing emissions into the atmosphere by 275.0 tonnes.	During 2024-2025
5	**BUKHARA OIL REFINERY LLC**			
5.1	Replacement of the outdated DE-25/14GM boiler.	1. Development of technical specifications; 2. Selection of an organization to perform installation works and sign a contract; 3. Installation and commissioning.	Reduction of atmospheric emissions due to decreased natural gas usage by 251.71 thousand m^3.	During 2025-2026

Water Management

Disclosed indicators: EM-EP-140a.1, EM-EP-140a.2.

EM-EP-140a.1.

The rational use of water resources is an important part of the operational activities of Uzbekneftegaz JSC, which necessitates systematic management of water consumption and minimization of impacts on water ecosystems.

The water supply for the Company's facilities is provided from surface sources (rivers, canals, reservoirs), underground artesian wells, and collector-drainage systems.

In 2024, the total volume of water withdrawn was **24,700 thousand m^3**, which is 24% less than the volume of water withdrawn in 2023 (32,600 thousand m^3). In 2024, the volume of water consumed during the Company's operational activities decreased by 17.8% compared to 2023, amounting to **18,597.9 thousand m^3**.

The reduction in both water intake and water consumption in 2024 is attributed to the Company's implementation of its phased water consumption reduction plan through 2030. As part of this plan, measures to enhance water-use efficiency are being consistently introduced across all of the Company's production facilities. The Company places particular emphasis on maintaining water balance and greening its sites as key components of its sustainable water management strategy.

In 2024, the volume of water used by the Company for irrigation amounted to **4,923,869 m^3.** These efforts aim to minimize the impact on water resources amid freshwater scarcity and contribute to more responsible and sustainable production practices.

EM-EP-140a.2.

For the facilities of Uzbekneftgaz JSC subject to environmental standard-setting, the planned discharges comply with the maximum permissible discharge (MPD) limits for release to land surfaces and water bodies.

Distribution of Wastewater Discharge Volumes, thousand m^3

	Terrain	Injection into Well	Evaporation Pond	Latrines	Urban Sewage
2023	4,455.04	1,341.16	1,155.71	32.99	21.30
2024	3,740.38	1,486.65	1,230.28	19.68	1.96

In 2024, compared to 2023, there was a redistribution of wastewater discharge volumes across the main directions. The volume of discharge to the terrain decreased by 16.1%, indicating a reduction in the load on surface ecosystems. At the same time, the volume injected into wells increased by 10.8%, and the discharge to the evaporation pond also grew by 6.4%, reflecting an expansion in the use of more controlled methods for wastewater disposal. Discharge to latrines decreased by 40.3%, and the volume directed to urban sewage decreased by 90.8%, indicating a reduction in dependence on external municipal infrastructure.

Biodiversity Impacts

Disclosed indicators: EM-EP-160a.1, EM-EP-160a.2.

EM-EP-160a.1.

The Company considers the preservation of biodiversity and the resilience of ecosystems as one of the key aspects of its environmental responsibility. As part of this effort, particular attention is given to prevention and minimization of the impacts of operational activities on natural ecosystems, as well as to restoring disturbed areas.

The life cycle of the Company's activities includes a full range of stages - from geological exploration and field assessment to drilling, site development, hydrocarbon extraction and processing, product realization, as well as decommissioning of facilities, reclamation, and restoration of territories. At each of these stages, the Company strives to minimize its environmental impact and systematically implements measures to protect and maintain natural resources, ensuring environmentally responsible management at all stages of the production process.

In implementing biodiversity conservation measures, the Company adheres to the applicable environmental legislation of the Republic of Uzbekistan and its internal regulatory documents, including:

- Law "On Environmental Expertise, Environmental Impact Assessment and Strategic Environmental Assessment" (Law No. ZRU-1036, 2025);
- Cabinet of Ministers Resolution No. 541 (On the Procedure for Conducting Environmental Impact Assessment, 2020);
- Biodiversity Conservation Strategy for 2019–2028, approved by Resolution No. 484 (2019);
- Presidential Decree No. PF-199 (2023) on the "Yashil makon" ("Green Space") initiative;
- Resolution No. 290 (2014) on the reclamation of degraded lands;
- Land Code of the Republic of Uzbekistan (Articles 86–88).

Uzbekneftegaz JSC implements its own biodiversity and reclamation plans based on national strategies and government programs. In particular, the plans are oriented towards:

- The Strategy for Biodiversity Conservation for 2019–2028;
- Regulations and procedures for conducting Environmental Impact Assessments (EIA);
- Legislative requirements for the reclamation of disturbed lands.

The Company's environmental documentation outlines the key areas of environmental impact management and biodiversity conservation. It includes:

- Assessment of impacts on flora and fauna – conducted by authorized state bodies as part of the Environmental Impact Assessment (EIA) procedure. Based on the assessment results, the regulator establishes mandatory requirements and restrictions for the Company, which are incorporated into project design and operational activities, including limits for air emissions, wastewater discharge and waste generation;
- Land reclamation – defined as a mandatory measure for the restoration of disturbed areas;
- Greening and tree planting – included in the environmental programs of production facilities as part of ecosystem enhancement measures, including activities implemented within the "Yashil makon" initiative;
- Biodiversity conservation – carried out in accordance with the Biodiversity Conservation Strategy for 2019–2028, aimed at maintaining the resilience of natural ecosystems;
- Rational use of water resources – regulatory documents require the use of water-efficient technologies, including drip irrigation systems;
- Reducing impacts on ecosystems – includes measures for monitoring and reducing emissions from point sources of pollution, as well as minimizing environmental risks at all stages of the Company's operations.

Environmental protection measures cover all stages of the production cycle:

- Exploration and development of fields—conducting Environmental Impact Assessments (EIA) with environmental expertise;
- Hydrocarbon extraction—minimizing impacts on ecosystems, monitoring emissions and discharges;
- Decommissioning of facilities—land reclamation and restoration of vegetation cover.

Uzbekneftegaz JSC actively supports the national project “Yashil makon” (Green Space), aimed at increasing the area of green plantings and improving the environmental situation in the industrial regions of the country. The Company is engaged in extensive work on creating agroplots, greening areas, caring for green plantings, and organizing parks and nurseries.

In accordance with the “Yashil makon” project, a systematic approach to greening is being implemented in Uzbekistan, including:

- Annual planting of at least 200 million decorative and fruit trees, shrubs, and cuttings;
- Creation of 257 “green parks” by 2025;
- Increasing the level of greening in the country to 14.1%;
- Planting 2.1 million seedlings and forming “green belts” around 112 large industrial enterprises.

In 2024, Uzbekneftgaz JSC allocated 3,000.0 million UZS for the implementation of projects aimed at greening and improving infrastructure in the regions where the Company operates. As part of this program, 367,000 saplings of fruit and ornamental trees were planted.

Uzbekneftgaz JSC conducts its operations exclusively at onshore facilities. Accordingly, no differences have been established between the Company’s environmental management policies and practices for onshore and offshore operations.

The environmental control measures applied by the Company cover all stages of the life cycle of onshore industrial facilities. Environmental management and biodiversity conservation policies and procedures are implemented across all Company divisions.

The Company does not maintain separate environmental policies aligned specifically with IFC Performance Standard 6 (PS6). Although direct alignment with the IFC Performance Standards (2012) has not been established, there is partial correspondence with the requirements of PS1 (Environmental Impact Assessment) and PS6 (biodiversity, land reclamation and greening). Environmental management and biodiversity conservation measures are implemented across all of the Company’s operational sites.

Hazardous Materials Management

Disclosed indicators: EM-RM-150a.1

In 2023, the total volume of hazardous waste (Classes I–V) generated at the production facilities of Uzbekneftgaz JSC amounted to **9,830.46 tonnes,** while in 2024 it totaled **14,748.73 tonnes.**

Waste classification is carried out in accordance with Cabinet of Ministers Resolution No. 914 of January 21, 2014, "On the Approval of the Regulation on the Procedure for Developing and Approving Environmental Standards."

Under the current Law of the Republic of Uzbekistan "On Waste," recycled waste is defined as waste from which valuable components have been extracted or which is used as secondary raw materials. At the facilities of Uzbekneftgaz JSC, such waste undergoes processing and is transferred to specialized contractor organizations in accordance with the Company's approved internal environmental control procedures.

In 2024, the volume of recycled waste amounted to **11,046.87 tonnes,** representing 74.9% of the total hazardous waste generated.

Most of the waste is sent for disposal through licensed organizations. Waste volumes transferred for energy recovery incineration are not included in the recycling indicator, as this process is not practiced at the Company's facilities.

SOCIAL FACTORS

Community Relations

Disclosed indicators: EM-EP-210b.1

Uzbekneftegaz JSC places a high priority on conducting its operations responsibly and ensuring constructive engagement with local communities, viewing the management of social risks as a key element of sustainable development and maintaining public trust.

The management of social risks and community engagement is carried out in accordance with approved corporate procedures aimed at preventing and mitigating potential adverse impacts of the Company's activities on local populations. This approach is based on the principles of openness, timely response, and transparency in communication.

Uzbekneftegaz JSC implements systematic measures to engage with local communities and reduce social risks. The main objective of these activities is the timely identification and resolution of issues that may cause concern among the population, as well as the enhancement of trust and transparency in the Company's operations.

To systematically manage social risks, Uzbekneftegaz JSC implements a set of organizational and digital measures aimed at enhancing transparency, accountability, and the effectiveness of management decisions. In accordance with Decree No. 65 dated February 8, 2024, and the draft document on open data disclosure, the Company's structural divisions are required to regularly publish socially significant information on the Data.egov.uz portal and the Company's official website.

The disclosed data includes information on financial performance, investment projects, asset utilization, job vacancies, and the results of citizen appeals. This practice contributes to greater transparency and helps reduce both country-specific and reputational risks:

- Social risks - ensures access to reliable information and strengthens public trust in the Company's activities;
- Company's risks - helps reduce social risks and enhance its business reputation.

The implementation of open data disclosure mechanisms is viewed as a tool for minimizing social and country-specific risks through public engagement and by ensuring transparency in the decision-making process.

In addition, the Company introduces elements of Social Impact Assessment (SIA) when planning and implementing production and investment projects.

This approach aims to:

- identify and analyze potential social risks (impacts on the population, employment, infrastructure, and the environment);
- assess the degree of impact on local communities;
- develop and implement measures to prevent and mitigate adverse effects.

To improve the efficiency of capital investments and minimize operational risks, Uzbekneftegaz JSC applies an integrated approach to investment project evaluation, which includes:

- economic and financial analysis of investment efficiency;
- assessment of industry-specific and regional risks;
- use of digital tools for data modeling and analysis.

One of the key tools is the Digital Drilling Management Center, which provides:

- online monitoring of drilling operations;
- modeling of production scenarios and associated risks;
- analysis of cost efficiency and project implementation timelines;
- forecasting of financial flows and adjustment of investment decisions, taking into account technological and geographical factors.

Investment project evaluations are carried out by the subsidiary UzLITIneftegaz, which performs:

- scientific and technical expertise of project solutions;
- preparation of feasibility studies (FS);
- comprehensive risk analysis and assessment of investment efficiency across all major areas of the Company's operations.

To maintain continuous dialogue with stakeholders, a feedback system operates within the Company, enabling the receipt and review of citizen appeals through the official website and a dedicated hotline (+998 71 233-28-88), established under Resolution No. 179 dated April 3, 2021. The review period for appeals ranges from 15 to 30 days, with results communicated to applicants. Monthly statistics on received appeals are published on the Company's corporate website, ensuring transparency and accountability of Uzbekneftegaz JSC to the public.

Uzbekneftegaz JSC regards charitable and sponsorship activities as an integral part of its social responsibility. The Company strives to bring tangible positive changes to the lives of people and communities in the regions where it operates. Special attention is paid to transparency in fund allocation and oversight of their intended use, ensuring that each initiative delivers meaningful social value.

In 2024, Uzbekneftegaz JSC continued its active participation in charitable projects as part of its corporate social responsibility, investing substantial resources into various social programs and initiatives. The total amount of charitable expenditures reached **1,429,271.5 million UZS,** underscoring the Company's strong commitment to improving the quality of life in the regions of its presence.

Among the most socially significant projects implemented during the reporting period were:

- **Construction of a school:** A new school with a capacity of 240 students was completed in the Khumdon mahalla of the Guzar district.
- **Construction of a preschool educational facility:** In the same district, a preschool organization for 150 children was commissioned. The facility, built at a cost of 11.5 billion UZS, was handed over to residents on the eve of Independence Day.
- **Establishment of youth centers:** Three modern youth centers were opened in the Tashkent district, featuring sports grounds, libraries, and IT classrooms.

The Company continues to uphold its commitments in the field of corporate social responsibility, investing in key areas that contribute to social development and the improvement of the quality of life of local communities.

Workforce Health & Safety

Disclosed indicators: EM-EP-320a.1., EM-EP-320a.2.

EM-EP-320a.1.

Uzbekneftegaz JSC regards occupational health and industrial safety as one of the key priorities of its production activities, aimed at protecting all participants in operational processes. The Company has implemented a systematic risk management approach that includes the consistent identification of hazardous and harmful factors, assessment of related occupational and environmental risks, as well as the development and implementation of measures to prevent and mitigate them. This process forms the foundation for preventing injuries, minimizing the consequences of potential accidents, and ensuring the reliable operation of production facilities.

In 2024, the Total Recordable Incident Rate (TRIR) amounted to **0.05,** remaining at the same level as in the previous year (**0.05**).

In 2024, there were 2 fatal accidents recorded at the Company's production facilities, compared to 1 in 2023.

During 2024, a total of **8,965 employees** completed occupational health and safety training - an increase of 33% compared to 2023 (6,720 employees). The training programs covered topics such as occupational health and safety, industrial safety, fire safety, gas rescue training, ISO 45001 requirements, and first aid skills.

In 2024, the average number of occupational health and safety training hours amounted to approximately **40 hours** per employee:

- Staff employees - an average of 40 training hours per year;
- Contractor employees - likewise, around 40 training hours per year.

Uzbekneftegaz JSC has implemented a Unified Management System for Industrial Safety, Occupational Health, and Environmental Protection (UMS ISEP), covering all stages of the production cycle - from extraction to processing and transportation. The system is aligned with international standards ISO 45001:2018, ISO 14001:2015, and ISO 9001:2015, as well as national standards O'z DSt OHSAS 18001:2011. The system is managed by the Commission on Industrial Safety, Occupational Health, and Environment, together with the Specialized Department for the ISEP Management System, which ensures the implementation of corporate policies and effective risk control at all operational levels.

EM-EP-320a.2.

To strengthen the Company's safety culture, the Corporate Training School within Uzbekneftegaz JSC conducts regular training sessions on industrial and environmental safety. The Company also issues a monthly informational bulletin, Akhborotnoma, and senior management participates in on-site inspections of production facilities.

Regulation No. 114 dated December 23, 2019, governs interaction with contractors and requires them to comply with ISO 45001 standards. The occupational health and industrial safety departments carry out a four-tier system of internal audits and inspections, ensuring consistent safety practices across all production sites.

CORPORATE GOVERNANCE

Business Ethics & Transparency

Disclosed indicators: EM-EP-510a.2.

Uzbekneftegaz JSC recognizes the importance of an effective governance system in preventing corruption and bribery across its operations. The Company is committed to cultivating a safe, ethical, and transparent business environment, which serves as the foundation for sustainable development and stakeholder trust. In this context, the Company has implemented a management framework aligned with international standards such as ISO 37001, reaffirming its strong commitment to anti-corruption principles.

The ISO 37001 standard defines a set of international requirements for establishing, implementing, and maintaining an effective Anti-Bribery Management System (ABMS) within organizations. It is designed to promote integrity, transparency, and accountability in business operations and aims to:

- prevent the offering and acceptance of bribes;
- identify, assess, and mitigate bribery-related risks;
- monitor and control the activities of employees, partners, and subcontractors.

In its operations, Uzbekneftegaz JSC is guided by the following internal documents:

- Anti-Corruption Policy;
- Regulation on the Preparation and Submission of Reports on the Functioning and Development of the Anti-Corruption Compliance System;
- Methodology for the Identification and Assessment of Corruption Risks, etc.;
- Regulation on Conflict of Interest Management;
- Corporate Code of Ethics;
- Regulation on Business Gifts and Tokens of Corporate Hospitality;
- Regulation on Business Events and Representation Expenses;
- Instruction on Counterparty Due Diligence;
- Regulation on the Acceptance and Processing of Reports Received through Communication Channels;
- Regulation on Charitable and Sponsorship Assistance;
- Instruction on Candidate Background Screening;
- Regulation on Conducting Internal Investigations.

The key elements of the Company's anti-corruption program include the regular analysis of corruption risks, the development of fundamental regulatory documents, and the implementation of systematic procedures aligned with identified risks. Responsibility for anti-corruption efforts lies with specialized divisions such as the Department of Financial and Compliance Control, the Legal Department, and the Ethics Commission.

In accordance with the Decree of the President of the Republic of Uzbekistan No. PF-100 dated July 10, 2024, "On Additional Measures to Strengthen Financial Control over the Use of Budgetary Funds," a Risk Management Committee was established to enhance risk management at Uzbekneftegaz JSC. To support the Committee's activities, the Internal Audit Service was appointed as its working group (Management Resolution No. 112 dated December 19, 2024).

The Company has developed several internal regulations related to anti-corruption practices. It has established clear rules for the management of gifts and representation expenses to prevent potential conflicts of interest. Procedures have also been introduced for the identification and management of conflicts of interest, including the mandatory submission of declaration forms. Furthermore, the Company ensures that all charitable activities align with corporate ethical standards and strictly complies with legal requirements when interacting with public officials.

Anti-Corruption Monitoring and Control are carried out semiannually by the Department of Financial and Compliance Control in accordance with the procedures set out in the Methodology for Monitoring and Evaluating the Effectiveness of the Company's Anti-Corruption Measures. In cases where instances of corruption and/or violations of established procedures are identified, the Department analyzes the underlying causes and enabling factors. When necessary, it updates and enhances the Company's anti-corruption measures and procedures to strengthen prevention mechanisms.

To ensure transparency and accessibility of information regarding violations, the Company provides multiple channels for reporting, including a hotline, email, and feedback forms available on the Company's official website and social media platforms.

Anti-corruption training is conducted at least once a year. The training programs include a general course on business ethics fundamentals, as well as specialized courses for employees in positions exposed to higher corruption risks, enabling the Company to maintain a high level of awareness and integrity among its staff.

In 2024, the Company continued its systematic efforts to strengthen the culture of integrity and enhance anti-corruption practices. Training activities on anti-corruption and integrity issues covered a total of **18,316 employees** across the Company and its structural divisions.

In 2024, **55** confirmed cases of corruption were recorded, all of which were subject to internal investigations. Internal investigations are initiated by a decision of the Chairman of the Management Board (or, in the Chairman's absence, by the First Deputy Chairman or Acting Chairman) for each identified instance of corrupt behavior by Company employees and/or any substantiated report received through the Company's whistleblowing channels. Additionally, when necessary, the Company cooperates with law enforcement and other governmental bodies to identify and investigate corruption-related offenses and to impose appropriate sanctions on employees found to have engaged in corrupt practices.

Critical Incident Risk Management

Disclosed indicators: EM-EP-540a.1., EM-EP-540a.2., EM-RM-540a.1.

EM-EP-540a.1., EM-RM-540a.1.

The oil and gas industry is inherently associated with elevated technogenic risks, including the potential for major accidents with significant consequences. Therefore, effective risk management is a key element in ensuring operational safety and sustainability. To manage these risks efficiently, Uzbekneftegaz JSC has implemented a comprehensive risk management business process, which includes the following key stages:

- **Risk identification** - detection of potential hazards and risk factors inherent to production activities, including risks of major accidents;
- **Risk assessment** - qualitative and quantitative analysis to determine risk levels and prioritize mitigation measures;
- **Development and implementation of measures** - preparation and execution of technical and organizational solutions, including employee training and contractor oversight;
- **Management reporting** - regular submission of reports and analytical materials to support informed decision-making;
- **Risk documentation and review** - maintenance of a risk register, monitoring the effectiveness of implemented measures, and updating approaches as necessary.

In 2024, Uzbekneftegaz JSC recorded **3** Tier 1 process safety incidents and **5**0 Tier 2 incidents related to loss of primary containment (LOPC).

Among the Tier 2 incidents, 37 cases were associated with instrumentation and control system malfunctions, 7 cases were caused by power supply disruptions, and 13 cases resulted from technical reasons, including leakages, loss of containment, and equipment failure.

The classification was carried out in accordance with the methodological guidelines for classifying accidents and incidents at hazardous production facilities in the chemical, petrochemical, and oil and gas refining industries.

EM-EP-540a.2.

Uzbekneftegaz JSC carries out production control in the field of industrial and environmental safety, aimed at the timely identification, assessment, and minimization of catastrophic and “tail-end” risks, as well as ensuring the stable operation of production processes.

Interaction with contractors is regulated by Regulation No. 114 dated December 23, 2019, and by the provisions of the Unified Management System for Industrial Safety, Occupational Health, and Environmental Protection of Uzbekneftegaz JSC. Compliance with these requirements is monitored through a four-tier system of internal audits and inspections conducted by specialized departments responsible for occupational health and industrial safety.

Management of the Legal & Regulatory Environment

Disclosed indicators: EM-EP-530a.1., EM-RM-530a.1.

EM-EP-530a.1., EM-RM-530a.1.

Uzbekneftegaz JSC recognizes the importance of effective management of regulatory and compliance risks associated with the environmental and social aspects of its operations. Amid the tightening of legislative requirements related to greenhouse gas emissions, occupational health and safety, industrial safety, and the green economy, the Company has developed a systematic approach to assessing, monitoring, and mitigating these risks. The goal of this approach is to ensure the continuity of production processes, reduce the likelihood of penalties or sanctions, and enhance the long-term resilience of the business.

To comply with national legislation and international standards, Uzbekneftegaz JSC operates a Comprehensive Risk Management System (Decree No. 73, dated March 24, 2018), which includes mechanisms for the identification, analysis, and monitoring of regulatory changes. The Company adheres to the key provisions of the laws of the Republic of Uzbekistan while also implementing relevant international ISO standards. Particular attention is paid to compliance with new requirements concerning **the reduction of associated gas flaring, methane emissions management, and the transition to low-carbon technologies.**

Regulatory developments create additional opportunities for the Company. Uzbekneftegaz JSC actively participates in national initiatives aimed at implementing the principles of a green economy, utilizes green and transition financing mechanisms, and carries out projects for methane capture and utilization.

Reserves Valuation & Capital Expenditures

Disclosed indicators: EM-EP-420a.3., EM-EP-420a.4.

EM-EP-420a.3.

In accordance with the Decree of the President of the Republic of Uzbekistan No. PP-4422 dated August 22, 2019, “On Accelerated Measures to Improve Energy Efficiency in Economic Sectors and the Social Sphere, Introduce Energy-Saving Technologies, and Develop Renewable Energy Sources,” the Company is implementing a Roadmap aimed at enhancing energy efficiency and developing renewable energy sources.

As part of this program, during 2023–2024, the Company allocated **217 billion UZS** for the development of projects in the field of renewable and alternative energy, including capital expenditures, research initiatives, and design and engineering activities. Over the same period, the amount of funds saved through the use of energy generated from renewable sources totaled **43 billion UZS.**

ABOUT THE REPORT

This Sustainability Report of Uzbekneftegaz JSC (hereinafter referred to as the “Report”) has been prepared in accordance with the SASB Oil & Gas Exploration & Production (EM-EP) and SASB Oil & Gas Refining & Marketing (EM-RM) industry disclosure standards and presents the Company’s sustainability performance indicators for the period from January 1, 2024, to December 31, 2024.

The Report contains information on the environmental, social, and operational aspects of the Company’s activities in the areas of hydrocarbon exploration, production, refining, and marketing. The data presented reflect the actual performance of the Company and its structural divisions included within the operational management framework.

SASB Material Topic Assessment

As part of the preparation of the 2024 SASB Report, the Company conducted a materiality assessment in accordance with the SASB Oil & Gas standards. Materiality was evaluated based on the potential impact of ESG factors on the Company’s operational performance, as well as the relevance of these topics to key stakeholders.

To define the list of material disclosures, the Company applied a structured approach that incorporated the following components:

- Benchmarking of disclosures from leading OECD oil and gas companies to identify the most common and relevant topics reflected in international practice;
- Media review based on an analysis of public reporting and media publications referencing the Company’s activities;
- Assessment of sector megatrends within the Oil & Gas industry.

This Report represents the second disclosure by the Company prepared in accordance with SASB standards. The previous report under these standards was developed and published in 2021.

The Report is published in Russian and English.

SASB INDEX – OIL & GAS

SASB Disclosure Code	Description	Report Page	Comment
GREENHOUSE GAS EMISSIONS			
EM-EP-110a.1.	Total global Scope 1 emissions, percentage of methane, percentage covered under emissions-limiting regulations	**pp. 5**	Emissions of hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3) are not calculated, as these substances are neither used nor generated in the Company's technological processes.
EM-EP-110a.2.	Total global Scope 1 emissions by source: (1) hydrocarbon flaring, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions.	**pp. 6**	Process emissions are not reported as a separate category, as they are included in the total Scope 2 emissions calculations.
EM-RM-110a.1.	Total global Scope 1 emissions, percentage covered under emissions-limiting regulations	**pp. 5**	Emissions of hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3) are not calculated, as these substances are not used or generated in the Company's technological processes.
EM-RM-110a.2.	Description of the long-term and short-term strategy or plan for managing Scope 1 emissions, emission reduction targets, and analysis of progress toward achieving these targets.	**pp. 6**	
AIR QUALITY			
EM-EP-120a.1.	Emissions to air of the following pollutants: (1) NOx (excluding N_2O), (2) SOx, (3) volatile organic compounds (VOC), and (4) particulate matter (PM10).	**pp. 6**	Data on mercury (Hg) and lead (Pb) emissions are not disclosed, as these substances are not generated during the company's production activities, and regulatory limits for such emissions have not been established for the relevant types of enterprises under current legislation.
EM-RM-120a.1.	Emissions to air of the following pollutants: (1) NOx (excluding N_2O), (2) SOx, (3) particulate matter (PM10), (4) hydrogen sulfide (H_2S), and (5) volatile organic compounds (VOC).	**pp. 7**	Data on hydrogen sulfide (H_2S) emissions are not disclosed due to the absence of direct monitoring of this indicator at the company's production facilities.

SASB Disclosure Code	Description	Report Page	Comment
WATER MANAGEMENT			
EM-EP-140a.1	(1) Total water withdrawal, (2) total water consumption, percentage of each in regions with high or extremely high baseline water stress.	**pp. 10**	Information on the share of water withdrawal and consumption in regions with high or extremely high-water stress is not available at this stage, as the company does not yet account for these parameters by water stress levels.
EM-EP-140a.2.	Volume of produced and flowback water; percentage: (1) discharged, (2) reinjected, (3) reused; hydrocarbon content in discharged water.	**pp. 10**	At this stage, the accounting of reinjected water volumes is not conducted, as the corresponding technological processes are still being implemented. The accounting of reused (recycled) water volumes, as well as the hydrocarbon content in discharged water, is also not carried out.
BIODIVERSITY IMPACTS			
EM-EP-160a.1.	Description of environmental policy and management practices for operational sites.	**pp. 11**	
EM-EP-160a.2.	(1) Number and (2) total volume of hydrocarbon spills, (3) volume of spills in the Arctic, (4) volume of spills affecting shorelines with an Environmental Sensitivity Index (ESI) of 8–10, and (5) volume of recovered (remediated) spills.	**-**	Information on hydrocarbon spills is not disclosed, as the activities of Uzbekneftegaz JSC are not associated with marine or Arctic operations. The company operates exclusively at onshore facilities, where no spills affecting environmentally sensitive areas or aquatic ecosystems have been recorded.
HAZARDOUS MATERIALS MANAGEMENT			
EM-RM-150a.1.	Volume of hazardous waste generated, percentage recycled.	**pp. 13**	The percentage of hazardous waste incinerated is 0%, as the company does not conduct waste incineration for energy recovery at its production facilities and does not apply heat recovery or waste-to-energy processes.

SASB Disclosure Code	Description	Report Page	Comment
SECURITY, HUMAN RIGHT & RIGHTS OF INDIGENOUS PEOPLE			
EM-EP-210a.1.	Percentage of proved (1) and probable (2) reserves in or near areas of active conflict.	**-**	As of the reporting date, the company does not conduct operational activities in areas of active armed conflict or in territories inhabited by, or located near, indigenous peoples. Accordingly, the share of proved and probable reserves in such areas is zero, and specific due diligence procedures applicable to such conditions are not required at this stage.
EM-EP-210a.3.	Description of engagement processes and due diligence procedures related to human rights, indigenous peoples' rights, and operations in conflict-affected areas.	**-**	
COMMUNITY RELATIONS			
EM-EP-210b.1.	Description of risk and opportunity management processes related to the rights and interests of local communities.	**pp. 15**	
WORKFORCE HEALTH & SAFETY			
EM-EP-320a.1	(1) Total Recordable Incident Rate (TRIR), (2) Fatality Rate, (3) Near Miss Frequency Rate (NMFR), (4) average number of hours of health, safety, and emergency response training for (a) employees and (b) contractors.	**pp. 17**	The recording of the Near Miss Frequency Rate (NMFR) indicator is not currently carried out by the company.
EM-EP-320a.2	Description of management systems implemented to foster a safety culture across all stages of exploration and production.	**pp. 17**	
BUSINESS ETHICS & TRANSPARENCY			
EM-EP-510a.2	Description of the management system for preventing corruption and bribery across the entire value chain.	**pp. 19**	

SASB Disclosure Code	Description	Report Page	Comment
CRITICAL INCIDENT RISK MANAGEMENT			
EM-EP-540a.1	Process Safety Event (PSE) rates associated with Loss of Primary Containment (LOPC) of greater consequence (Tier 1).	**pp. 20**	
EM-EP-540a.2	Description of management systems implemented to identify and mitigate catastrophic and tail-end risks.	**pp. 21**	
EM-RM-540a.1	Process Safety Event (PSE) rates associated with Loss of Primary Containment (LOPC): of greater consequence (Tier 1) and of lesser consequence (Tier 2).	**pp. 20**	
MANAGEMENT OF THE LEGAL & REGULATORY ENVIRONMENT			
EM-EP-530a.1	Discussion of the company's position on government regulation and/or legislative initiatives related to environmental and social factors affecting the industry.	**pp. 21**	
EM-RM-530a.1	Discussion of the company's position regarding government regulation and/or legislative initiatives related to environmental and social factors affecting the industry.	**pp. 21**	
RESERVES VALUATION & CAPITAL EXPENDITURES			
EM-EP-420a.3	Amount of investments in renewable energy and revenue generated from the sale of energy produced from renewable sources.	**pp. 21**	
EM-EP-420a.4	Description of how hydrocarbon prices, demand, or climate regulation influence the company's capital investment strategy for exploration, acquisition, and development of assets.	**-**	At this stage, the company does not conduct separate quantitative or scenario analysis of the impact of hydrocarbon price dynamics and climate regulation on its capital investment strategy for exploration, acquisition, and asset development.
ACTIVITY METRICS			
EM-EP-000.A	Activity metrics	**pp. 3**	