

XP

Towards Sustainable
Upstream Operations



Sustainability Report

2025



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CEO Statement



Our 2025 sustainability performance confirmed that XP’s operating model—rooted in discipline, transparency, and strong local capability—is not only delivering value but shaping what responsible upstream operations should look like. We showed once again that upgrading and optimizing existing assets can unlock higher productivity and efficiency while meaningfully shrinking their footprint, bringing safer, cleaner, and more resilient energy to the communities we serve.

David Martinon
Chief Executive Officer

In a year when energy security, affordability, and decarbonization all demanded equal attention, our focus remained clear: transforming existing oil and gas fields to produce more value from them while driving measurable, transparent emissions reductions.

Across 2025, we strengthened compliance with Europe’s new methane regulation, advanced our OGMP 2.0 roadmap, invested in people and safety, and supported the communities where we operate. These actions reinforce our belief that the fastest, lowest-cost path to cleaner energy is to modernize today’s assets—safely, efficiently, and with less impact.

Delivering results, transparently. In 2025 we completed source-level (OGMP Level 4) measurement across all assets and cut absolute methane emissions by 19% and methane intensity by 12%. Scope 1+2 emissions fell a further 10.7%, while GHG intensity decreased 3% to 0.16 tCO_{2e}/toe. We also reduced NMVOCs by 23%, improved freshwater withdrawal intensity to 0.13%, quadrupled total waste recycled, and sustained a seven-year reduction of ~97% in spilled volumes.

Advancing compliance and leadership on methane. With the EU Methane Regulation now in force—banning routine venting and flaring, mandating (Measuring, Reporting and Verification) (MVR)

and Leak, Detecting, And Repair (LDAR) programs, and extending transparency into imports—we operationalized tighter survey frequencies, faster repairs, and high-integrity reporting aligned to OGMP methodologies. Our 2025 Level 4 campaigns give us a stronger baseline; in 2026 we plan to reach Level 5 via an equivalent, ground-based methodology in Ukraine, and to achieve 0.20% methane intensity through targeted abatement investments

Resilience in Ukraine. We remained steadfast in western Ukraine, operating safely with a fully local team and in close partnership with Naftogaz. Despite a difficult context, we completed Level 4 surveys for facilities, wells, and pipelines in Lviv and continued automation programs that materially reduced venting. The resilience of our people, the trust of local communities, and disciplined risk management enabled largely uninterrupted operations with no personnel injuries from air strikes and no damage to key assets.

Safer operations every day. We recorded one Lost Time Incident (LTI)—a sober reminder that zero harm is the standard we must reach and hold. Near-miss reporting increased 20%, showing a healthier speak-up culture. Security incidents across sites declined by 40% following targeted investments in video surveillance. We will continue to embed lessons learned in our Operational Excellence Management System across all activities.

People and capability. Our workforce grew to nearly 1000 colleagues, with over 97% on full-time, undetermined contracts and an average of 117 training hours per person. We are investing in supervisory capability, digital upskilling, safety leadership, and well-defined career paths across our operating countries.

Cyber resilience. Like many operators in 2025, we faced a serious ransomware incident. Our teams executed incident responses, restored systems safely, and used the event to accelerate a comprehensive security uplift. As cyber threats continue to rise globally, we are strengthening people, processes, and technology to protect operations and data.

Twenty years of operational learning. As we marked our 20th anniversary, we reflect on a record that includes multi-country operations, thousands of well interventions, dozens of facilities upgrades and decommissionings, and millions of hours of training. Local teams empowered by data, discipline, and fit-for-purpose technologies deliver safer, cleaner, more productive assets.

Looking ahead. The industry enters 2026 with disciplined capital, continued volatility, sharper methane expectations, and accelerating digital adoption. Our strategy remains grounded in what we can control: operational excellence, transparent emissions management, and investing in people and automation. We will pursue 0.20% methane intensity, execute our Level 5 roadmap, and continue turning decarbonization into operational advantage.

To our teams, customers, partners, and communities—thank you. The progress in this report is yours. We will build on it with humility and purpose in the year ahead.



General Information



Sustainability Corporate Governance

- Sustainability is embedded at the highest levels of XP's decision-making processes. ESG topics consistently appear as the first items on the agenda in Board of Directors and senior management meetings, reflecting their strategic importance and integration into the company's operational model.

By fully incorporating sustainability aspects into our business strategy and governance framework, XP strengthens its long-term resilience and contributes to a sustainable future for the company, its employees, and the communities it serves.

People-Driven Commitment

- Our commitment to sustainability begins with our people. XP fosters an authentic culture where sustainability is understood, valued, and practiced across all functions. Through continuous engagement, empowerment, and awareness, employees are encouraged to make environmentally conscious decisions, support positive environmental and social initiatives, and embed on sustainability principles in their daily work.

This cultural foundation enables XP to address complex challenges and enhances our ability to deliver on our environmental, social, and governance commitments in a consistent and responsible manner.

Basis for Preparation

- This Sustainability Report has been prepared using the *IPIECA Sustainability Reporting Guidance for the Oil and Gas Industry* as the primary reference framework. In addition, XP has begun to **partially apply to selected requirements of the European Sustainability Reporting Standards (ESRS)**.

Consolidation Approach

- The Sustainability Report is prepared on a **consolidated basis**, consistent with the scope applied in the Group's Financial Statements. Accordingly, the report includes ESG-related information for **Expert Petroleum Founders and all its subsidiaries**. This ensures alignment between financial and non-financial disclosures and provides a comprehensive view of the Group's sustainability performance and governance practices.

Risk Management





XP’s long-term commitment to sustainable operations is underpinned by a comprehensive and structured approach to risk management

Lavinia Predescu
Chief Financial Officer

Effective sustainability performance requires continuous identification, assessment, mitigation, monitoring, and review of risks across the organization. These activities are embedded into XP’s overarching risk management framework and support the company’s ability to operate responsibly and resiliently.

Governance Oversight

The Board of Directors (BoD) holds ultimate responsibility for risk governance. The Board of Directors ensures that XP maintains an effective management system capable of identifying, evaluating, and addressing risks with potential financial, operational, environmental, and social impacts. At regular board meetings, the BoD reviews the performance and adequacy of these processes to ensure alignment with XP’s strategic objectives and sustainability commitments.

Risk Identification and Materiality

Informed by inputs from key business functions—including Health, Safety, Security and Environment (HSSE), Finance, Legal, Human Resources, and Operations—as well as from relevant internal and external stakeholders, the BoD has identified a broad set of material risks that may influence XP’s long-term sustainability. These include, but are not limited to:

- Climate change-related and environmental risks
- Geopolitical and macroeconomic risks
- Cybersecurity and data protection risks
- Health, safety, and workforce-related risks
- Other operational and compliance risks described in the following sections

For each material risk, XP has implemented targeted mitigation measures and control activities, supported by clear accountability at management level.

Monitoring, Evaluation, and Continuous Improvement

XP conduct regular internal and external audits, as well as systematic self-assessments, to evaluate the effectiveness of its risk management and internal control systems. Findings from these reviews guide corrective and preventive actions, ensuring ongoing improvement in line with leading ESG and governance practices.

To support transparency and alignment, managers periodically include risk-related items on the BoM meeting agenda. This ensures that emerging risks, changes in risk exposure, and proposed mitigation strategies are reviewed and integrated into XP’s broader risk management and sustainability strategy.



Material Risks Identified and Mitigation Plans

Climate Change risks



For an oil & gas operator like XP, the current climate change risks are shaped by both regulatory pressures and physical climate impacts:

Physical Climate Risks

Extreme weather events—including severe winters, droughts, floods, and storms—are occurring with greater frequency and intensity because of climate change. Such events have the potential to disrupt upstream operations, compromise infrastructure integrity, and cause unplanned shutdowns. For instance, harsh winters may reduce production output; droughts can restrict water resources for operational needs, and storms or flooding can inflict damage to pipelines, wells, and processing facilities.

Regulatory and Policy Risks

Romania, as a member of the European Union, is dedicated to achieving the EU Green Deal’s goal of a 55% reduction in CO₂ emissions by 2030 and climate neutrality by 2050. XP and its clients in Romania and Ukraine strongly support the aims of OGMP 2.0, UNEP’s initiative for transparent methane reporting and mitigation. Methane measurement surveys that

follow the EU Methane Emissions Regulation or OGMP Levels 3, 4, or 5 require oil and gas operators not only to measure and report emissions openly but also to take action to reduce and enhance operational performance. These operators must keep up with changing environmental regulations, which could demand significant investments in cleaner technologies and processes, or they may face penalties and potential damage to their reputation.

Mitigation Strategy

XP aligns its initiatives with the company’s mission by prioritizing the sustainable development of operations. The implementation of LDAR procedures aims to prevent unintentional leaks, while the elimination of flaring and venting minimizes the carbon footprint of upstream activities. Facility retrofits and upgrades are undertaken to enhance energy efficiency, reduce water usage, and strengthen infrastructure resilience against adverse weather conditions.



Health and Safety risks

Upstream oil and gas operations involve a wide spectrum of health and safety risks inherent to drilling, well interventions, and production activities at surface facilities. These hazards include, but are not limited to:

- **High-risk work environments:** Operation of heavy machinery, high pressure systems, and rotating equipment.
- **Work at height:** Potential falls from elevated platforms, rigs, and equipment.
- **Confined spaces:** Increased exposure to asphyxiation risks, toxic gases, and restricted escape routes.
- **Fire and explosion hazards:** The presence of hydrocarbons and other flammable materials.
- **Chemical exposure:** Interaction with hazardous substances such as hydrogen sulfide (H₂S) and various drilling fluids.
- **Physical and ergonomic risks:** Fatigue, musculoskeletal strain, and challenging environmental conditions.

To manage and mitigate these risks effectively, we apply an Operational Excellence Management System (OEMS)—a structured and integrated framework designed specifically for our upstream operations. OEMS defines core principles, objectives, and standardized processes to:

- Harmonize safe work practices across all activities.
- Proactively identify, assess, and control operational risks.
- Establish performance benchmarks that drive continuous improvement.
- Ensure full compliance with industry regulations and leading practices.
- Conduct thorough audits to evaluate performance and strengthen accountability.

By embedding OEMS throughout our organization, we reinforce our commitment to safety, environmental protection, and operational excellence, ensuring the wellbeing of our workforce, safeguarding our assets, and protecting the communities in which we operate.





Environmental Risks

In addition to the air emissions risks addressed in our climate change initiatives, we remain vigilant about the potential for soil and water contamination resulting from our operations. Such contamination poses significant risks to human health, wildlife, and vegetation, and we prioritize its evaluation as a critical component of our operational safety protocols.

To mitigate these risks, XP has implemented a robust framework of controls. This includes:

- Ongoing employee development initiatives to strengthen awareness and ensure compliance with established best practices,

- Regular, systematic compliance audits designed to assess adherence to internal procedures and safety requirements,
- Collaborative partnerships with certified contractors to enhance specialized expertise and support operational excellence.

We further reinforce our risk management through routine asset inspections and the deployment of advanced remote monitoring systems. These measures enable us to detect equipment failures promptly, facilitating swift intervention, and minimizing the potential for environmental contamination.

Geopolitical Risks



As an international oil and gas company operating in frontier markets, XP systematically integrates geopolitical risk considerations into both its business development strategy and its business continuity planning. These risks remain a central component of XP's overall materiality assessment and long-term resilience strategy.

Experience and Capability in High-Risk Environments

XP has developed strong organizational capability in assessing and managing geopolitical risks. The management team has successfully operated in Ukraine for over five consecutive years, and the Board brings extensive experience from complex

operating environments such as Iraq, Libya, Yemen and Venezuela. This combined expertise enables XP to apply rigorous risk assessment, scenario analysis, and contingency planning across its portfolio.

Enhanced Focus Amid Increased Volatility

Given the heightened uncertainty in global geopolitical conditions, XP has further strengthened its monitoring and mitigation measures.

The company continually evaluates potential impacts on operational continuity, regulatory constraints, supply chain reliability, workforce safety, and financial flows.



Operational Continuity in Ukraine

As of the date of this report, XP’s Ukrainian subsidiary has:

- recorded **no personnel injuries** resulting from air strikes,
- sustained **no damage to key property, plant and equipment**, and
- maintained operations in a **largely uninterrupted** manner.

This resilience is the result of multiple factors:

- a fully local Ukrainian team (100% of the subsidiary’s workforce),
- a strong partnership with Naftogaz,
- long-standing trust with the local community in Lviv, and continued support and investment commitments from XP’s Board of Directors.

Emerging and Potential Risks

While operations have remained stable, continuing military activity may create new or prolonged operational and administrative constraints. These may include:

- additional regulatory restrictions, such as National Bank of Ukraine limitations on cross-border fund transfers;
- supply chain disruptions affecting the availability of equipment, materials, or services;
- further troop mobilization, which could impact workforce availability.

To mitigate workforce-related risks, XP has ensured that most operating personnel are registered for military exemption due to their critical role in ensuring natural gas supply to the Lviv region—supporting both industrial activities and district heating systems.

Security Risks



Managing security risks is a critical aspect of our industry. Security threats can vary significantly in scale and severity—from minor theft to high-impact incidents such as missile attacks, which currently represent a potential risk to our operations in Ukraine. XP’s approach focuses on reducing these threats to our people, assets, information, operations, and reputation through comprehensive threat and risk assessments, supported by rapid and effective response actions designed to minimize the impact of any security-related incident.

As an example, dedicated air-strike shelters have been constructed at our facilities in Ukraine to protect employees from elevated security risks. Similar targeted mitigation measures have also been implemented to safeguard our assets and maintain operational resilience.

Cybersecurity Risks



Digitalization is a critical enabler of XP’s strategy and is embedded at the core of our operational model. Our digital ecosystem integrates field data acquisition, digitization, systems interoperability, real-time monitoring, automation, and advanced analytics. These capabilities support faster and more informed decision-making while driving efficiency, safety, and operational excellence across our activities.

XP continues to invest in innovative technologies—including artificial intelligence (AI)—to generate measurable business value and reinforce our competitive advantage. As our digital footprint

expands, we recognize the growing importance of cybersecurity in protecting our systems, operational data, intellectual property, and critical infrastructure.

To ensure resilience, XP’s IT team has deployed a robust, redundant, and secure infrastructure which is continuously updated and reinforced to maintain business continuity. This architecture reduces the risk of operational disruption arising from system failures, cyberattacks, or other external threats and strengthens the reliability and integrity of our overall operational model.



Human Resources Risks



Attracting, developing, and retaining skilled professionals is a material human capital risk for XP and for the energy sector more broadly. Replacing retiring specialists and securing new talent are essential to ensuring operational continuity, strengthening organizational capability, and supporting long-term growth.

To mitigate these risks, XP focuses on maintaining a high-quality work environment and fostering strong employee engagement at all levels. By actively listening to employee feedback and incorporating their suggestions into our people-management practices, we continue to position XP as an employer of choice within our industry.

Our approach includes:

- offering competitive compensation and benefits;
- investing in continuous training and professional development;
- implementing structured succession planning;
- providing ambitious career pathways for high-potential employees.

These measures help ensure that XP remains able to attract and retain the talent needed to deliver its strategy and to operate safely, efficiently, and sustainably.



Unethical Business Practices Risks

Upholding the highest standards of ethical conduct is fundamental to XP’s license to operate. Non-compliance with our Code of Conduct could expose the company to financial losses, legal liabilities, and reputational damage, potentially affecting business continuity and limiting future business development opportunities.

Mitigation Measures

XP maintains a comprehensive ethics and compliance framework designed to prevent misconduct and promote responsible behavior throughout the organization. Key measures include:

- a **zero-tolerance policy** toward corruption, fraud, and unethical behavior;
- mandatory **training and awareness programs** for all employees;
- **segregation of duties** and clearly defined responsibilities;
- robust **internal controls** and reporting mechanisms;
- proactive monitoring and adaptation to **evolving legislation and regulatory expectations**.

Code of Conduct

XP’s Code of Conduct establishes the standard of business integrity expected from everyone who works for or represents the company—regardless of the jurisdiction in which we operate. It applies even when local regulatory frameworks are less developed or less stringent, ensuring a consistent and high level of ethical practice across all operations.

The Code emphasizes that XP employees are expected to:

- demonstrate leadership and commitment at all organizational levels by conducting business in a safe, secure, injury-free, environmentally responsible, and sustainable manner;
- comply with all applicable laws, regulations, and industry standards;
- identify hazards and threats and take appropriate action to prevent, control, or reduce risks to acceptable levels;
- actively engage in dialogue with stakeholders—including employees, contractors, regulatory agencies, local communities, customers, and other partners—to ensure transparency and trust;
- participate in continuous learning by incorporating insights from audits, near misses, incidents, and best practices to drive ongoing improvement.

Regulatory Risks



Regulatory risks have increased in recent years due to more complex and rapidly evolving legislative and compliance requirements across the jurisdictions in which XP operates. Such changes can affect XP’s ability to achieve its strategic objectives, alter operational processes, or materially impact profitability—for example through increased taxation or higher compliance-related costs.

To address these risks, XP maintains continuous monitoring, analysis, and implementation of relevant regulatory developments. We ensure that our budgeting processes, reporting obligations, and payment requirements remain fully aligned with the latest legal standards, enabling the Board of Managers (BoM) to make timely, informed decisions.

Throughout 2025, XP faced significant regulatory changes at both the **country level** (Romania and Ukraine) and the **EU level**, including:

- tax-related amendments (described in detail in the *Tax Risks* section);
- evolving emissions-related requirements;
- updates to currency control regulations;

- other industry-specific reporting and compliance obligations.

XP’s proactive regulatory engagement and strong compliance culture help mitigate the potential impact of these changes and support the company’s long-term operational and financial resilience

Market Price Risks

XP is partially exposed to commodity market price risk, as a portion of its deliveries is remunerated based on tariff formulas linked to oil and gas market prices. These fluctuations can create volatility into XP’s cash flows.

To mitigate this risk, XP maintains a **diversified revenue base**, being exposed to both oil and natural gas markets, which typically follow different price drivers. In addition, several operating costs—such as electricity and certain materials—are partially

correlated with oil and gas prices. This correlation helps offset the impact of commodity price swings on overall cash generation.

XP also applies a **conservative approach to commodity price forecasting** during its budgeting and planning cycle. Stress-testing our financial projections under various price scenarios ensures that XP remains resilient under different market conditions and maintains the robustness of its operational and investment plans.



Foreign Exchange Risks

XP is exposed to foreign currency risk arising from the volatility of the Romanian Leu (RON) and the Ukrainian Hryvnia (UAH) against major currencies such as the USD and EUR. This exposure affects portions of the company’s revenues, purchases, and

related-party payables. XP continuously monitors the impact of foreign exchange fluctuations on its cash flows to ensure timely mitigation and informed financial decision-making.



Counterparty Risks

XP is exposed to counterparty credit risk arising from its commercial and contractual relationships. To mitigate this exposure, the company assesses counterparties based on their creditworthiness, including available financial information and rating indicators where applicable. Credit limits are defined and monitored regularly to ensure that exposure remains within acceptable thresholds.

XP also applies a structured **Know Your Customer (KYC)** process to verify the identity, suitability, and potential risks associated with engaging or maintaining a business relationship with a partner. This process supports informed decision-making, reduces exposure to financial and compliance-related risks, and strengthens the integrity of XP’s commercial operations.



Tax Risks



XP is exposed to tax risks that may result in double taxation, penalties, or interest charges. These risks arise from the interaction of local tax laws, evolving international and EU frameworks, and the complexity and speed of regulatory changes in the jurisdictions where XP operates.

Romania

Romania’s tax system is undergoing consolidation and harmonization with European legislation. This transition creates uncertainties due to varying interpretations by tax authorities, which may lead to additional tax assessments or penalties. In recent years, Romania has frequently introduced new taxes—such as the tax on special constructions, the oil and gas turnover tax, and minimum turnover tax—sometimes applied for a limited period and sometimes without a defined end date. These changes introduce planning uncertainty and may influence the timing and scale of investments, production volumes, profitability, and cash flow.

Ukraine

Ukraine’s tax framework is characterized by numerous taxes, rapidly changing legislation, and instances of retrospective application. Interpretations of the tax code may differ between local, oblast, and state tax administrations and, at times, between ministries

and regulatory bodies. This creates a significantly higher level of tax uncertainty and risk compared to jurisdictions with more mature regulatory systems. In Ukraine, the tax period remains open to audit for the subsequent three calendar years.

Luxembourg and Additional Jurisdictions

In Luxembourg, as in Romania, tax years remain subject to review for a period of five years, allowing authorities additional time to revisit or adjust previous assessments.

Risk Management Approach

To mitigate tax-related risks, XP:

- continuously monitors, analyzes, and implements relevant legislative and regulatory updates;
- ensures that internal reporting, budgeting, and payment processes are fully aligned with the latest legal requirements;
- engages reputable external tax advisors, including Big Four consulting firms, to validate compliance positions and strengthen tax governance.

These measures support XP’s commitment to transparency, compliance, and responsible tax management across all jurisdictions in which it operates.

Inflation Risks



Inflation is a material risk factor that can significantly influence XP’s operational performance and profitability. In 2025, XP continued to experience elevated inflationary pressures impacting budgets and cash flows. These pressures were driven by fiscal adjustments that increased the overall tax burden, ongoing energy market liberalization, and broad-based increases in operating costs.

Rising inflation may further affect XP’s cost base—including wages, energy, equipment, and services—

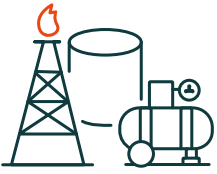
and the company may not always be able to fully offset these increases through internal efficiency measures. This could place pressure on gross margins and overall profitability.

XP mitigates this risk in part through contractual structures, as many of our tariffs include mechanisms that adjust in line with inflation. These adjustments help absorb part of the cost escalation and support the stability of our financial performance.

What We Do



Oil and Gas Production and Reserves Enhancement



We operate and invest in oil and gas assets to unlock additional reserves, increase production, and maximize long-term asset value. Our approach combines several distinctive strengths:

■ Targeted application of fit-for-purpose technologies

We integrate the latest, most relevant technologies—only where they create measurable value and are suited to the specific reservoir context.

■ Operational excellence rooted in frontline empowerment

We deploy a proven operational excellence program focused on systematic optimization, safety, and enabling frontline teams to drive performance improvements.

■ End-to-end Production System Optimization

Our holistic approach spans the full value chain, from reservoir to processing facilities and up to the point of export, ensuring sustained and optimized production.

■ Data-, AI- and digital-driven transformation

We harness advanced analytics, artificial intelligence, and digital tools to identify hidden efficiencies and reveal new production-enhancement opportunities.

■ Sustainability as a performance driver

We embed sustainability into operational decisions to enhance efficiency, reduce environmental impact, and strengthen long-term asset resilience.



Our specialized expertise in production optimization and reserve enhancement enables asset owners to unlock greater value from existing fields.

By combining our investment, expertise, and data-driven technology, we boost production, reduce costs, and enhance long-term sustainability.

Michel Louboutin
Chief Operating Officer

Business Model

XP’s business model responds to the evolving needs of the oil and gas industry by integrating deep subsurface understanding, disciplined project development, and operational excellence. This approach supports performance across the full asset lifecycle—from early discovery to late-life optimization—enabling operators to accelerate results while reducing environmental impact.

Creating Value Across the Asset Lifecycle

Today’s operators face increasing pressure to fast-track project delivery, enhance resource recovery, and limit environmental footprint. XP addresses these challenges by working in close partnership with clients on greenfield developments, brownfield expansions, and mature producing assets, creating sustainable value at every lifecycle stage.

XP works side-by-side with operators to:

- Design, execute, and continuously improve field performance
- Maximize recovery and accelerate value creation
- Extend the economic life of assets

What Sets XP Apart

XP’s differentiated approach is built on four core pillars:

- **Data-Driven Reservoir Management:** Advanced digital workflows, real-time data, and AI-enabled analytics improve reservoir insight and decision-making.

- **Integrated Field Development Solutions:**

End-to-end expertise covering drilling, completions, artificial lift, EOR, and facilities optimization.

- **End-to-End Production Optimization:**

Enhancing efficiency and sustainability from reservoir to surface systems.

- **Operational Transformation:**

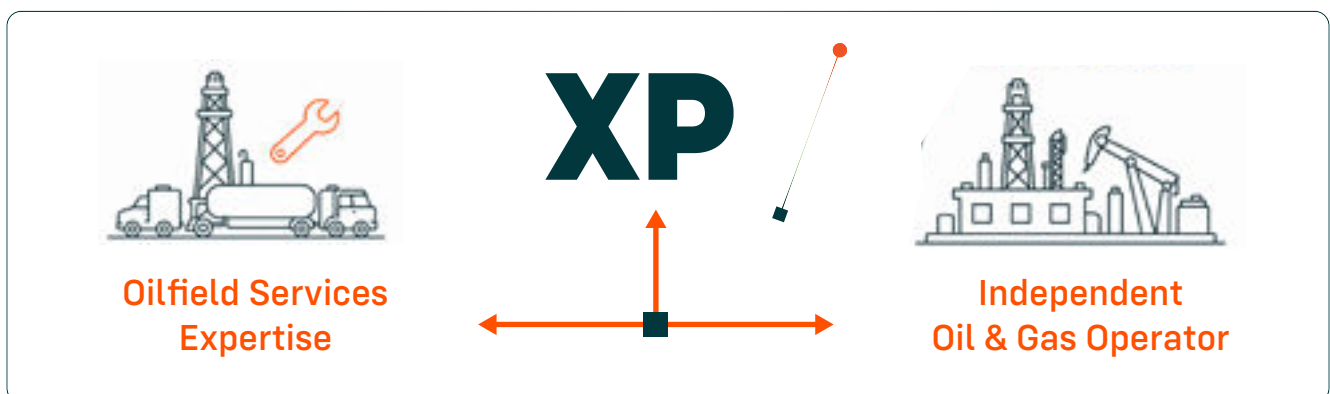
Automation, process optimization, and emissions reduction in support of operational excellence.

Innovative Partnership Models

XP collaborates with National and International Oil Companies through **Production Enhancement Contracts** and **Joint Ventures**, with remuneration directly linked to performance to ensure full alignment with client value creation.

A Hybrid Approach for a Changing Industry

Operating at the intersection of service provider and operator, XP combines technical agility with long-term accountability. By funding and managing both capital and operating expenditures, XP removes execution barriers and delivers measurable, sustainable outcomes.





XP Decarbonization Solutions for the Oil & Gas Industry

We help oil and gas companies reduce their environmental footprint by turning decarbonization challenges into operational and competitive advantages. Our integrated approach enables operators to lower emissions, maintain efficiency, and meet regulatory expectations.

Our emissions-management framework is built on accurate, transparent data. We conduct field-based detection, measurement, and reporting through MRV programs for venting and flaring and LDAR programs for fugitive emissions, all connected to our digital platform for traceable, compliant reporting.

We support full alignment with the EU Methane Regulation, OGMP 2.0, and CBAM. As an OGMP member since 2022, we design and execute Level 3–5 measurement programs, prepare compliant documentation, and assist companies pursuing the OGMP Gold Standard.

Our digital platform centralizes emissions workflows—from survey planning and measurements to calculations and reporting—using international standards. Integrated mobile tools, automated workflows, and repair tracking ensure transparency and operational efficiency.

XP also delivers turnkey abatement solutions that convert flared or vented gas into useful energy through gas-to-power units, CNG/LNG systems, and vapor recovery. Under our performance-based

model, XP finances, builds, owns, and operates these systems, enabling clients to cut emissions with minimal investment.

Global efforts to reduce methane—an essential pillar of climate strategy—are reshaping the Oil & Gas landscape. Operators must maintain reliable production while adopting world-class methane-management practices that ensure transparency, accountability, and measurable progress toward near-zero emissions.

To address this need, XP launched its Decarbonization Solutions division in 2023, helping Upstream operators implement, monitor, and sustain compliance-driven environmental and methane-reduction programs.

XP Decarbonization Solutions delivers high-impact solutions that reduce methane emissions and overall carbon footprint without compromising operational performance. Through field measurement campaigns, advanced detection technologies, and targeted abatement upgrades, we enable operators to progress toward near-zero methane emissions and set a new benchmark for responsible energy production.

In 2025, the division continued strong performance across multi-year projects and secured several new engagements. Activities ranged from LDAR and MRV campaigns aligned with EU rules to OGMP 2.0 reporting support and GHG Protocol-based net-zero roadmaps.



In 2025, Oil and Gas operators across Europe — along with non-EU members of OGMP 2.0 — experienced the tangible benefits of source-level and site-level measurements, gaining a transparent and accurate view of their emissions that enabled immediate action. XP is proud to have delivered these insights and to contribute to meaningful emissions reductions for our customers.

Bart Wauterickx
Decarbonization Solutions Managing Director

Across all projects, XP applied its full capabilities: field teams executed precise measurements, engineers produced compliant emissions reports, experts deployed abatement solutions, and advisors guided clients on upcoming regulatory and operational challenges. This integrated approach helps operators strengthen compliance, enhance environmental performance, and advance their decarbonization goals.



XP at a Glance 2025



20+

years of consistent performance



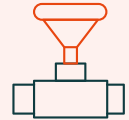
1,000

engineers, technicians, field operators, and support functions



28

oil & gas fields operated, with historical production peaks of **120,000 bbl/d** and **2 Bscf/d**.



1,600+

operated wells

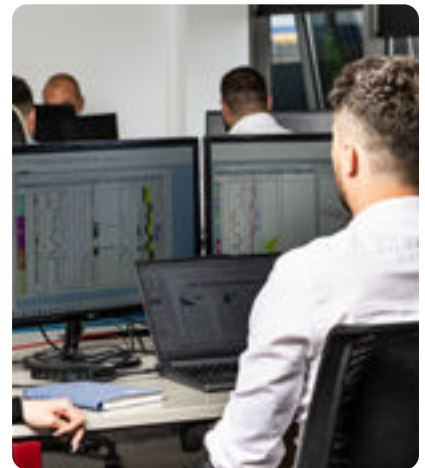


\$200M+

invested in seismic, drilling, reservoir modelling, workovers, and surface facilities modernization

Proprietary **AI-driven Decline Curve Analysis (DCA)** solution

Proprietary **Emissions Management Platform** with handheld field-data tools for inventories and maintenance




XP

Towards Sustainable Upstream Operations



2025 Performance Highlights

↓12% 

Methane emissions intensity reduction

In 2025 vs 2024 our methane emissions intensity was further reduced by 12% and 19% in absolute term, getting closer to our intensity target of 0.20% tonnes of CH₄ emitted by tonne equivalent production volume.

↓13% 

CO₂e emissions reduction

Our scope 1 greenhouse gas intensity for 2025 decreased by 3% compared to 2024 and Total CO₂e emissions declined substantially by 13%.

↓10.7% 

Scope 1 and 2 emissions reduction

Scope 1 and 2 emissions, direct emissions from the operations together with the carbon footprint of the purchased energy, show a further decrease of 10.7%.


↓23%

NMVOCs emissions reduction

↓5%

Carbon monoxide emissions reduction

Maintained low SO_x and NO_x emissions

0.13% 

Freshwater withdrawal intensity

In 2025, we achieved an improvement in freshwater withdrawal intensity, decreasing from 0.14% in 2024 to 0.13%. For the fourth consecutive year, our water intensity remained below 0.3%, fully aligned with our sustainability objectives.

4x 

Recycled waste

The total quantity of recycled waste increased more than fourfold, representing a major improvement in our environmental performance.

1 


Lost time incident

Last year we registered in our field operations one Lost Time Incident.

↓40% 

Security incidents reduction

Our number of security incidents on our sites has been reduced by 40% compared to 2024 thanks to additional investments in video surveillance.

↓97% 

Volume reduction of liquid spills in the last 7 years

This achievement was driven by modernizing pipeline monitoring, proactively replacing corroded infrastructure, and ensuring quick repairs upon leak detection.

Environmental Information





In 2025, once again, we have continued reducing the environmental footprint of our operations, this is one of XP’s core capability and objective

Ciprian Rus
HSSE & Decarbonization Manager

In recent years, decarbonizing the energy sector has emerged as a central priority, complementing ongoing environmental objectives concerning water usage, waste reduction, and spill prevention. Scientific data clearly demonstrate the impact of global warming and confirm the significant role played by the oil and gas sectors in climate change. Simultaneously, it is evident that the industry has the capacity to achieve rapid and substantive emissions reductions by addressing methane emissions through leak repairs and minimizing flaring and venting.

Across Europe, initiatives are guided by the European Methane Emissions Regulation, while outside of Europe, XP is motivated by its commitment to OGMP 2.0. In both regions, specific actions have been established, and objectives publicly articulated to reduce methane emissions and achieve a net-zero methane intensity target.

Annual budgets are allocated to support initiatives aiming at reducing emissions, and XP’s performance in methane emissions management is presented at each Board meeting.

Climate Change and Our Strategic Response

XP recognizes climate change as a critical global challenge with profound implications for ecosystems, economies, and societies worldwide. As an active participant in the energy sector, XP acknowledges its responsibility to mitigate greenhouse gas emissions while ensuring the continued provision of reliable and secure energy supplies. This section outlines XP’s sustainability journey, detailing the strategic

initiatives and measures implemented to reduce our carbon footprint, improve energy efficiency, and support long-term sustainable growth. XP is committed to continuous improvement, ensuring that corporate objectives are aligned with environmental stewardship and that energy demands are met in a manner consistent with the protection of ecological systems.

Commitment to Collaboration and Transparency

XP’s sustainability strategy is underpinned by a commitment to transparency, ethical conduct, and collaborative engagement. We recognize that meaningful progress in addressing climate change requires coordinated action among a diverse range of stakeholders, including industry peers, regulators, local communities, and environmental

organizations. Through constructive partnerships and ongoing dialogue, XP seeks to share knowledge, leverage collective expertise, and contribute to the development and implementation of effective, responsible, and enduring solutions.

EU Methane Emissions Regulation for the Energy Sector

In 2025, the implementation of the EU Regulation aimed at reducing methane emissions in the energy sector continued to drive significant changes across Europe’s energy landscape. Following its entry into force in August 2024, the Regulation increasingly shaped operational practices, with a clear focus on preventing avoidable methane releases both within the EU and throughout global energy supply chains.

In 2025, XP, as an oil and gas operator, significantly enhanced its compliance initiatives. This included increasing the frequency of LDAR (Leak Detection and Repair) surveys to identify and address fugitive or unintended methane leaks. The company implemented strict oversight of repair timelines to ensure prompt action and thorough verification of repair effectiveness.

In addition to prioritizing the identification and mitigation of unintended emissions, the EU Regulation mandated operators to quantify all venting and flaring emissions, primarily through direct measurement. Beginning in 2025, comprehensive monitoring was applied to all sources of venting emissions, including those from compressors, storage tanks, well operations, incidents, and maintenance activities.

The European methane emissions regulation includes provisions regarding the effective abandonment of inactive wells, an aspect not addressed in the OGMP 2.0 approach. Beginning in 2025, monitoring surveys were initiated to identify inadequate well closure activities and to develop mitigation plans accordingly.



OGMP 2.0 Partnership

XP joined the Oil & Gas Methane Partnership 2.0 (OGMP 2.0) in 2022, reinforcing our commitment to transparent, credible, and independently verified methane emissions reporting. Led by the United Nations Environment Program, OGMP 2.0 provides the industry’s most robust framework for methane measurement and mitigation. Participation in this partnership remains central to XP’s decarbonization strategy, guiding our efforts to enhance data quality, strengthen accountability, and accelerate methane emissions reductions across our operations.

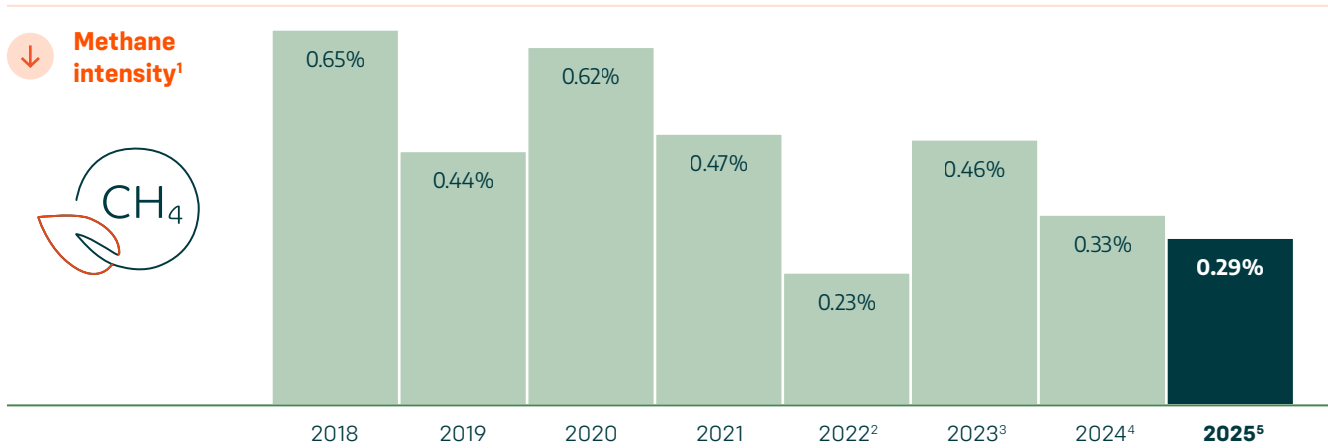
In 2023, XP presented a detailed roadmap outlining our emissions reduction initiatives, setting an ambitious goal to reduce methane emissions to 0.20%. This commitment to achieving near-zero methane emissions earned us the prestigious OGMP Gold Standard recognition.

Due to the significant challenges posed by the ongoing war in Ukraine, completing the field surveys within the initially planned timeline proved impossible, resulting in delays to the original roadmap. However, in 2025, Level 4 measurement campaigns—source-level measurements—were initiated and successfully completed. A full Level 4 report for 2025 has been submitted to OGMP.

At the time of preparing this sustainability report, it appears that conducting a traditional airborne Level 5 survey for the assets in Ukraine will again not be feasible. An alternative, equivalent ground-based measurement methodology will therefore be applied in 2026 to achieve Level 5.

Key Performance Indicators

Methane Emissions



In 2025, XP successfully conducted source-based measurements or Level 4 surveys across all its assets. For assets located in the EU, this meets the EU methane Emissions Regulation requirements. For non-EU assets, it supports our goal within OGMP 2.0.

Moving from using general emissions factors before 2024 to conducting detailed surveys of sources, components, and equipment is crucial, as it now allows us to accurately understand emissions from our assets.

Despite the challenges presented by the ongoing conflict, the level 4 surveys for all facilities, active wells, and pipelines have been successfully completed at Asset Lviv in Ukraine.


Due to the adoption of source-specific quantification as opposed to generic emissions factors, emissions by category fluctuated; however, overall absolute methane emissions decreased by 19%, reaching 1,375 tonnes CH₄. This significant reduction was primarily achieved through ongoing investments in automating separator discharge activities within Asset Lviv.

Our methane intensity target is set at 0.20%, with implementation planned for 2026. Through comprehensive and transparent Level 4 emissions surveys across all assets, we are equipped to strategically allocate investments and resources to achieve significant emissions reductions.

Reference Year	2022	2023	2024	2025	2026
OGMP reporting standard	Level 2	Level 3	Level 3/4	Level 4	Level 5
Methane intensity performance	0.23%	0.46%	0.33%	0.29%	
Methane intensity target					0.20%

1. Methane Intensity measured as tonnes CH₄ divided by TOE Production Volume
 2. Methane Emissions noted based on Level 2 OGMP methodology

3. Methane Emissions calculated based on OGMP Level 3 methodology
 4. Methane Emissions calculated based on OGMP Level 3 methodology
 5. Methane Emissions calculated based on OGMP Level 4 methodology

 Methane emissions categories, tonnes CH₄	2023	2024 ⁶	2025 ⁷	% Change 2025 vs 2024	% 2025
Total tCH₄	2,497	1,705	1,375	-19%	
Equipment and component leaks	208	237	475	+100%	34.5%
Stationary combustion	197	200	295	+48%	21.5%
Venting other	943	655	244	-63%	17.7%
Reciprocating compressors	70	52	189	+264%	13.8%
Tanks	326	309	131	-58%	9.5%
Incidents, emergency stops, malfunctions	374	10	41	+303%	3%
Centrifugal compressors	69	76	1	-99%	0.1%
Well casinghead venting	271	151	0	-100%	0%
Glycol dehydrators	11	11	0	-100%	0%
Well liquids unloading	26	2	0	-100%	0%
Pneumatic equipment	0	1	0	-98%	0%
Flaring incomplete combustion	0	1	0	-98%	0%
Leaks and permeation of underground pipes	0	0	0	0%	0%
Hydraulic fracture completions	0	0	0	0%	0%

- Fugitive Emissions (Equipment and Component leaks) are reported as a higher figure in 2025 vs 2024 mainly due to the generic factor approach in 2024; We also had some persisting leaks on above ground components of a distribution pipeline in Romania, and some delays in repairs in Ukraine which were picked up again in 2026.
- Stationary Combustion are reported as a higher figure in 2025 vs 2024 mainly due to the generic factor approach in 2024.
- Venting went down significantly as we continue investing in Ukraine to automate the manual discharging of separators.
- Reciprocating Compressors emissions are reported as a higher figure in 2025 vs 2024 mainly due to the generic factor approach in 2024; one compressor was recently revamped in November 2025 and the second one is planned for May 2026 which will reduce their emissions.

6. Methane Emissions calculated based on OGMP Level 3 methodology
 7. Methane Emissions calculated based on OGMP Level 4 methodology

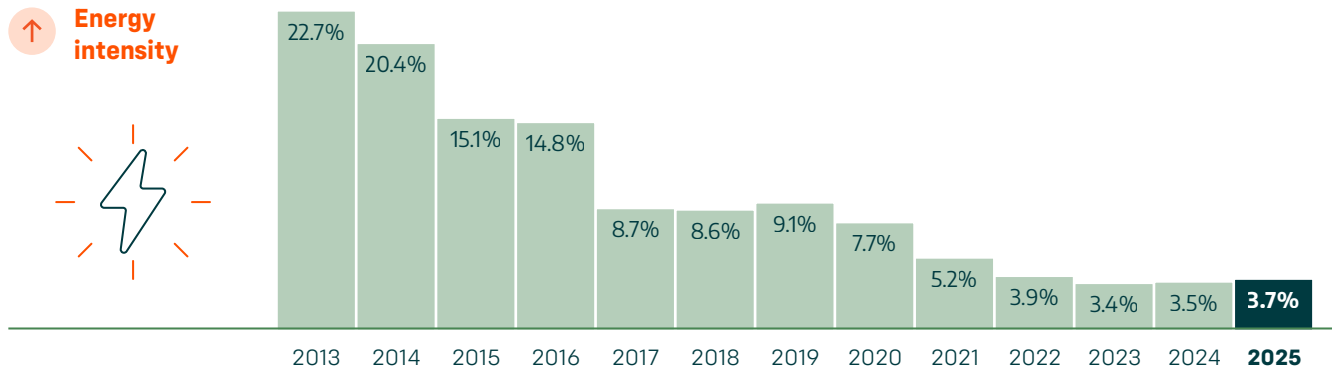
Based on constant XP's efforts, methane intensity in our operations have decreased by 12% from 2024 to 2025.



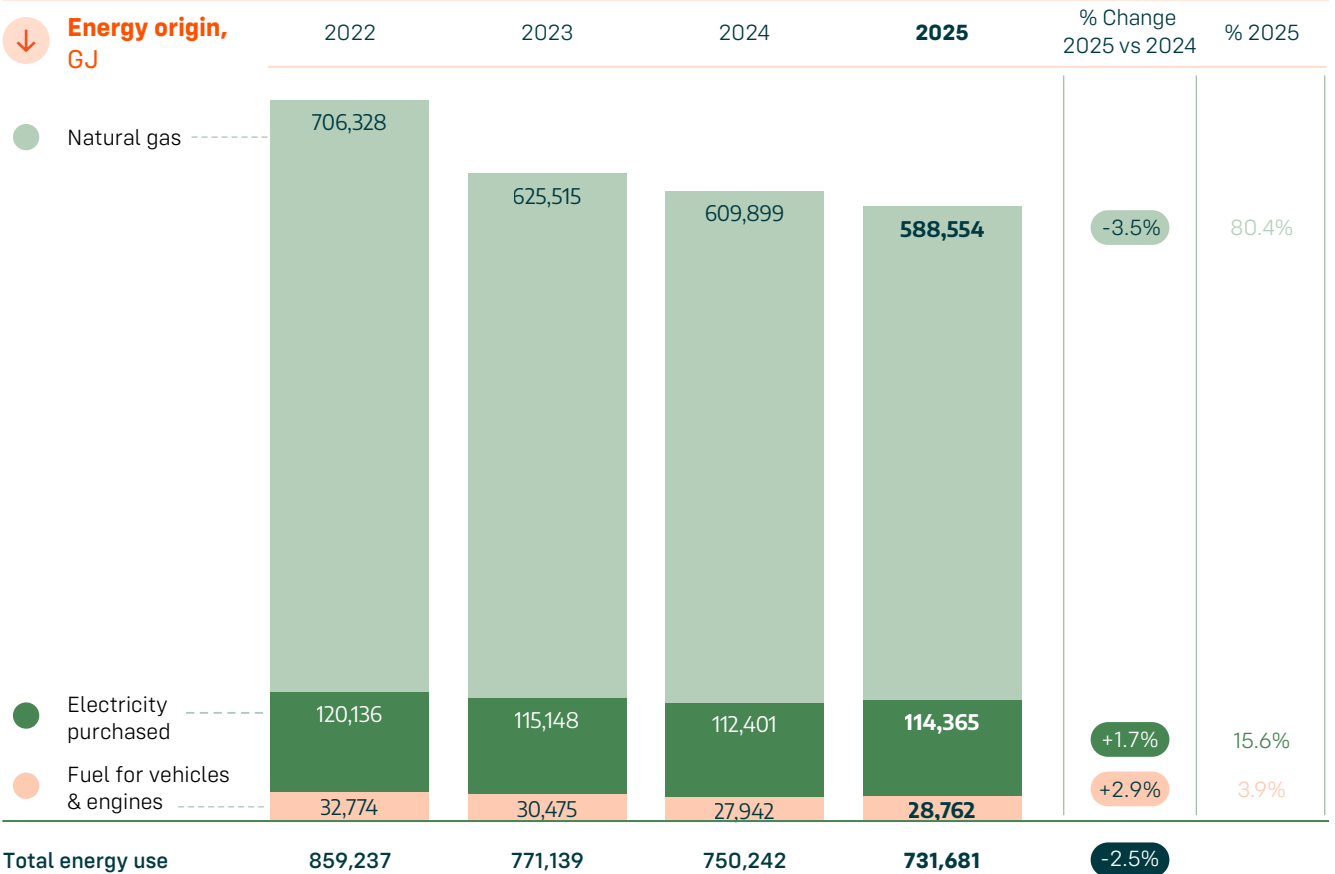
↓12%



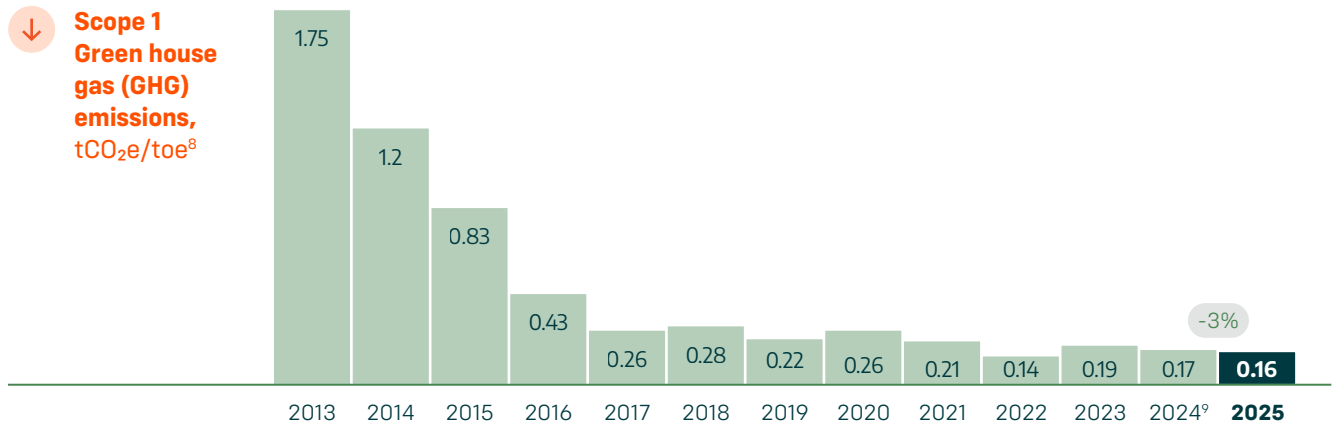
Energy Use



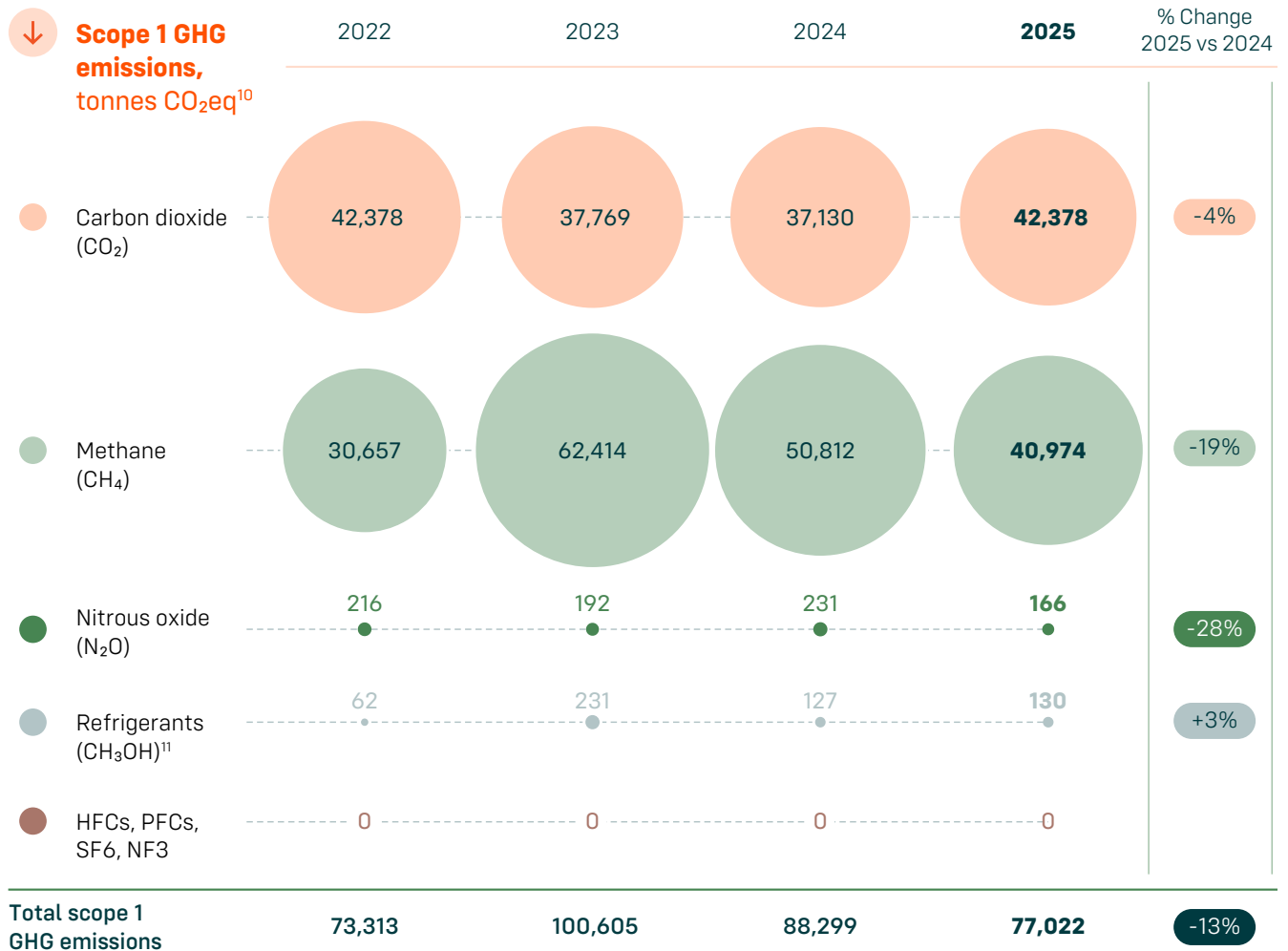
In 2025, total energy consumption declined by 2.5%. However, production output fell by an even greater margin, resulting in an increase in energy intensity from 3.5% to 3.7%. This pattern was also observed in 2024, where the reduction in production output exceeded the decrease in energy consumption.



Green House Gas Emissions



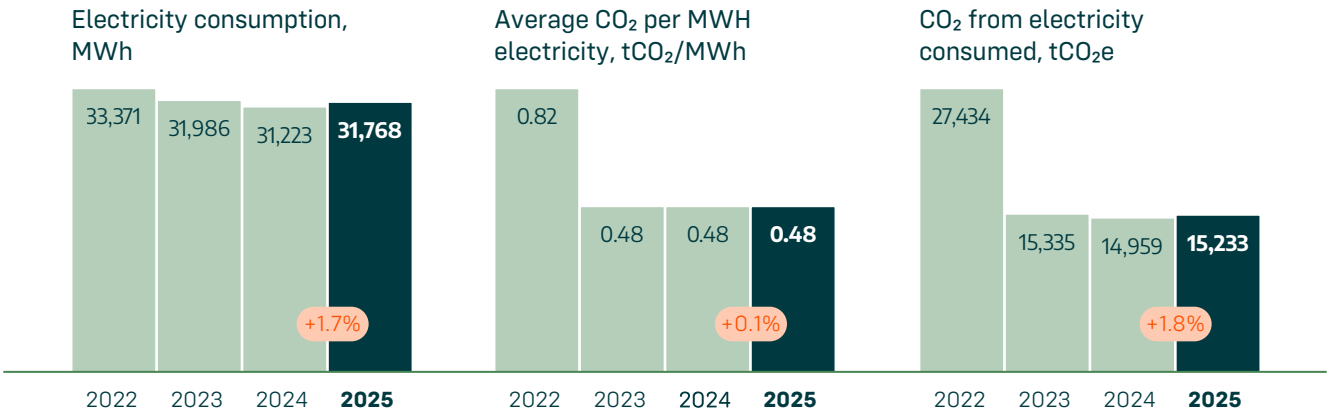
Our greenhouse gas intensity for 2025 decreased by 3% compared to 2024, resulting in 0.16 tCO₂e per tonne of oil equivalent (TOE). Total CO₂e emissions declined substantially by 13% from the previous year, driven in part from a 10% reduction in production output.



The significant improvement in Carbon Footprint (GHG) Intensity, which decreased by 13%, is primarily attributed to a 19% reduction in absolute methane emissions. As noted above, this outcome results from ongoing investments in automated discharge equipment at separation systems.

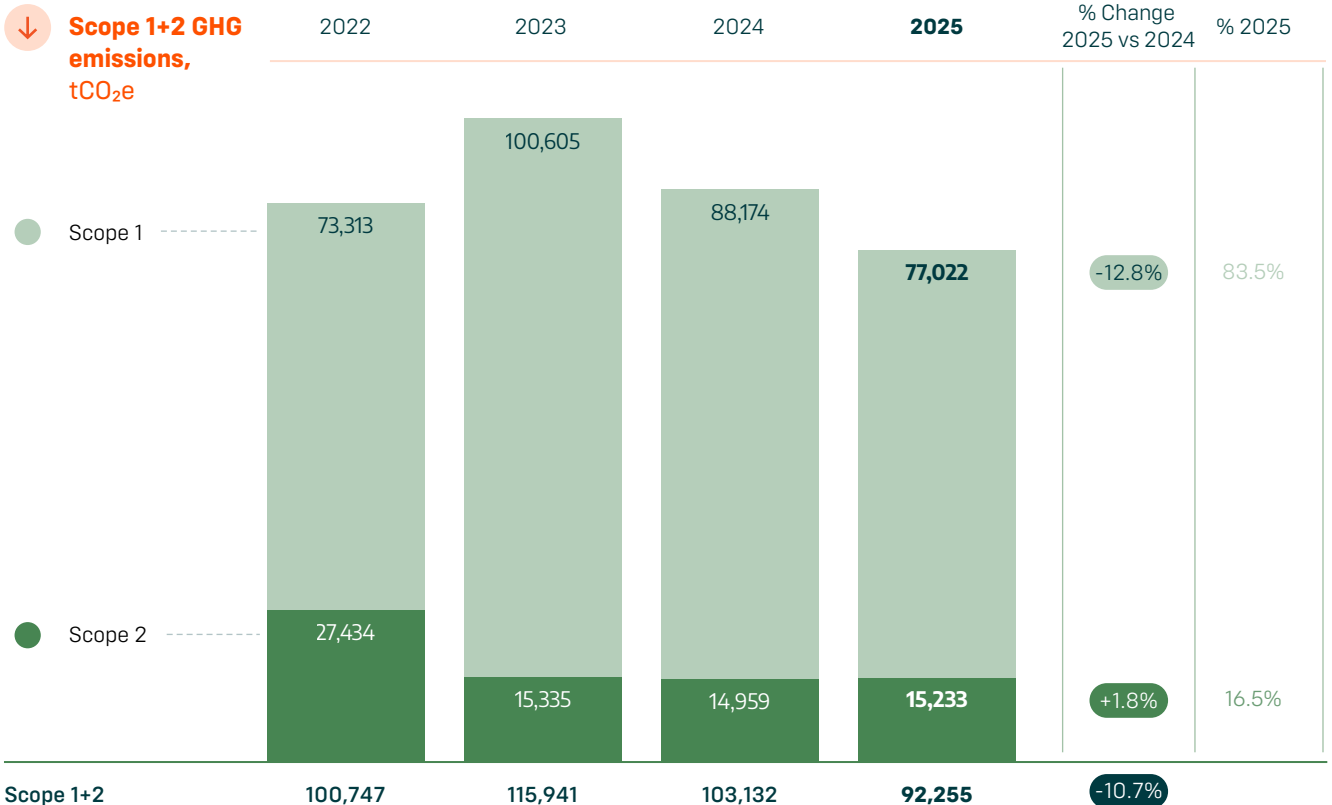
8. GHG Intensity Scope 1 is the amount of tonnes CO₂eq divided by the total of energy produced in TOE (tCO₂eq/toe)
 9. As from 2024, AR 6 GWP conversion factors are applied, instead of the AR 4 GWP used up to 2023.
 10. CO₂eq counted with GWP-100 factors from IPCC AR4 (25 for Methane) up to 2023. As from 2024 AR 6 with GWP for Methane counted as 29.8
 11. Methanol

**↑ Scope 2
Green house gas (GHG) emissions**



The purchased electricity slightly increased during 2025 due to more usage of electro-compressors.

From an emissions point of view, the nature of the composition of the electricity purchased from the electricity suppliers did not change during the year and compared to last year.



Scope 1 and 2 emissions, direct emissions from the operations together with the carbon footprint of the purchased energy, show a further decrease of 10.7%, in line with reduced production volumes (-10%)



Pollution

Air Pollution

Our dedication to improving air quality in the area where we operate remains steadfast. A review of data from the past shows a continued overall decline in emissions, demonstrating the effectiveness of our ongoing efforts to enhance operational efficiency and reduce air pollution.

Key observations:

- NMVOCs Reduction & Methodology Update:** While overall NMVOCs have decreased significantly, past increases were due to refined measurement methodologies rather than an actual rise in emissions. This highlights the importance of aligning our reporting with industry best practices while maintaining a focus on real emission reductions.
- SOx and NOx Emissions Management:** We have maintained low SOx and NOx emissions through operational efficiency and cleaner fuel use. However, minor variations indicate the need for ongoing monitoring and optimization.
- CO Emissions Stability:** Carbon monoxide emissions remain stable, reflecting consistent combustion efficiency. Further reductions could be achieved by optimizing engine performance and flaring operations.

Actions Moving Forward:

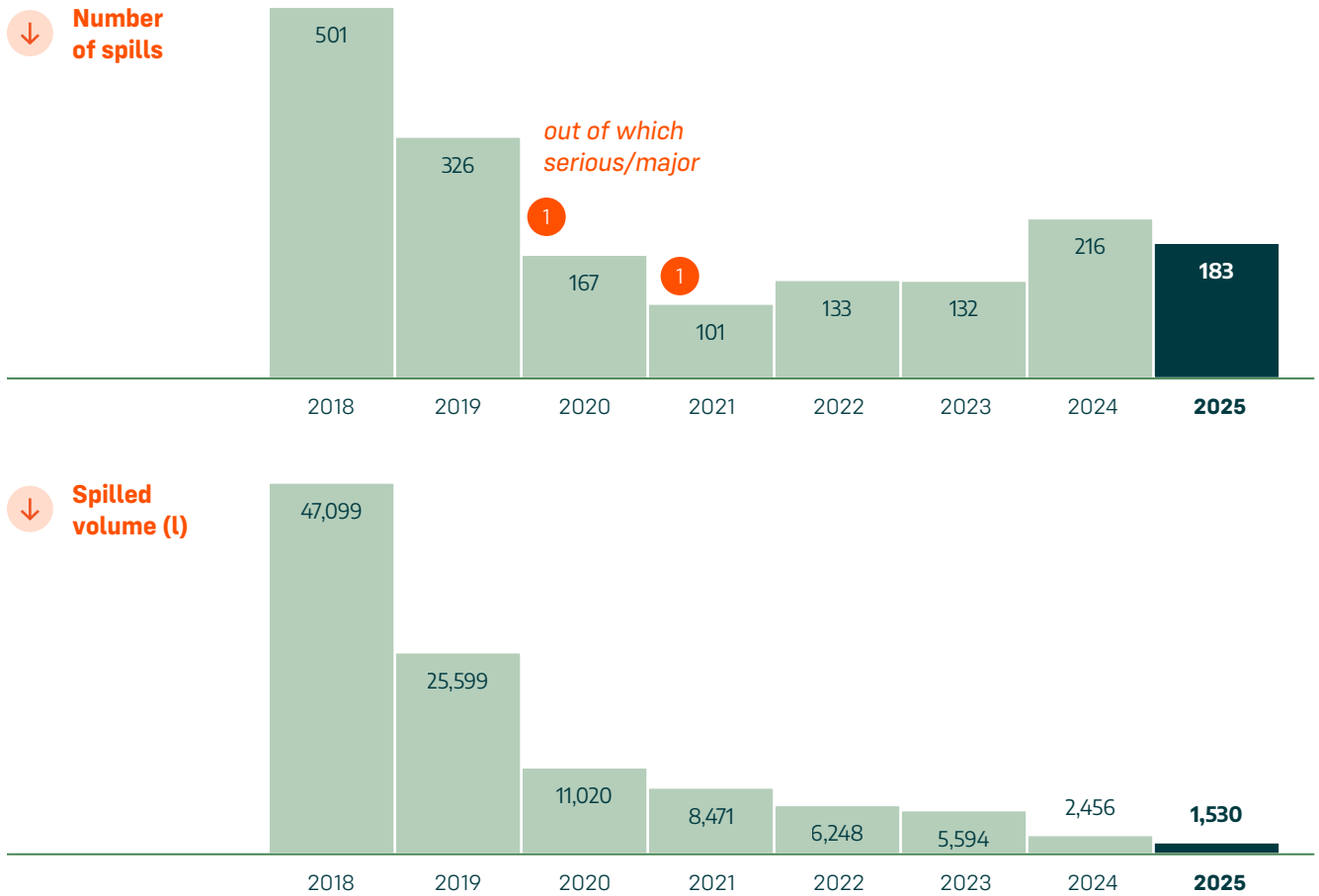
- Enhance Emissions Control Measures** – Strengthen venting and flaring reduction strategies to maintain downward trends.
- Improve Data Accuracy & Transparency** – Continue refining measurement techniques to align with global standards.
- Optimize Combustion Processes** – Further improve fuel efficiency and equipment maintenance to minimize emissions.
- Expand Mitigation Initiatives** – Invest in low-emissions technologies and operational improvements to sustain long-term reductions.

	2022	2023	2024	2025	% Change 2025 vs 2024
↓ NMVOCs (excl methane and ethane), tonnes					
Total	288.68	383.02	265.49	196.6	-23%
NMVOCs from venting (C3+)	239.58	339.42	223.18	156.95	-26.8%
NMVOCs from gas combustion	48.57	43.57	42.04	39.3	-6.5%
NMVOCs from diesel combustion for engines	0.22	0.02	0.14	0.34	
NMVOCs from flaring combustion	0.01	0.02	0.12	0	
NNMVOC from vehicles omitted	0	0	0	0	

	2022	2023	2024	2025	% Change 2025 vs 2024
↑ SOx (SO₂ and SO₃) convert into SO₂, tonnes					
Total	0.35	0.32	0.33	0.35	+8%
SOx from gas combustion	0.35	0.32	0.31	0.35	+11.8%
SOx from diesel combustion for engines	0	0	0	0	
SOx from flaring	0	0	0	0	
↑ NOx (NO and NO₂, excl N₂O) convert into NO₂ tonnes					
Total	89.54	76.37	76.54	76.67	
NOx from gas combustion	85.36	75.98	73.78	70.31	-4.7%
NOx from diesel combustion for engines	4.18	0.38	2.66	6.36	
NOx from flaring	0,01	0,01	0,10	0	
↓ CO, tonnes					
Total	35	30.76	30.54	29.13	-5%
CO from gas combustion	34,4	30,66	29,74	28.24	-5%
CO from diesel consumption for engines	0,58	0,05	0,37	0.88	-6.5%
CO from flaring	0,03	0,05	0,43	0.01	

Our continued focus on emissions reduction strategies is yielding positive results, with significant reductions across key pollutants. The notable decrease in NMVOCs from venting highlights the effectiveness of our improved emissions management, while minor increases in certain metrics are attributed to refined measurement methodologies. Moving forward, we remain committed to minimizing our environmental footprint through innovative solutions and operational excellence.

Soil Pollution



Soil and water contamination resulting from our operations, with potential impacts on human health, wildlife, and vegetation, is a risk that is consistently assessed as part of our operational safety protocols. To mitigate this risk, XP has implemented a range of measures, including ongoing employee training, regular compliance audits to ensure adherence to internal procedures and process safety standards, and the careful selection of qualified contractors. Additionally, we conduct routine inspections of assets and employ remote monitoring systems, enabling prompt intervention in the event of equipment failure, thereby minimizing the potential for contamination.

Actions and resources related to soil pollution

The total number of spills slightly decrease in 2025 due to a better monitoring and reporting. A 62% reduction in total spill volume highlights our enhanced operational performance. This achievement was driven by modernizing pipeline monitoring, proactively replacing corroded infrastructure, and ensuring quick repairs upon leak detection.

For the last four years we have achieved our target, zero major or serious environmental incidents.

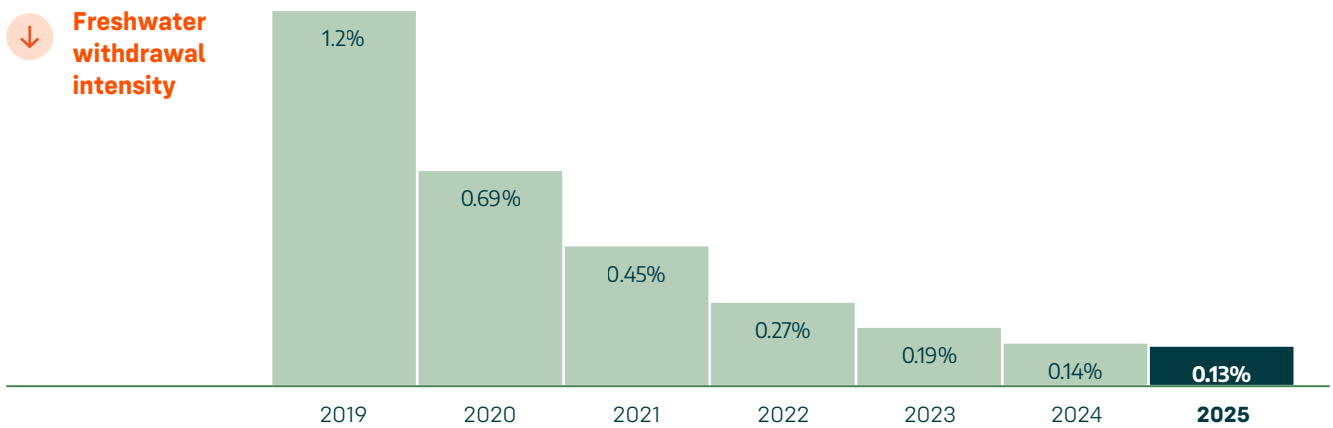
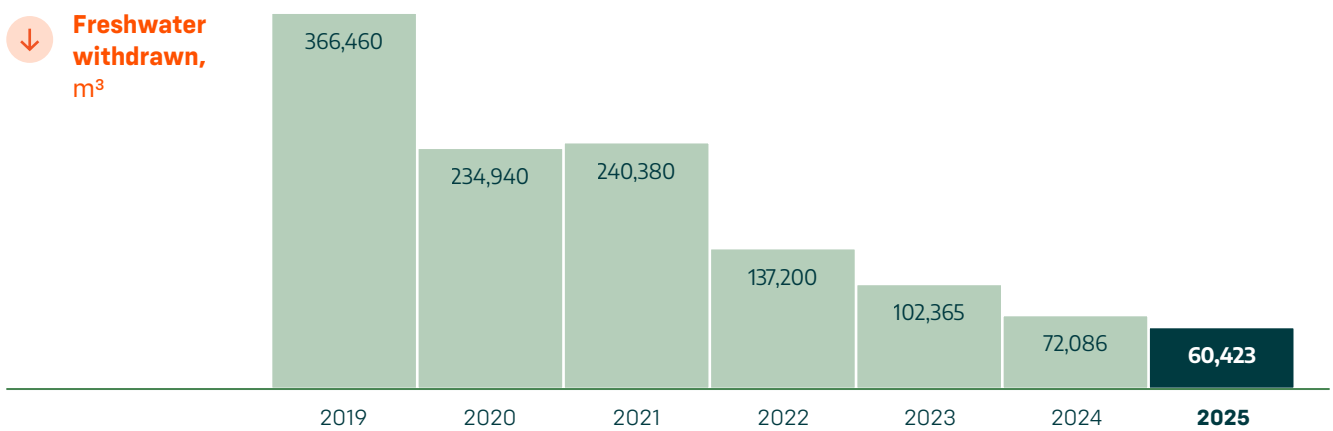
In the last 7 years the volume of liquid spills has been reduced by 96.7%.

Water resources

The primary goal of freshwater monitoring and data management is to provide accurate insights into where water is used throughout our operations and to support the implementation of measures that reduce freshwater consumption. Freshwater is utilized for domestic needs, cooling of processing equipment, and the preparation of fluids used in well operations.

In 2025, we achieved an improvement in freshwater withdrawal intensity, decreasing from 0.14% in 2024 to 0.13%. For the fourth consecutive year, our water intensity remained below 0.3%, fully aligned with our sustainability objectives.

This continued progress reflects our commitment to ongoing monitoring, identifying opportunities to optimize consumption, and investing in modern, efficient equipment to further reduce freshwater use.



Biodiversity and Ecosystems

The operation of wells located within protected natural areas (including Natura 2000 sites in Romania) is fully automated to ensure efficiency and precision. Despite this high level of automation, system performance is continuously overseen by authorized, specialized personnel who strictly adhere to internal procedures as well as all applicable authorization and regulatory requirements.

Regular integrity assessments are carried out on well equipment to prevent any risk of hydrocarbon or saltwater leaks. Additionally, well cellars are emptied at appropriate intervals to further minimize the possibility of spills.

Environmental protection remains a top priority, with particular focus on safeguarding bird species and preventing habitat disturbance. Special care is taken during breeding and maturation periods to ensure biodiversity is preserved.

Our soil and water protection efforts are aligned with wider ecosystem and nature conservation objectives. To achieve this, we apply a comprehensive approach that combines preventive and responsive measures, including:

- **Accidental Pollution Prevention and Response Plan**
- **Work Schedule and Maintenance Program**
- **Real-Time Well Monitoring System**
- **Simulation Exercises for Emergency Response and Pollution Events**

Through these measures, we reinforce our commitment to environmental stewardship while ensuring safe, responsible, and sustainable well operations in sensitive natural areas.



Waste management

Our operations generate both non-hazardous and hazardous waste, which can be either recyclable or non-recyclable.

Following recent investments in Ukraine, all our assets are now equipped with waste storage facilities that meet industry standards. These upgrades enable effective waste segregation and proper storage, including dedicated infrastructure for the safe handling and containment of hazardous waste.

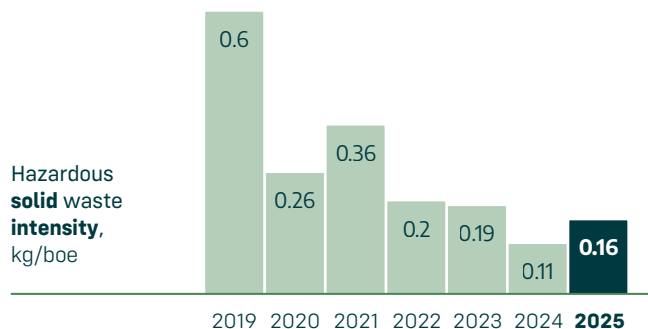
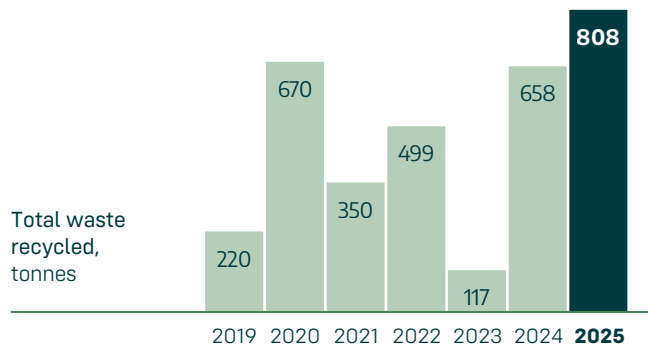
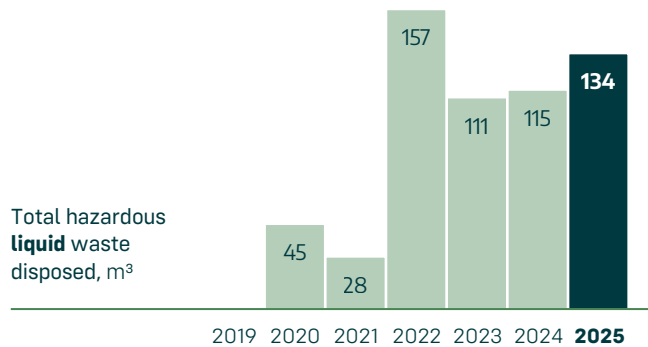
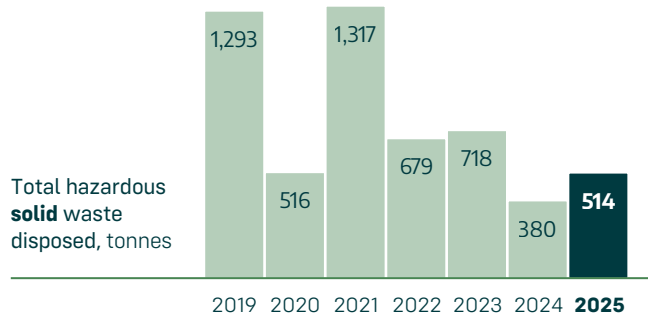
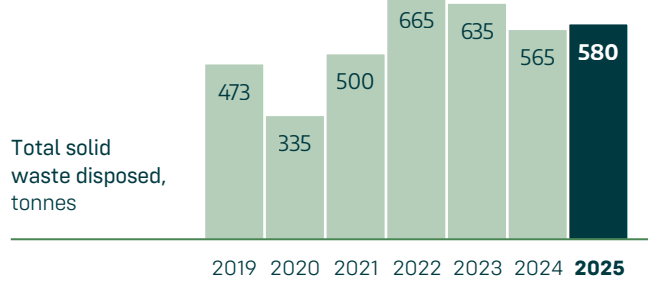
In 2025, the total volume of solid waste disposed increased slightly from 11% to 16%, while still reflecting our continued efforts to minimize overall waste generation. A similar pattern was observed in hazardous solid waste disposal, which rose to 514 tonnes compared with 380 tonnes the previous year.

At the same time, significant progress was made in waste recycling. The total quantity of recycled waste increased more than fourfold, representing a major improvement in our environmental performance.

These results highlight our sustained focus on responsible waste management, resources efficiency, and the reduction of environmental impacts across all operations.



Overall waste



Human Resources Information



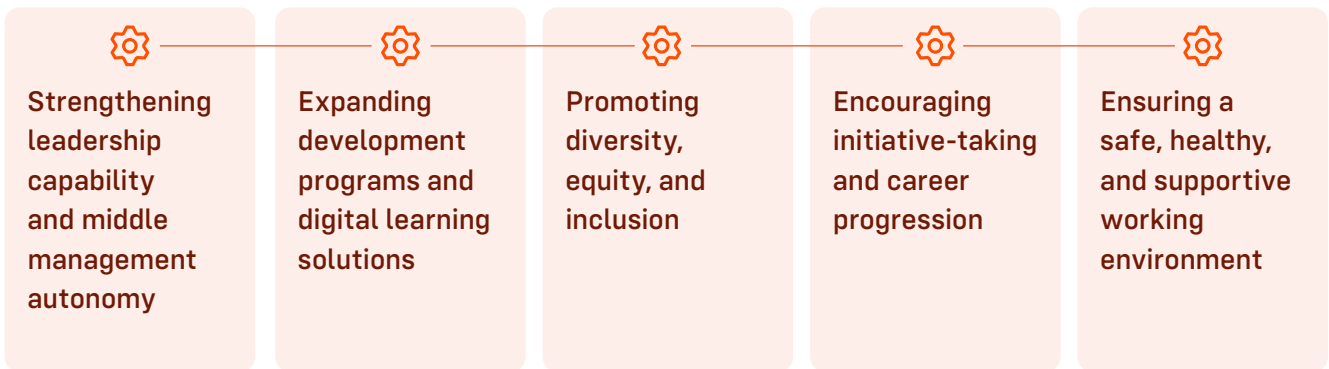


” At the heart of XP’s value proposition remains the unique and agile operating model that empowers field teams and middle management, encourages initiative, leverages digital technology, and fosters a culture of operational excellence.

Daniela BRICEAG
HR Manager

Supporting the operating model XP’s people strategy prioritizes safe working conditions, employee wellbeing, stable employment, and equal access to development opportunities.

Key pillars of our HR strategy include:

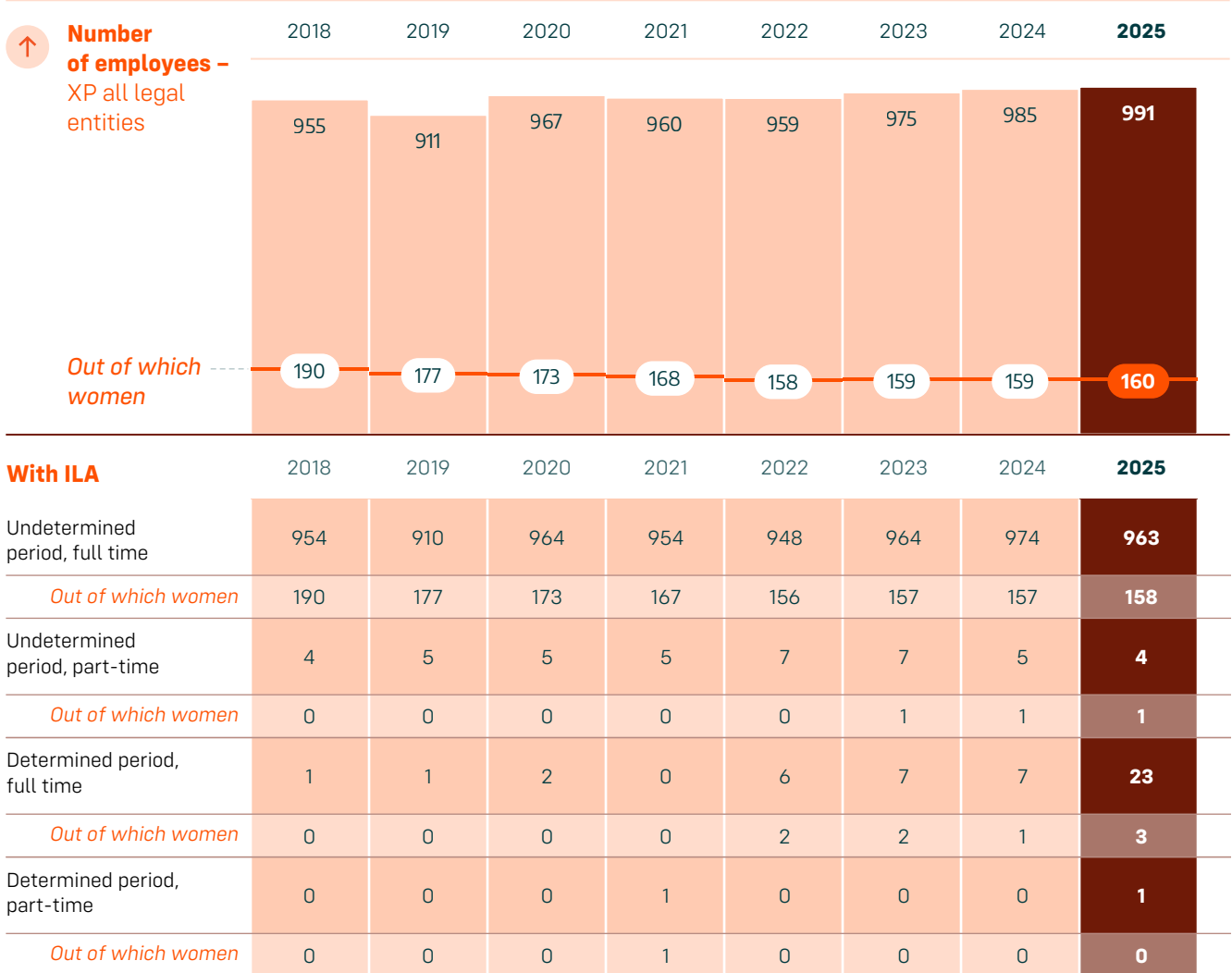


The company remains committed to fostering an operational culture built on respect, transparency, collaboration, and continuous improvement.



XP's workplace

In 2025, XP's workforce grew to **991 employees**, marking another year of stability and a gradual upward trend. Employment remained highly secure, with **over 97%** of all contracts being **undetermined, full-time individual labor agreements (ILA)**.



This reflects XP's commitment to long-term employment relationships, especially important in mono-industrial regions where job security is essential. Workforce and succession planning remained a priority to ensure sustainable staffing levels and business continuity.

XP hired 84 new employees in 2025, representing an 8.5% recruitment rate above the historic average (without considering taking over new field operations – 2020 Ukrainian contract). The slight decrease compared to 2024 was due to an exceptional year in 2024 due to creating and developing the Decarbonization Solutions business unit.

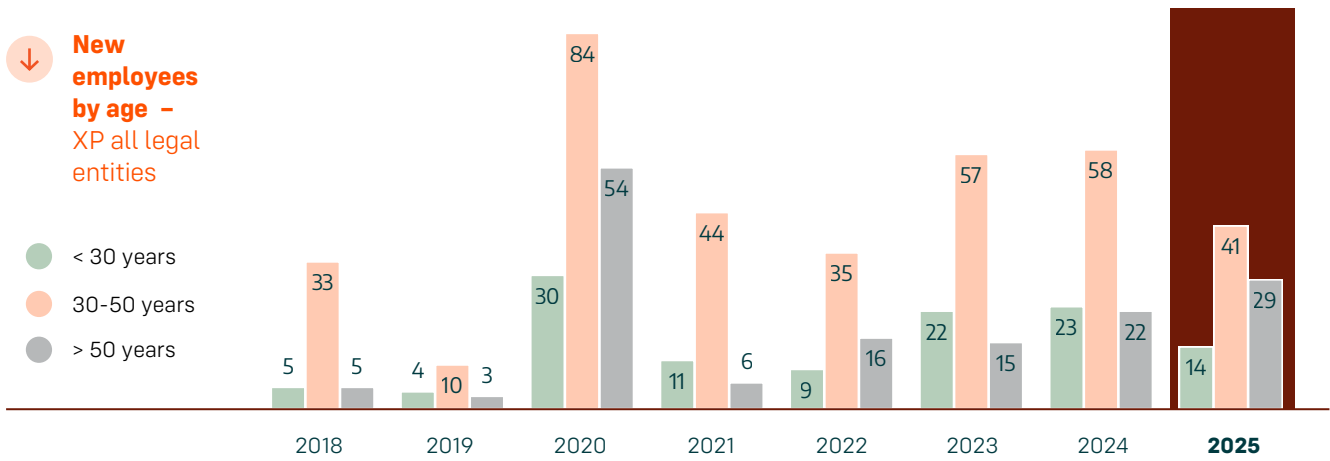
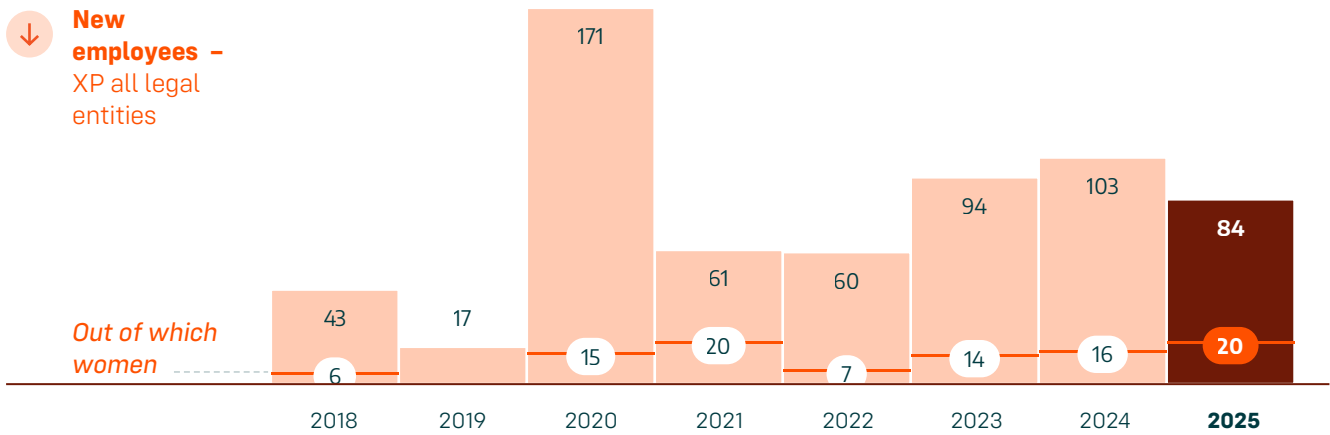
The main drivers for 2025 hiring included:

- retirement waves;
- organizational capability strengthening;
- internal mobility and business continuity needs;



The increase in hires over 50 reflects XP’s commitment to leveraging experience and industry expertise, while the steady inflow of young professionals ensures continuity in key talent pipelines. This pattern is consistent with supporting operational continuity and capability in specialist roles.

Despite the industry challenges to include female candidates in the recruitment process in 2025, due to our actions and initiatives during the selection stage, the gender diversity improved materially.



XP is committed to offering competitive, equitable compensation and career opportunities aligned with CLA provisions and market benchmarks. The company ensures:

- equal pay for comparable roles,
- standardized entry-level salaries,
- fairness in performance evaluation and reward processes.

Work arrangements continue to balance operational requirements with employee needs. While fixed schedules remain the norm for field and production roles, flexible arrangements and remote work options are offered where legally applicable.

XP maintains a zero-tolerance approach to discrimination based on age, gender, race, religion, disability, or family status. Diversity and inclusion remain guiding principles for building engaged and high-performing teams.

XP also upholds and supports the Universal Declaration of Human Rights and complies fully with national labor laws regarding wages, working hours, and employee representation.

Social Dialog

XP values transparent communication and constructive collaboration with employee representatives. Employees are encouraged to form associations and engage in lawful activities to express their interests.

In Romania, employees are represented by a Trade Union with four branches, which continues to be an active and constructive partner—particularly in the negotiation and implementation of the Collective Labor Agreement (CLA).

XP systematically applies legal updates related to labor legislation, ensuring compliance across all operations.

One important instrument to ensure efficient compliance and potential opportunities for learning & improvement in relation with all social aspects of our company is the grievance mechanism based on the registration of all complaints, thus ensuring prevention and integrating all social aspects in the decision-making process.

The formal grievance mechanism ensures that:

- all employee complaints are registered in writing;
- responses are provided within 30 days;
- issues are analyzed thoroughly by HR and operational leaders;
- corrective and preventive actions are integrated into decision-making processes.

Various other channels such as informal discussions with management representatives, open dialogue with HR representatives, are offered for employees to bring their work-related concerns to the attention of XP’s management team.

Community grievances follow a similar process, with XP maintaining transparent communication, proper authorization practices, and proactive engagement with local authorities and residents. Such a preventive approach, part of the grievance mechanism involves systematic approach in sending, receiving, analyzing and answering properly to all requirements in close connection with local communities.

Training

Creating a culture of learning, unlearning, and relearning remains central to XP’s people’s strategy. Our training programs are designed to:

- enhance technical and functional capabilities,
- reinforce safety and compliance,
- maintain licenses and certifications required by law,
- support leadership development and soft skills.

Training needs are identified through annual or biannual performance reviews, enabling personalized development plans linked to competencies and career paths.

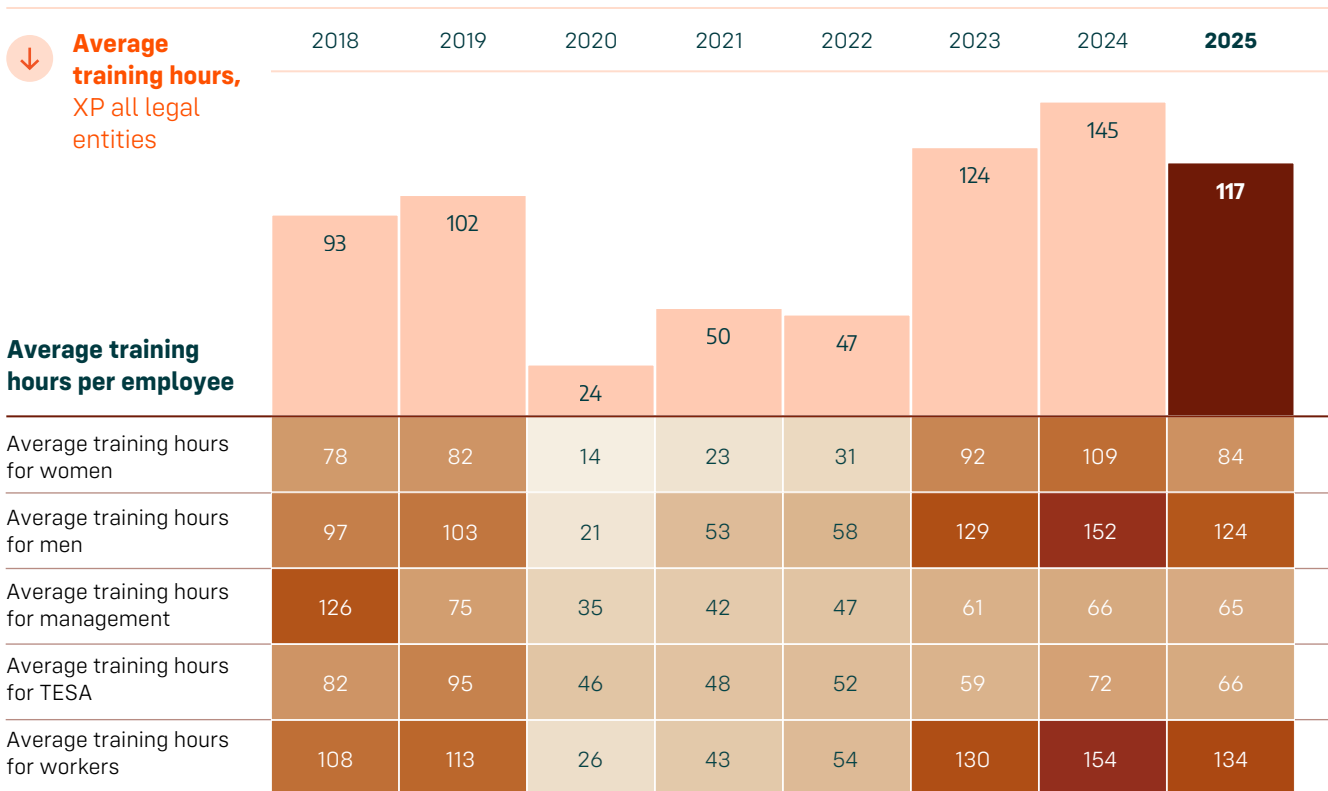
Safety is one of the key elements of our business strategy therefore, all XP’s employees undergo introductory HSSE training to reinforce core values, and additional training is provided based on job positions, ensuring competencies for safe and responsible duties.

Leadership training courses and personal soft skills are provided to support managers and employees in order to understand our culture, processes, and inspire and lead their teams, increasing their impact at work.

Operational and safety training continues to represent the largest share, including Well Control, Electrical Safety, Mechanical Lifting, and other highly specialized courses. All employees undergo HSSE induction, and contractors receive equivalent safety training when working on XP’s sites. Mandatory training on various compliance aspects is also part of the annual training plan and might be added during the year depending on the legal framework.

XP delivered 117 average training hours per employee, maintaining one of the highest volumes in the past years whilst keeping the training intensity high and getting towards normalization.

Consider data driven prioritization (safety critical, digital, leadership for middle management), track training outcomes (certification, competences) not just hours and considering certain certifications/ authorization have different renewals time frames.



All learning activities are aligned with clearly defined learning and development objectives, established in collaboration with line managers. Employees have access to diverse learning opportunities, including hands-on experience through on-the-job tasks, knowledge-sharing via coaching and mentoring, and structured courses.

Both HR representatives and employees have opportunities to attend industry conferences and events focused on learning and development in the oil & gas sector. This enables XP to stay informed about industry best practices and ensure effective benchmarking for training initiatives.

To expand training accessibility, we have further enhanced our computer-based training programs, ensuring a wider reach among field employees. Additionally, we actively promote the use of supplementary online resources and support employees in pursuing further education to enhance their skills.

Health Information

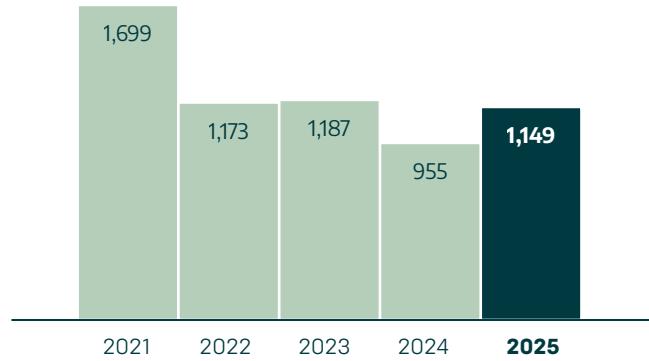




XP ensures the supervision of employee health through accredited third-party occupational medicine physicians. Medical assessments are carried out based on occupational risk factor identification sheets developed by specialists in Occupational Health and Safety.

In line with our commitment to improving employee health and safety, we continue to conduct regular laboratory tests—including blood glucose, blood pressure, and alcohol screenings—across our worksites. We also work to maintain strong emergency response capabilities to minimize the impact of any incidents, and we provide ongoing first aid training for all employees.

↑ **Total examinations**



In 2025 the following health campaigns and trainings were conducted:

Vaccination Campaign – Influenza Prevention

This prevention campaign encouraged employees to take proactive steps to protect their health and reduce workplace illness. By promoting vaccination and awareness of preventive behaviors, we helped maintain a healthier, more resilient workforce. The initiative underscores our dedication to employee well being.

Emergency Drills with Medical Evacuation

We conducted emergency response drills that included full medical evacuation simulations, strengthening readiness across teams. These exercises improved coordination between operational staff, first responders, and medical services. Continuous training ensures we can respond swiftly and effectively in critical situations.

Medical – Effects of Chronic Alcohol Consumption on Health

Through targeted health discussions, employees learned about the long term risks associated with excessive alcohol consumption. The sessions emphasized early awareness, responsible habits, and the importance of seeking support when needed. This initiative reflects our broader aim of fostering a culture of health and balance.

Medical – Smoking: A Major Public Health Issue

We provided employees with up-to-date information on the health impacts of smoking and exposure to secondhand smoke. The campaign highlighted available support tools for reducing tobacco use and making healthier lifestyle choices. Encouraging informed decisions remains a cornerstone of our wellness approach.

Medical – Diabetes: From Prevention to Treatment (Online Webinar)

In a dedicated webinar, employees explored the risk factors and early warning signs of diabetes, along with preventive strategies and treatment options. The session encouraged participants to adopt healthier routines and remain attentive to long-term health indicators. This initiative contributes to building a more health-aware workforce.

Safety Information





Operations Excellence for us means aiming every day for quality and operational performance with zero Loss Time Incident, zero Methane Emissions, zero spills and a healthy workforce.

Vlad Zărnescu
Romania Country Manager

Operational Excellence Management System (OEMS)

Our commitment to safety throughout all operations is supported by our Operational Excellence Management System (OEMS), which is aligned with the principles of ISO 9001, ISO 45001, ISO 14001 and ISO 50001. The OEMS provides the framework, processes, and controls needed to manage our activities in a systematic and responsible manner. Its objectives include identifying and eliminating hazards, reducing occupational health and safety risks, ensuring compliance with legal and other applicable requirements, and driving continual improvement in our HSSE performance.

The scope of our OEMS reflects the key elements of an integrated management system and covers the following areas:

Quality and operational performance;

Occupational and community health protection;

Personal and process safety risk management;

Environmental impact at local and global levels;

Security of people, assets, information, and organizational reputation;

Social responsibility toward employees, local communities, and other stakeholders;

Selection, control, and performance management of suppliers and contractors.

By applying this structured approach, we ensure consistent implementation of HSSE controls, proactive risk management, and continuous enhancement of our overall safety culture.

- Occupational Health and Safety Management System (ISO 45001:2018)
- Quality Management System (ISO 9001:2015)
- Environmental Management System (ISO 14001:2015)
- Energy Management System (ISO 50001:2018)

Key Performance Indicators

In 2025, we unfortunately did experience one Lost Time Incident (LTI) in Romania. Our colleague has since returned to work, but the injury will have a lasting impact on his life. This incident is a strong reminder that safety must remain our top priority, and that every task—no matter how routine—requires attention, care, and the right controls in place.

The investigation identified several team level nonconformities, prompting us to apply our motivation and consequence management procedure. More importantly, we transformed the incident into a catalyst for improvement: the lessons learned were actively shared across the entire XP Group, driving stronger awareness, enhancing safe work practices, and reinforcing our commitment to preventing similar events in the future.

In 2025 the working man-hours totaled to a little over **2.1 million**.

**At the end of 2025 in Timis asset alone, were achieved 2.000.000 Hours without LTI.*

Reference Year	2021	2022	2023	2024	2025
Fatalities (number)	0	0	1	0	0
Lost Time Injuries (number)	1	1	2	1	1
Lost workdays (calendar days)	62	77	3	82	75
Number of hours worked	1,792,401	2,200,942	2,182,475	2,235,625	2,093,525
Lost Time Injuries Rate*	0.56	0.45	0.91	0.45	0.48

*(No. of LTI * 1,000,000) / manhours worked



Assessment and Improvement

Assessment and Improvement is a key element of our Operational Excellence Management System, as such we have implemented and monitored two processes:

The Near Miss Reporting

Near miss incidents are those unplanned events that almost resulted in injury or property damage. While no harm occurred, each near miss gives us a powerful warning: something in our work environment or processes needs attention.

Every report is an opportunity for improvement. We identify hazards early, strengthen our controls, and protect both ourselves and our colleagues. Near miss reporting is one of the most effective tools we have for preventing accidents and building a stronger safety culture, because when we notice and report hazards before they cause harm, we save injuries, prevent losses, and protect lives.

In 2025, we recorded **133 near miss reports**, a small increase from **129 in 2024**. This can be seen also in a positive way—it shows that more of our people are watching out for one another and taking an active role in improving safety. Our reporting culture is gaining momentum, and every report contributes to a safer and more resilient workplace.

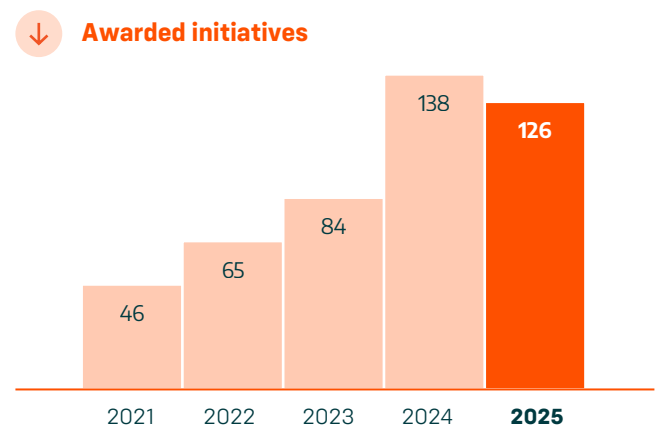
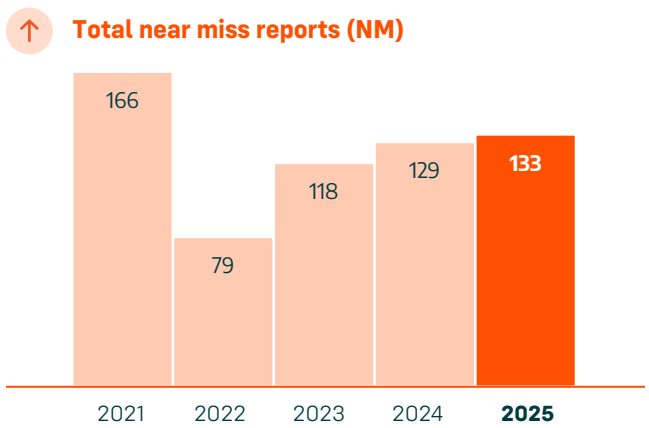
The HSSE Improvement Initiatives Awards

Safe behaviors and HSSE improvement initiatives are recognized directly in the field by our line managers, supervisors, department managers, and other leaders. During their daily interactions, site presence, and HSSE Walks, they actively look for colleagues who go above and beyond their regular duties to make our workplace safer.

Whenever they observe an outstanding contribution to safety, they document it in a well justified report and forward it to the HR Leader for consolidation and submission to the Evaluation Team.

Each month, the Evaluation Team reviews all submitted reports, scores them, and sends the results back to the HR Leader along with recommendations for recognition and rewards.

This process not only celebrates exceptional safety actions—it inspires all of us to stay alert, take initiative, and make safety a personal commitment every single day.



Organization and Competences

Organization and Competences is a core pillar of our Operational Excellence Management System, and we continue to build it with purpose and energy. In Romania, we introduced a dedicated Computer Based Training (CBT) platform tailored specifically for our supervisor workforce—a key step toward delivering faster, smarter, and more effective learning across our operations.

Our training campaigns used dynamic content and were delivered through a series of sessions which combined essential theoretical knowledge with on-the-job coaching. This approach ensured not only deeper understanding but also strong engagement from our teams.

Just as importantly, these sessions increased leadership presence and visibility among both our employees and contractor personnel. Being out in the field—teaching, coaching, and listening—we strengthened trust, reinforced shared expectations, and encouraged everyone to take ownership of safe behaviors.

The ultimate purpose behind this effort is clear: to drive immediate and lasting improvements in safety leadership mindset and everyday behavior. When our people are confident, competent, and supported, they make safer choices—and a safer workplace becomes everyone’s achievement.

The main project related to this area was 2025:

STEP BY STEP implementation of the Permit to Work System.

The campaign has been designed to be transversal across all departments and sectors to provide awareness of the subject that is covered and basic knowledge that will enable learners to work safely following this training.



Safety Trainings Deployed in 2025

Hand Awareness

Throughout the year, we reinforced the importance of hand safety across our operations. By promoting mindful work practices and proper use of protective equipment, we helped employees better recognize and avoid everyday hand related hazards. This initiative reflects our ongoing commitment to reducing preventable injuries and strengthening safe work habits.



Mechanical Isolations

Our efforts to enhance mechanical isolation practices focused on ensuring equipment is properly secured before maintenance activities. Through this training, employees gained a deeper understanding of lockout/tagout procedures and verification steps. These actions support our broader goal of creating predictable, hazard free maintenance environments.

Naturally Occurring Radioactive Material (NORM)

Employees were engaged in awareness of computer sessions dedicated to the safe handling of Naturally Occurring Radioactive Materials. The program clarified where NORM may be encountered and the protective measures required to manage exposure. By strengthening knowledge in this area, we continue to safeguard both workers and the environment.

Confined Space Entry

Recognizing the high-risk nature of confined spaces, we invested in training that highlighted the specific hazards associated with entry, monitoring,

and rescue readiness. The initiative emphasized thorough preparation and compliance with permit requirements. These measures help ensure that every confined space operation is carried out safely and responsibly.

Compressed Gas Cylinder Awareness

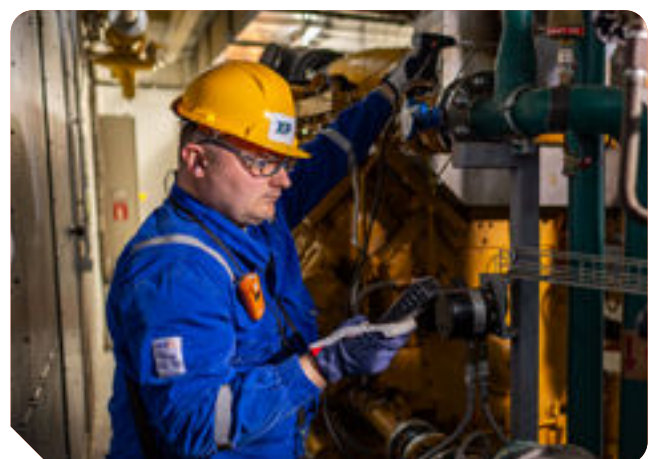
We continued to build awareness around the safe handling and storage of compressed gas cylinders. Training sessions focused on identifying potential hazards, securing cylinders correctly, and preventing accidental releases. This program reinforces our commitment to maintaining safe and orderly workspaces.

Work at Height

Our Work at Height campaign underscored the importance of planning, proper equipment, and fall prevention methods. Through practical demonstrations and coaching, employees strengthened their ability to manage elevated work safely. This initiative plays a key role in reducing fall-related risks across our operations.

DROPS – Anti-Fall Equipment and Safety

We advanced our DROPS program by focusing on the prevention of falling objects in operational areas. Teams were trained to secure tools, conduct systematic equipment inspections, and establish controlled work zones. These actions directly contribute to a safer environment for everyone working on site.



Safe Excavation Work

Our excavation safety campaign highlighted best practices for working around underground utilities and unstable soils. Employees received guidance on conducting risk assessments, selecting protective systems, and ensuring proper oversight. These efforts help mitigate excavation hazards and protect both personnel and assets.

HAZOP Training (Process Risks)

We strengthened our process safety culture through dedicated HAZOP training sessions. By learning to identify deviations and assess operational risks, employees deepened their ability to anticipate and prevent incidents. This initiative supports our long-term commitment to safe and reliable operations.

Safe Driving Defensive Driving sessions

To promote safer mobility, we delivered defensive driving training designed to improve road awareness and decision-making. Participants gained practical skills that help prevent accidents and support responsible driving behavior. This campaign enhances safety both during work-related travel and in everyday personal journeys.

Employees who drive company vehicles participated in Defensive Driving sessions led by external instructors, equipping them with essential skills to prevent accidents and respond effectively to emergencies.

Key competencies gained include:

- Accident Prevention: Controlling vehicles on slippery roads, avoiding obstacles, and braking effectively in challenging conditions.
- Risk Awareness: Understanding traffic hazards and developing the correct response strategies.
- Enhanced Road Safety Perspective: Becoming more responsible, prepared, and safety-conscious drivers.



Training Structure:

- Outdoor Practical Exercises:
 - Speed course with obstacle avoidance, speed bumps, sharp turns, and emergency braking.
 - Driving on a simulated skidding track using a dual-control vehicle, with the instructor maneuvering the rear wheels while the participant controls the front wheels.
 - Sudden braking between speed bumps to practice emergency stopping techniques.
- Indoor Simulations:
 - Accident scenarios, including head-on collisions and rollovers, with hands-on escape training from an overturned vehicle.
- Classroom Learning:
 - Educational videos featuring real-life accident case studies, highlighting prevention strategies and root causes of incidents.

By the end of the Defensive Driving course, employees gain a deeper understanding of road safety, enhanced driving skills, and a heightened sense of responsibility behind the wheel.

Employees and Assets Security Information



The big decrease came from Timis (from 39 Security incidents in 2024 to only 3 in 2025) after installation in the isolated critical areas SIM Cameras powered by solar panels which came to complete the CCTV video surveillance system installed previously by our Security contractor. The installation of SIM Cameras started also in Ticleni and it will continue during 2026.

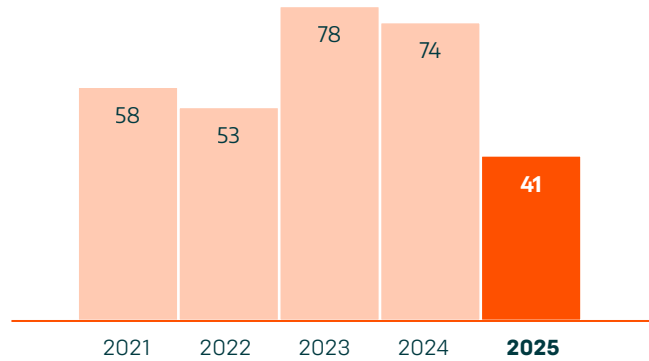
Most of the incidents we encounter are minor thefts, mainly involving metal components or small amounts of oil taken from our transportation pipelines.

Thanks to our real-time monitoring system, any pressure drop is detected immediately, allowing our teams to respond quickly and limit the impact.

From a compliance perspective, all our security plans are fully approved by local authorities, with whom we maintain strong and continuous cooperation.

XP has assessed the specific needs of each facility and outsourced the design and construction of protective shelters. Additionally, regular training sessions are conducted to simulate air raids and emergency evacuations. These trainings have been developed in coordination with Ukrainian authorities and other Upstream Oil & Gas companies operating in the region.

↑ Total of security incident



Given the ongoing challenges in Ukraine, our team has prioritized the safety of our workforce by providing heavy duty protective shelters at all our operating sites.

Rikhard Bilyy
Ukraine Country Manager

Cyber Security and Data Privacy Information





In 2025 our company faced a serious ransomware attack which has been a catalyst for transformation. What began as a crisis became an opportunity — and in overcoming it, we emerged more secure, more prepared, and more resilient than before.

Cristian Itu
Business Services Manager

At the heart of our operational model is a large digital transformation that includes field data acquisition, digitization, integration, real-time monitoring, automation and advanced analytics to enable faster and smarter decision making and increase operations efficiency. Therefore, we recognize the critical importance of cybersecurity in today’s digital landscape. Our IT team have put in place state-of-the-art technologies and a robust and redundant IT infrastructure to ensure our operational model does not get affected by potential IT system failure or external cyber threats.

We are committed to proactively protecting our data assets, respecting privacy and fostering a culture of heightened security awareness among our users. By adopting robust technical measures, implementing appropriate controls, and promoting a culture of security, we aim to protect our data assets and safeguard privacy in the face of evolving cybersecurity threats.

Cybersecurity and Data Privacy Frameworks

We adhere to industry-leading security frameworks and good practices to ensure the confidentiality, integrity, and availability of our data. These frameworks include but are not limited to:

- **COBIT:** Effective governance over information and technology is critical to business success, bridging the crucial gap between technical issues, business risks and control requirements.
- **NIST Cybersecurity Framework:** We align our cybersecurity practices with the guidelines provided by the National Institute of Standards and Technology (NIST) Cybersecurity Framework. This framework helps us assess and improve our cybersecurity posture by identifying, protecting, detecting, responding to, and recovering from potential threats.

- **ITIL:** We select and tailor practices for managing IT services and improving IT support and service levels.

To ensure the security of our data infrastructure and systems, we also employ a range of proactive measures, including:

- **Encryption:** We utilize encryption techniques to protect data at rest and in transit, mitigating the risk of unauthorized interception or access.
- **Access Controls:** We enforce strict access controls to limit data access to authorized personnel only. This includes robust user authentication mechanisms (including MFA) and role-based access controls (RBAC).

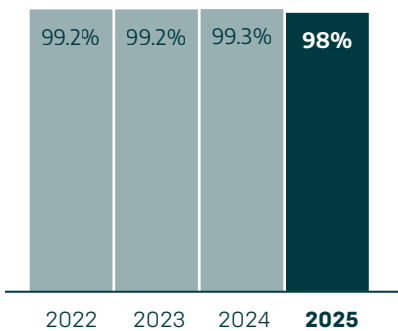
GDPR Compliance

We prioritize the protection of personal data entrusted to us by our stakeholders. As part of our commitment to GDPR compliance, we implement appropriate technical and organizational measures to safeguard personal data against unauthorized

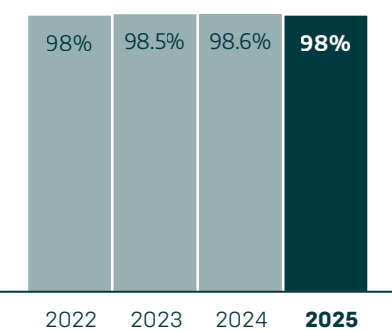
access, disclosure, alteration, or destruction. We also ensure that our data processing activities are conducted in a transparent manner, with explicit consent obtained where required.

Key Performance Indicators

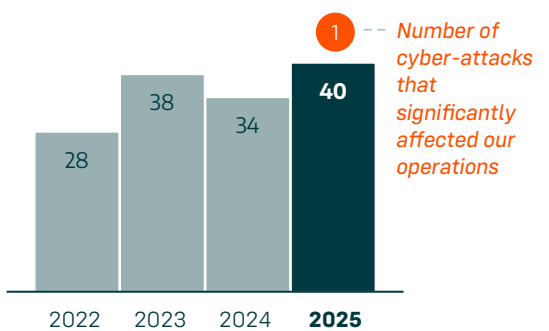
↓ **Business critical systems availability**



↓ **Servers uptime**



↓ **Number of cybersecurity incidents detected and resolved**



In 2025, our company faced a serious ransomware attack that disrupted operations and tested our resilience. Some systems were temporarily inaccessible, and our teams had to respond quickly under immense pressure.

From the moment the attack was detected, our incident response protocols were activated. We worked around the clock alongside cybersecurity experts to contain the threat, secure our infrastructure, and restore operations safely. Thanks to our backup systems and the dedication of our IT and leadership teams, we successfully recovered our data and resumed normal business operations with minimal long-term impact.

We treated the incident as a catalyst for transformation. In the months that followed, we implemented a comprehensive security enhancement program. This included advanced threat detection systems, multi-factor authentication across all platforms, stricter access controls, continuous network monitoring, etc.

Today, we are stronger than ever. The experience reinforced our commitment to protecting our clients, partners, and employee’s information. While the attack challenged us, it ultimately strengthened our infrastructure, sharpened our vigilance, and deepened our culture of security.

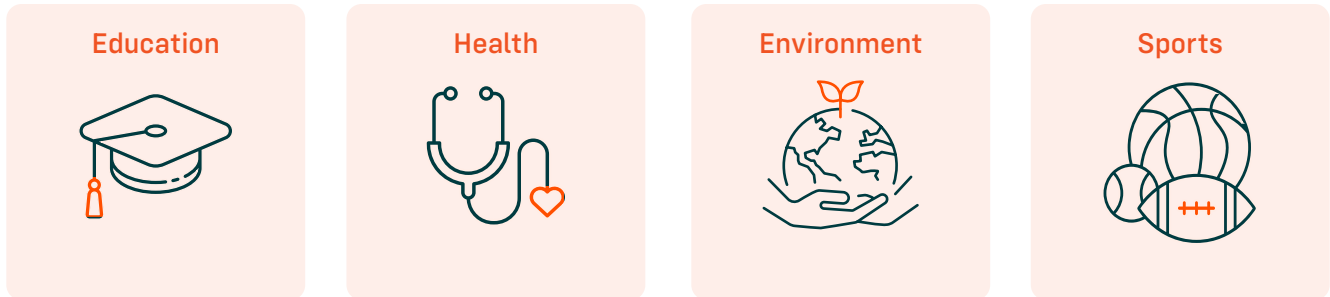
What began as a crisis became an opportunity — and in overcoming it, we emerged more secure, more prepared, and more resilient than before.

Supporting the Local Community



For XP sustainability extends beyond operational metrics. It also means creating a meaningful, measurable impact in all the communities where we live and work. As we activate internationally, we empower our local teams to engage directly with their communities. We partner with NGOs, different institutions, and community organizations to develop initiatives aligned with local needs and long-term development goals.

Our CSR strategy is structured around four strategic pillars:



Education

Education is the foundation of sustainable economic and social development. Our goal is to foster long-term impact by supporting structured, measurable educational programs.

XP continued its long partnership with the **Association for Values in Education (AVE)**—a cocreation process that reinforces our long-term commitment to education. For many years now, XP has continuously supported AVE in the selection process of school principals for the Leadership Academy, has accompanied school principals in school transformation projects through coaching and mentoring sessions, and has been involved in the judging process for the Principal of the Year Gala, with two finalists receiving awards.

The Association for Values in Education (AVE) fosters cooperation between private companies, school principals, civil society, and NGOs active in the field of education, with the goal of creating impactful achievements for the education system. One of the organization’s flagship initiatives and supported by XP, the **School Transformation Program**, offers real and measurable support in developing students’ key competencies while cultivating leadership and collaboration cultures within school communities aiming at creating a modern, inclusive, and need-based education.



As part of XP partnership with AVE, we attended the **Community Day** in the **“G-ral Gheorghe Magheru” Technical College in Târgu-Jiu** which was selected to participate in the **School Transformation Program** run by AVE. The event, part of development program organized in October 2025 at the college, brought together the entire school ecosystem — the executive team, students, parents, and guests from the business community — under one roof. The day included interactive games, group debates on leadership, the transition from school to the labor market, as well as discussions about well-being and the current learning process. Both students and adults had the opportunity to make their voices heard and to shape an action plan designed to improve the school environment based on the needs identified.



In Ukraine XP’s long-term commitment to strengthening technical education and building sector-wide expertise advanced significantly through its continued collaboration with the Ivano-Frankivsk National Technical University of Oil and Gas (IFNTUOG). A key milestone of this partnership was the inauguration of a fully modernized laboratory, rebuilt with XP’s support after the previous facility was destroyed during a missile strike in 2023. The reconstruction reflects XP’s dedication not only to restoring critical educational infrastructure, but also to ensuring that students have access to modern, industry-relevant learning environments.

The new laboratory now provides students specializing in Oil and Gas Engineering and Technologies

with direct exposure to both classical methodologies and the advanced technologies currently used in field operations. By integrating the same tools and practices that XP applies in its western Ukraine operations, the facility closes the gap between academic instruction and the technical realities of modern asset management. As a result, students gain practical skills that mirror the expectations of employers across the energy sector.

During the opening ceremony, Michel Louboutin emphasized XP’s motivation for investing in the reconstruction, noting that the company remains committed to the highest professional standards and views education as a cornerstone for advancing operational excellence. He highlighted that supporting the university enables future engineers to learn technologies that increase production efficiency, enhance reserves, optimize field operations, and minimize environmental impact. Reinforcing this perspective, Ukraine Country Manager, Rickard Billy, underlined that the laboratory represents the start of a stronger, long-term collaboration with the institution that trained many of XP’s current specialists. He noted that XP’s investment ensures students receive practice-oriented training on modern equipment—skills crucial for managing mature assets and supporting decarbonization efforts across operations.



” Rebuilding this laboratory is an investment in Ukraine’s gas industry’s future. By giving students access to real field technologies and hands-on training, we help prepare a new generation of oil and gas engineers ready to lead safe, efficient and modern energy operations.

Yurii Lukovestskyi
PEC Lviv Manager

XP’s collaboration with IFNTUOG extends beyond infrastructure reconstruction. The company also played an active role in the academic development process by participating in expert round-table

discussions dedicated to improving educational and professional programs for bachelor’s and master’s students in Oil and Gas Engineering and Technologies. XP’s contributions focused on aligning academic

content with current technological and regulatory requirements, ensuring that curricula reflect real-world operational challenges. By emphasizing the need for stronger practical components within training programs, XP helped guide the creation of academic pathways that better prepare graduates for the evolving needs of the energy sector.

Further strengthening practical education, XP also supported the installation of a new technical training complex at Ivano-Frankivsk National Technical University of Oil and Gas. Developed in celebration of the 10th anniversary of the Institute of Oil and Gas Engineering, the complex includes wellhead assembly, designed to give students hands-on experience with equipment used in daily field operations. This equipment brings real field conditions into the classroom, enhancing students’ hands-on learning and strengthening their technical foundation. XP’s technical specialists—many of whom are alumni of the university—played a central role in assembling and commissioning the equipment, further demonstrating the company’s commitment to developing local talent and ensuring students benefit from exposure to field-standard technologies.

This new training facility has already been incorporated into laboratory coursework and supports practical learning in disciplines related to well development, maintenance, and repair. Through this contribution, XP reinforces its long-standing partnership with the university and supports the preparation of a new generation of engineers equipped with both theoretical foundations and operational competencies. “For us, this is more than support — it is a strategic investment in Ukraine’s future oil & gas specialists. Our team remains closely connected to the university, sharing expertise, promoting practical skills, and helping young engineers grow. We are committed to building a stronger, more knowledgeable, and future-ready energy community in Ukraine.”, stated Rikhard Bilyy, Ukraine Country Manager.

IFNTUOG’s broader collaboration with XP and other industry partners was also highlighted during the International Forum “Oil and Gas Energy 2025.” The event brought together strategic stakeholders who play an important role in enhancing educational



quality, modernizing technical infrastructure, and ensuring that students are trained using up-to-date software, equipment, and methodologies. These partnerships enable the university to remain at the forefront of innovation, contributing meaningfully to Ukraine’s energy security—an especially important responsibility in the current wartime context. Forum discussions focused on security challenges, emerging opportunities, and new technologies shaping the western region, all of which are closely connected to the university’s research and training activities.

We also supported SPE technical meetings hosted at the Ivano-Frankivsk National Technical University of Oil and Gas. One of the events, organized by the SPE Central Ukraine Section, brought together students, engineers, and industry experts to exchange perspectives and strengthen technical capabilities. As part of the program, our colleagues delivered a practical presentation on Well Testing Interpretation, sharing XP’s field-based insights and data-driven approach to reservoir development. We were especially honored by the visit of Olivier HOUZE, President of the Society of Petroleum Engineers, whose presence underscored the value of global-local collaboration and long-term industry commitment.

We remain focused on empowering the next generation of engineers, sharing knowledge across borders, and contributing to the sustainable future of upstream sector.

Environment

Environmental responsibility is part of our operational DNA. We support local initiatives with tangible impact, including reforestation projects and programs that encourage civic engagement in environmental protection.

As part of its partnership with the EcoAssist Association and the “Plantăm fapte bune” initiative, a team of 56 colleagues from Țicleni, Gorj county, took active part last year in a reforestation project in Scoarța. The action targeted degraded land, with the objective of restoring the local forest fund and contributing to long-term environmental recovery. Each sapling planted supports cleaner air, strengthens soil stability, and adds a concrete step toward a more sustainable future. At the same time, the initiative reinforces XP’s connection with the local community, building lasting relationships grounded in shared responsibility. Beyond its



environmental impact, the project brought teams together around a common purpose, encouraging collaboration outside daily operational activities.



Environmental responsibility is part of who we are in Țicleni. By joining reforestation efforts and supporting local community events, we strengthen our bond with the people here and contribute to a healthier, more resilient environment. These actions reflect our commitment to protecting our region while working together for a sustainable future.

Manuel Manole
PEC Țicleni Manager

XP strengthened its relationship with local community by supporting Țicleni local actions as “Țicleni Days”, a traditional celebration for promoting local traditions, costumes, and few elements of the

local folklore. Different competitions and events were organized to illustrate and celebrate the city’s history.

Health

Healthy communities are essential for sustainable growth. In this context, the company has chosen to support Asociația **ALMA**, an organization dedicated to assisting individuals facing serious medical diagnoses by providing care, guidance, and practical support to patients and their families. ALMA's work spans psychological and physical therapies for patients and caregivers; screening campaigns aimed at early detection of various pathologies, and medical awareness sessions focused on serious conditions, including different forms of cancer. The association also offers financial support for treatment costs and essential medical supplies, while providing ongoing assistance to patients throughout the course of their illness. ALMA's screening campaigns facilitate early identification of undiagnosed conditions, promote a culture of prevention, and generate valuable insights into the health profile of local communities. These efforts help inform targeted interventions and contribute to improving long-term health outcomes.

By supporting ALMA, XP reinforces its commitment to responsible community engagement, extending its contribution beyond operations and into areas

where sustained support can make a measurable difference.

Besides the partnership with ALMA, XP supported **HOSPICE Casa Sperantei**, the leading non-profit foundation providing free palliative care in Romania, offering support, relief, and dignity to over 55,000 patients and more than 110,000 family members facing life-limiting illness. In Romania, more than 22,000 children require palliative care each year, yet only 40 dedicated hospital beds are available nationally. To address this urgent gap, HOSPICE is building a new pediatric palliative care hospital at Adunații Copăceni, completing what will be the largest care complex of its kind in the region. XP supports this vital mission, helping HOSPICE expand their reach and improve access to care for those who need it most. In addition to expanding services, HOSPICE also mobilizes public awareness through sporting events, helping to raise both funds and visibility for a cause that touches countless lives. Our commitment is part of our broader social responsibility to empower local communities and support health-focused initiatives.



Sports



XP partnered in 2025 with Te Aud România and Romania Rugby Federation. Te Aud România Foundation, a nonprofit dedicated to expanding educational and sporting opportunities for children, is driving a nationwide initiative to discover and develop young rugby talent in communities where potential often goes unnoticed. The program aims to strengthen the future of Romanian rugby by giving young athletes the skills, mindset, and support they need to progress from local training grounds to the national stage. At the core of this initiative is a digital performance-tracking system that monitors player development across the country, alongside a practical coaching and strategy guide designed to help both trainers and emerging athletes improve consistently. The program also brings the expertise of Romania’s top rugby performers directly to young players, sharing best practices meant to inspire and elevate the next generation. With a shared focus on long-term growth, the Romanian Rugby Federation continues to invest in preparing future players for strong national and international representation.

Aligned with our values, XP continued its commitment to youth development by supporting the **GO Scholarship program**, an initiative focused on strengthening the educational and personal growth of young athletes in Romania. Created by the Sports HUB team, GO Scholarship complements the athletic and academic training of talented teenagers aged 14 to 18, offering them resources that extend far beyond traditional sports preparation. The program brings together leading experts in education, nutrition, physical conditioning, recovery, mental coaching, and social development, providing a holistic framework that prepares young athletes for success both on and off the field. XP contributes to this effort by helping ensure that participants have access to essential tools—from tailored nutrition plans and specialized training focused on injury prevention to modern recovery methods and coaching in communication, leadership, and mental resilience. The initiative also equips athletes with financial literacy, media training, and personal branding guidance, supporting their development into confident, well-rounded young adults. We are aware that performance starts with

purpose and some of the most valuable lessons in life are learned through discipline, perseverance, and community spirit. These are the very values we see reflected in martial arts, and especially in the work of the Karate Club in Țicleni. We are proud to continue to support this local club where young athletes consistently demonstrate excellence, winning top prizes in national and international competitions, and making their community proud. Because beyond medals and rankings, what stands out is the character-building impact this sport has on

its practitioners — building not just strong athletes, but confident and resilient individuals.

Our employees are encouraged to actively engage in community initiatives through all these volunteering activities designed to create a positive long-term impact in the communities where we operate, while also supporting their own personal and professional development.



Supporting these programs means investing in the next generation. Through sport and education, we help young athletes build discipline, confidence, and purpose—skills that matter just as much in life as on the field. We are proud to stand behind initiatives that give talented youth real opportunities to grow and succeed.

Liviu Popescu
PEC Timis Manager



Supply Chain Information





In a year marked by volatility and tightening regulations, our priority remained clear: ensuring continuity of supply while managing risks responsibly. We strengthened suppliers’ diversification, reinforced compliance, and maintained a pragmatic, efficient procurement approach. As expectations evolve, we will continue to support both operational stability and long-term resilience.

Octavian Vasile
Chief Procurement Officer

In 2025, XP’s Supply Chain operations continued to operate in a challenging environment shaped by economic volatility, geopolitical uncertainty, and evolving regulatory requirements. The procurement function remained focused on ensuring continuity of supply, maintaining reliable supplier relationships, and managing risks across the supply chain.

The overall approach was pragmatic, prioritizing operational stability and efficiency, while maintaining alignment with internal procedures and gradually addressing emerging regulatory expectations, including those related to sustainability.

Supply Chain Resilience in a Volatile Global Environment

Throughout 2025, global supply chains continued to face disruptions linked to geopolitical developments, trade constraints, and energy market fluctuations. In this context, XP maintained its focus on resilience through:

Supplier Diversification

Efforts continued to reduce dependency on single suppliers by identifying alternative sources, particularly critical materials and services.

Regional Sourcing

Where appropriate, procurement emphasizes regional sourcing to support supply reliability while mitigating risks associated with long and complex logistics chains.

Risk Monitor

Supplier-related risks were monitored through ongoing operational review processes, with attention to delivery performance, financial stability, and geographic exposure.

Inventory Management

Inventory levels were monitored and adjusted to support uninterrupted operations, optimize working capital, and mitigate the impact of supply disruptions.

Responsible Sourcing

XP’s procurement processes include environmental, social, and governance considerations, as defined in internal policies and procedures.

Supplier Screening

Suppliers are assessed against a comprehensive set of standard criteria, including legal and regulatory compliance, adherence to ethical business conduct, and general environmental and social considerations. Evaluation covers areas such as labor practices, health and safety, anti-corruption measures, and basic environmental management. Where relevant, suppliers are also reviewed for their ability to support sustainability objectives and comply with regulatory requirements.

Responsible Sourcing

Procurement activities follow internal requirements related to ethical business conduct, anti-corruption, and applicable labour standards.



ESG Considerations in Procurement

Environmental, social, and governance (ESG) aspects are integrated into the overall supplier evaluation framework, alongside operational, technical, and commercial criteria. These factors are considered during supplier selection and evaluation processes, supporting a balanced assessment of supplier performance and risk.

The relevance and weighting of ESG criteria may vary depending on the nature, scale, and risk profile of the procurement, with increased attention given where driven by regulatory requirements. XP continues to monitor developments in this area and aims to progressively enhance the consistency of ESG integration within procurement practices.

Regulatory Compliance and Due Diligence

In 2025, XP continued to monitor and comply with applicable regulatory requirements affecting procurement and supply chain activities.

Supply Chain Visibility

The Supply Chain function maintains active oversight of its direct suppliers (tier-1), including key aspects such as location, delivery performance, quality, and compliance with contractual and regulatory requirements. Visibility beyond these direct suppliers — such as the suppliers of our suppliers (tier-2 and beyond) — is more limited, but higher-risk areas are monitored as needed to support supply chain resilience and risk management.

Trade Compliance

Procurement processes ensure alignment with applicable sanctions regimes, trade restrictions, and import/export requirements.

Due Diligence

Due diligence activities are conducted in accordance with internal procedures, focusing on legal compliance and risk identification, particularly in higher-risk regions.

Supplier Engagement and Performance Management

Performance Monitoring

The Supply Chain Department maintains ongoing dialogue with suppliers on operational performance and sustainability, following the company’s strategy of committed collaboration over time, aligned with evolving business priorities and regulatory expectations.

Suppliers are evaluated based on operational criteria such as delivery reliability, quality, and commercial terms. Engagement in areas such as sustainability, innovation, and capacity-building is currently developing, reflecting XP’s progressive approach to strengthening supplier collaboration over time.

Outlook

Looking ahead, XP’s Supply Chain function will continue to focus on:

- Maintaining supply continuity and operational efficiency
- Strengthening supplier risk management practices
- Gradually improving visibility across the supplier base
- Monitoring regulatory developments, including those related to sustainability
- Exploring practical and proportionate ways to incorporate environmental and social considerations into procurement activities

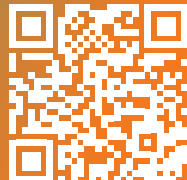
XP will continue to take a measured and realistic approach to supply chain development, ensuring alignment with business priorities and external requirements.



Contact



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