Annex - III

Islamabad, September 04, 2026

FOR IMMEDIATE RELEASE

OGDCL Audited Financial Results for the Year Ended 30 June 2026

Oil and Gas Development Company Limited (OGDCL), (Ticker: OGDC), today announces its financial results for the year ended June 30, 2026. Financial Statements have been prepared in accordance with International Financial Reporting Standards.

Highlights of the year include:

- OGDCL registered net sales of Rs 449.191 billion compared to Rs 401.178 billion in the last year.

- Net Profit before Taxation was Rs 259.135 billion compared to Rs 279.315 billion in the last year.

- Net Profit after Taxation was Rs 242.374 billion as against Rs 169.904 billion in the last year translating into an Earnings per Share of Rs 56.35.

- The Board of Directors has declared final cash dividend of Rs 6/- per share.

- Gross Profit Margin and Net Profit Margin were 55% and 54%, respectively.

- Average realized prices of crude oil, gas, and LPG were US$ 67.74/barrel (FY 2024-25: US$ 60.83/barrel), Rs 768.38/Mcf (FY 2024-25: Rs 730.38/Mcf), and Rs 164,610/Ton (FY 2024-25: Rs 169,502/Ton) respectively.

- Acquired 686 Line km of 2D and 501 sq. km of 3D seismic data compared to 750 Line km of 2D and 1,051 sq. km of 3D seismic data in the last year.

- Spud 23 wells including 8 exploratory/appraisal wells, 11 development wells, 3 tight gas wells and 1 geothermal well.

- Exploratory efforts yielded 9 oil and gas discoveries viz., Chakar-1 in district Tando Allah Yar, Bobi Deep-1 in district Sanghar, Bitrism East-1 & Sahito-1 in district Khairpur, Sindh, Baragzai X-1 (Kingriali formation), Baragzai X-1 (Datta formation), Baragzai X-1 (Samana Suk & Shinawari formations), Baragzai X-1 (Hangu & Lumshiwal formations), and Baragzai X-1 (Lockhart formation) in district Kohat, KP (FY 2024-25: 5 discoveries).

- Average daily net saleable crude oil, gas, and LPG production clocked in at 32,861 barrels, 667 MMcf, and 670 tons in comparison to 30,919 barrels, 652 MMcf, and 642 Tons in the comparative period.

- A summary of profit and loss indicators is tabulated below:

Rs in billion

	FY 2025-26	**FY 2024-25**
Net Sales	449.191	401.178
Profit before Taxation	259.135	279.315
Profit after Taxation	242.374	169.904
Earnings per Share – Rs	56.35	39.50

MD & CEO's Statement

MD & CEO's Statement
Mr. Ahmed Hayat Lak, MD/CEO OGDCL, commenting on the financial results of OGDCL's FY 2025-26 said:

I am pleased to report that OGDCL during the year ended June 30, 2026 registered Sales Revenue of Rs 449.191 billion and delivered the highest-ever Profit After Tax in the Company's history of Rs 242.374 billion. Higher sales are primarily attributable to favorable price, volume, and exchange rate variance partially offset by the adverse impact of forced production curtailment by SNGPL and UPL amounting to Rs 65.40 billion. OGDCL also made a significant contribution of Rs 187 billion to the national exchequer in the form of corporate tax, dividends, royalties, and government levies. Additionally, the Company's oil and gas production generated foreign exchange savings of US$ 3.31 billion through import substitution.

During the fiscal year 2025-26, the Company acquired 686 Line km of 2D seismic data (FY 2024-25: 750 Line km) and 501 sq. km of 3D seismic data (FY 2024-25: 1,051 sq. km). This represented approximately 53% of total 2D and 34% of total 3D seismic data acquisition in the Country. OGDCL spudded 23 wells, the highest in the last five years (FY 2024-25: 15 wells), and made 9 oil and gas discoveries.

Moreover, drilling and testing of 10 wells pertaining to the previous fiscal year was also completed. The Company during the reporting period achieved record drilling of 58,333 meters, the highest in the last five years.

OGDCL during the year under review contributed around 51%, 28% and 33% towards the Country's total oil, natural gas and LPG production, respectively. Against the backdrop of continued forced production curtailment, OGDCL's average daily net saleable crude oil, gas, and LPG production clocked in at 32,861 barrels, 667 MMcf, and 670 tons in comparison with 30,919 barrels, 652 MMcf, and 642 tons in the comparative period. During the year, peak daily net production recorded for crude oil, gas and LPG stood at 38,920 barrels, 829 MMcf and 813 tons, respectively. OGDCL's gross crude oil production surpassed the 40,000 barrels per day milestone after twenty-seven quarters, a level last achieved in FY 2018-19.

The Company continued its efforts to fast-track completion of ongoing development projects with the objective of enhancing its crude oil, natural gas, and LPG production. Upon completion, these projects are expected to contribute an aggregate incremental daily production of approximately 4,644 barrels of crude oil, 176 MMcf of gas, 336 tons of LPG, and 11 tons of Sulphur. The Company achieved a record gross reserves replacement ratio (RRR) of 236%, underscoring its continued success in replenishing and strengthening its hydrocarbon reserves base. The Reserves Evaluation Study-2026 is also currently in progress, with the consultant's final report expected in September 2026. Based on the preliminary assessment, crude oil and gas reserves are expected to be revised upward, potentially increasing the gross RRR to approximately 405%.

Moving forward, OGDCL remains committed to delivering sustainable growth and creating long-term value for its shareholders. I sincerely appreciate the Management and employees for their continued dedication and hard work. With the trust and support of all our stakeholders, I am confident that OGDCL will continue to play a leading role in the Country's E&P sector, safely and responsibly.

For further information:

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Note to Editors

OGDCL, the largest petroleum Exploration and Production Company in Pakistan, is a listed Company on Pakistan Stock Exchange and its Global Depository Shares were issued on London Stock Exchange in December 2006. It holds the largest portfolio of recoverable hydrocarbon reserves of Pakistan, at 31% of gas and 53% of oil, respectively, as on December 31, 2025 (PPIS). During the year under review, it contributed around 51%, 28% and 33% towards Country's total oil, natural gas and LPG production respectively.

With a portfolio of 57 exploration licences, OGDCL has the largest exploration acreage in Pakistan, covering 31% of the total awarded acreage as of June 30, 2026 (PPIS).

OGDC in its efforts to mitigate the impact of forced production curtailment and optimize oil and gas production is focused on expediting connectivity of new exploratory, appraisal, and developments wells in the production gathering system coupled with leveraging advanced technology, cutting-edge production techniques, and improved engineering design and simulation capabilities to minimize natural decline in the mature fields.

OGDCL for the year ended June 30, 2026 registered a Profit after Tax of Rs 242.374 billion.

SUMMARY RESULTS

Management is pleased to present a concise review of OGDCL's operational and financial performance accompanied with audited financial information for the year ended 30 June 2026.

Financial Results

OGDC during the year ended 30 June 2026 registered improved Sales Revenue of Rs 449.191 billion (FY 2024-25: Rs 401.178 billion). Higher sales are primarily attributable to favorable price, volume, and exchange rate variance partially offset by adverse impact of forced production curtailment by SNGPL and UPL amounting Rs 65.400 billion. Average realized prices of crude oil, gas, and LPG were US$ 67.74/barrel (FY 2024-25: US$ 60.83/barrel), Rs 768.38/Mcf (FY 2024-25: Rs 730.38/Mcf), and Rs 164,610/Ton (FY 2024-25: Rs 169,502/Ton) respectively. Average exchange rate recorded was Rs 280.77/US$ against Rs 279.70/US$ in the preceding year.

However, OGDC's financials in comparison to the preceding year, were impacted by increase in operating expenses on account of pension/gratuity fund, leave encashment, post-retirement medical, joint operations, amortization, contract services, rent, fee & taxes, and workover charges. Moreover, decline in finance and other income due to nil delayed payments surcharge from customers, reduction in interest income on investments and bank deposits and finance lease, unwinding of loss on modification in terms of TFCs, and exchange loss negatively influenced financial performance. Furthermore, higher exploration and prospecting expenditure also negatively impacted profitability. While lower taxation in comparison to the corresponding period due to reversal of super tax provision and lower profit before taxation as well as Rs 12.8 billion attributable to tax payment on bonus shares issued by Mari Energies Ltd in the preceding year, positively influenced the financial performance. Resultantly, the Company recorded highest ever Profit after Tax of Rs 242.374 billion (FY 2024-25: Rs 169.904 billion) translating into Earnings per Share of Rs 56.35 (FY 2024-25: Rs 39.50).

It is pertinent to mention that the increase in gas tariffs contributed to a higher collection rate of gas receivables, which reached 123% during the reporting period. Consequently, the overall receivable build-up trend reversed, with the overall collection rate improving to 107%. Furthermore, as part of the GOP's initiatives to address the circular debt issue, the Company recovered Rs 89.5 billion relating to Uch field through a one-time settlement received from CPPA-G. In addition, interest payments pertaining to PPTFCs amounting to Rs 92.718 billion were also received from PHL under the GOP approved circular debt resolution mechanism.

Key Financial Indicators

Financial KPIs	UOM	FY 2025-26	FY 2024-25
Net Sales	Rs in Million	449,191	401,178
Profit after Tax	Rs in Million	242,374	169,904
Gross Profit Margin	%	55%	58%
Net Profit Margin	%	54%	42%
Current Ratio	Times	8.03	8.97

Dividend

The Board has announced final dividend of Rs 6/- per share (60%) for the year ended on 30 June 2026. This is in addition to the interim dividends already paid @ Rs 11 per share i.e 110% during the fiscal year.

Exploration and Development Activities

As the market leader in E&P sector of Pakistan, OGDC holds the largest exploration acreage which as of 30 June 2026 stood at 102,801 sq. km representing 31% of the Country's total area under exploration (source: PPIS). Currently, Company's exploration portfolio comprises 57 100%-owned as well as operated JV exploration licenses. Additionally, the Company possesses working interest in 23 exploration blocks operated by other E&P companies.

During the year under review, OGDC, in partnership with Pakistan Petroleum Limited, Government Holdings (Private) Limited, Mari Energies Limited, Prime Global Energies, and Turkish Petroleum Overseas Company, was awarded 15 exploration blocks, further strengthening business exploration portfolio. These include 5 operated blocks comprising 3 onshore blocks; Kalat North, Naing Sharif, & Khiu-II, and 2 offshore blocks; Bin Qasim South & Keti Bandar as well as 10 non-operated blocks comprising 4 onshore blocks Sukhpur-II, Kalat South, Ahmad Wal, & Ziarat North and 6 offshore blocks; Kochi Creek, Gharo Creek, Behr, Zarrar, Sapat Bandar, & Offshore Deep D. Moreover, the Company acquired a 20% working interest in the non-operated Eastern Offshore Indus-C Block through a farm-in arrangement. The addition of these blocks reinforces business commitment to accelerating exploration activities, expanding resource base and unlocking new hydrocarbon potential to support Pakistan's long-term energy security.

During the year under review, seismic activities were impacted by security constraints, resulting in the non-commencement of operations in the Bettani block, partial operations in the Kotra East block, and lower seismic acquisition in the Pirkoh, Kohat North, Fateh Jang, and Sinjhoro blocks. Despite these challenges, OGDC acquired 686 Line km of 2D seismic data (FY 2024-25: 750 Line km) and 501 sq. km of 3D seismic data (FY 2024-25: 1,051 sq. km). This represented approximately 53% of total 2D and 34% of total 3D seismic data acquisition in the Country, respectively (source: PPIS). In addition, utilizing in-house resources, the Company processed/reprocessed 1,707 Line km of 2D and 3,111 sq. km of 3D seismic data. Geological fieldwork covering 20 Line km was also carried out in the Zin block.

On the drilling front, OGDC spud 23 wells, highest in the last five years period, (FY 2024-25: 15 wells) including 8 exploratory wells; Sahito-1, Saidpur-1, Chak 203-1, Humwala-1, Sujawal South X-1, Chaker Deep-1, Bobi Deep-1 (RE), & Garhi-2 (ST), 11 development wells; Dars West-3, Chak 63-5, KNR WIW-1, Sono-10, Uch WDW-1, Bobi-11, Maru-3, Hakeem Daho-4, Kal-4, Thal West-1A (ST), & Fimkassar-4 (RE), 3 tight gas wells; Gajawah-1(RE), Katiar-1 (RE), & Chandio-1 (RE), and 1 geothermal well; Wahid Baksh-1 (RE). Moreover, drilling and testing of 10 wells pertaining to previous fiscal year was also completed. The Company during the reporting period achieved record drilling of 58,333 meters, highest in the last five years period (FY 2024-25: 27,101 meters).

Discoveries

During the year under review, OGDC's sustained efforts to assess and unlock hydrocarbon potential in its exploratory blocks yielded 9 oil and gas discoveries viz., Chakar-1 in district Tando Allah Yar, Bobi Deep-1 in district Sanghar, Bitrism East-1 & Sahito-1 in district Khairpur, Sindh, Baragzai X-1 (Kingriali formation), Baragzai X-1 (Datta formation), Baragzai X-1 (Samana Suk & Shinawari formations), Baragzai X-1 (Hangu & Lumshiwal formations), and Baragzai X-1 (Lockhart formation) in district Kohat, KP (FY 2024-25: 5 discoveries). The expected combined daily crude oil and gas production potential of these discoveries is 16,435 barrels and 77 MMcf, whereas 2P reserves are 52 MMSTB and 338 bcf respectively, combined 120 MMBOE.

Development Projects

During the year under review, OGDC continued its efforts to fast-track completion of ongoing development projects with the objective of enhancing its crude oil, natural gas, and LPG production. Upon completion, these projects are expected to contribute an aggregate incremental daily production of approximately 4,644 barrels of crude oil, 176 MMcf of gas, 336 tons of LPG, and 11 tons of Sulphur. The current status of development projects is presented below:

Name of Project	Location of Project	Working Interest Owners	Completion Date	Expected Incremental Production	Current Status
Jhal Magsi	Jhal Magsi, Balochistan	OGDC 56% POL 24% GHPL 20%	August 2025 (Completed)	Sale Gas: 10 MMcfd Condensate: 22 bpd	Upon successful installation of gas processing facility by OGDC and laying of gas transportation pipeline by SSGCL, on-specification gas supply started mid-August 2025.
Dakhni Compression	Attock, Punjab	OGDC 100%	February 2026 (Completed)	Crude: 30 Bpd Gas: 4 MMcfd Sulphur: 11 Tpd	Upon successful installation of front-end compression, the system has been taken into operation. The compression was required to sustain/enhance the production life of the field.
Uch Compression	Dera Bugti, Balochistan	OGDC 100%	September 2026	Compression is required for continuation of GSA with UPL	Site construction and installation activities are at an advanced stage by the EPCC contractor.
KPD-TAY Compression	Hydera-bad, Sindh	KPD: OGDC 100% TAY: OGDC 77.5% GHPL 22.5%	December 2026	Crude: 750 Bpd Gas: 50 MMcfd LPG: 130 Tpd	Site construction and installation activities are at an advanced stage by the EPCC contractor.
Produced Water Disposal System (TAY & Sono-Lashari)	Hydera-bad, Sindh	OGDC 77.5% GHPL 22.5%	December 2027	Project is critical to maintain production plateau and address increasing levels of produced water across fields and comply with NEQS and ESG initiatives	Tendering process is in progress for hiring the EPCC contractor through competitive bidding.
Sinjhoro Developme-nt Phase-II	Sanghar, Sindh	OGDC 62.5% GHPL 22.5% OPI 15%	December 2027	Gas: 27 MMcfd LPG: 30 Tpd	Tendering process is in progress for hiring the PCC contractor through competitive bidding.
Bettani Development	Lakki Marwat, KP	OGDC 100%	Phase-I: December 2027 Phase-II: June 2028	Crude: 3,842 bpd Gas: 85 MMcfd LPG: 165 Tpd	Tendering process is in progress for hiring the EPCC contractor through competitive bidding.

Kunnar-Pasakhi Water Injection Project

The Kunnar-Pasakhi water injection project is expected to enhance hydrocarbon recovery by approximately 8-10%, sustain field production, and extend the economic life of the Kunnar and Pasakhi fields by 7-8 years. This represents the Company's first step towards systematic enhanced oil recovery, including the application of polymer EOR, being implemented in collaboration with M/s SNF, France, a global specialist in water injection and enhanced oil recovery solutions. The project is targeted for completion by March 2027.

Rajian Heavy Oil Facility Project

As part of production optimization drive, OGDC is undertaking revival of the Rajian field, a heavy-oil asset, through a comprehensive field revitalization initiative encompassing rig workovers, new development wells, artificial lift systems, and dedicated processing infrastructure. The planned facilities comprise 2 satellite processing units with a combined heavy-oil handling capacity of 10,000 barrels per day, enabling safe, reliable, and efficient processing of production from Rajian wells. The project is expected to be completed within 12 months of the award of the contract.

Mature Asset Solutions

OGDC is undertaking a Mature Asset Revitalization initiative to unlock the remaining potential of its mature oil and gas portfolio by maximizing recovery and extending asset life, in collaboration with Baker Hughes-GaffneyCline, a globally renowned energy advisory firm. The initiative is structured in two stages: Stage-I involves a comprehensive technical and economic evaluation of selected assets to identify and prioritize value-enhancing opportunities and is targeted for completion by August 2027. Stage-II will focus on translating opportunities into execution through flexible delivery models and production operations management to maximize production recovery.

Production

OGDC in its efforts to mitigate the impact of forced production curtailment and optimize oil and gas production is focused on expediting connectivity of new exploratory, appraisal, and developments wells in the production gathering system coupled with leveraging advanced technology, cutting-edge production techniques, and improved engineering design and simulation capabilities to minimize natural decline in the mature fields. During the year under review, Company's production output contributed around 51%, 28% and 33% towards Country's total oil, natural gas and LPG production respectively (source: PPIS).

Against the backdrop of continued forced production curtailment, OGDC average daily net saleable crude oil, gas, and LPG production clocked in at 32,861 barrels, 667 MMcf, and 670 tons in comparison to 30,919 barrels, 652 MMcf, and 642 Tons in the comparative period. Production during the reporting period stood at 106%, 102%, and 104% of the previous year's crude oil, gas, and LPG production, respectively. Average daily net production of crude oil, gas, and LPG in the absence of forced curtailment would have clocked in at 36,013 barrels, 797 MMcf, and 709 tons respectively. The forced production curtailment resulted in less gas offtake from operated fields; Qadirpur, Nashpa, Chanda, Dhok Hussain, Togh, Loti, Bettani, Dakhni, and Maru Reti fields and NJV fields; TAL, Waziristan, and Adhi owing to SNGPL system constraints and by UPL from Uch field due to less demand from power purchaser, which adversely impacted daily net production by 3,152 barrels of crude oil, 130 MMcf of gas, and 39 tons of LPG. Since 20 March 2026, production curtailment has substantially reduced primarily due to the impact of the Middle East conflict, declining from 2,890 barrels per day and 53 MMcf per day to 581 barrels per day and 4 MMcf per day as of 20 August 2026.

The Company's production capability was augmented by injection of 14 wells in the production gathering system viz., Aradin-1, Soghri North-1, Bettani Deep-1, Dars West-3, Kunnar-13, Thal West-1A, Baragzai X-1, Sahito-1, Bobi Deep-1, Chakar-1, Pasakhi-13 & 14, and Jhal Magsi South-1 & 2, which cumulatively yielded gross crude oil, gas, and LPG production of 943,972 barrels, 12,614 MMcf, and 5,817 Tons respectively. OGDC with an aim to maintain and increase production successfully installed electrical submersible pumps at Rajian-5, Toot Deep-1, Kal-3, and Pasakhi-2 & 11, which led to incremental crude oil production of 4,090 barrels per day. The Company in an effort to arrest natural decline and sustain production, carried out 112 work-over jobs, comprising 22 with rig and 90 rig-less. Moreover, to induce improvement in the current well flow parameters, pressure build-up survey jobs were completed at various wells of Togh, Loti, Sinjhoro, Bitrism, TAY, Pasakhi, Uch, Dakhni, Chanda, and Qadirpur fields.

During the year under review, peak daily net production recorded for crude oil, gas and LPG was 38,920 barrels, 829 MMcf and 813 tons respectively.

Shale Gas and Tight Gas Activities

Based on a comprehensive review of the KUC-1 vertical well data, the consultant has identified the target zone ("sweet spot") and surface location for the drilling of the first pilot shale gas horizontal well, Nahiyoon-1 horizontal (formerly KUC-1 horizontal). The well is planned to be drilled to a total measured depth of approximately 5,200 meters. In this regard, procurement of the necessary materials, equipment, and services required for the drilling operations is currently underway and expected to be completed by mid-September 2026, following which the well is scheduled to be spudded. In parallel, a regional third-party study is being undertaken to identify and validate the tight gas potential, incorporating lessons learned from Dhamach-1, Gaja Wah-1, and Katiar-1. M/s SLB has completed phase-I of the Tight Gas Evaluation Report, while phase-II is currently under review and expected to be finalized by October 2026.

Business Diversification:

OGDC is focused on the following diversification initiatives:

Reko Diq Mining Project

OGDC, in 2022, entered into definitive agreements with the Federal Government, Government of Balochistan, GHPL, PPL and Barrick Gold Corporation for extraction of gold and copper reserves from Reko Diq. The SOEs; OGDC, PPL and GHPL hold 25% of equity in the project, divided equally among these companies. Barrick Gold Corporation holds 50% of equity in the project along with management and operatorship rights, while remaining 25% of equity pertains to the Government of Balochistan. A special purpose vehicle namely Pakistan Minerals (Private) Limited (PMPL) is managing the equity shareholding of the SOE's.

The project feasibility study was completed in January 2025 and subsequently approved by OGDC Board. The Reko Diq Mining Company (RDMC) Board also granted its approval. On 18 August 2025, the Board of Directors approved the Company's pro-rata funding commitment, including project financing costs amounting to USD 715 million. This funding commitment was further endorsed by the shareholders in an EOGM held on 10 September 2025. During the year under review, the operator announced that it was reviewing all aspects of the Reko Diq project including the security situation in the region. On 2 April 2026, the operator announced that following the preliminary findings of the review, it was considered necessary to slow the development activity and extend the project review. This review is ongoing and will assess in a comprehensive manner the capital requirements, project financing, project scope and timeline. It is anticipated, by the operator, that there could be changes to the estimated capital cost and timeline for the project.

Abu Dhabi Offshore Block-5

OGDC along with consortium members; PPL (operator), MPCL and GHPL were awarded offshore block-5 in Abu Dhabi on 31 August 2021. The consortium companies have established an independent company, namely PIOL at Abu Dhabi Global Market with each entity having 25% equity stake in PIOL. The award of concession is the first opportunity for

Pakistani E&P companies to explore, appraise, and develop oil and gas resources in Abu Dhabi. At Offshore Block-5, the exploration period-1 report, covering the period from 31 August 2021 to 30 August 2025, has been submitted to ADNOC. The project has subsequently progressed to exploration period-2, spanning 31 August 2025 to 30 August 2028, to fulfil the associated exploration commitments. Relevant technical studies are currently in progress. Following the execution of the Production Concession Agreement between PIOL and ADNOC, the execution of development activities for the Bu Dana, Al Bateen, and Al Manhal fields has been handed over to ADNOC Offshore.

Geothermal Energy Project

OGDC is actively exploring the potential of geothermal energy across its assets as part of its commitment to diversify its energy portfolio and harness renewable resources to complement its traditional oil and gas operations. In this regard, OGDC continued to advance its geothermal energy initiative in collaboration with M/s SLB, under an MoU executed in March 2023, to evaluate and develop Pakistan's geothermal potential through a country-wide assessment of subsurface temperatures using proprietary data from its operational fields. SLB has completed the phase-I screening of 25 fields, following which 9 fields have been shortlisted based on the subsurface temperature evaluation. SLB also submitted technical inputs and a commercial proposal for the next phase of the study. Based on the recommendations of the screening study, Wahid Bakhsh-1 was selected as the pilot well for geothermal testing. The well successfully tested geothermal water, and further evaluation of the results is underway to assess its commercial viability. OGDC also confirmed Pakistan's first major discovery of high-grade lithium in geothermal brine at the Wahid Bakhsh well. The Company has engaged a consultant to assess the lithium potential in adjacent water formations, following which a development plan will be formulated for its commercially viable extraction.

Initiatives toward ESG

During the year under review, OGDC continued to strengthen its ESG governance, strategy, and disclosure practices, achieving several important milestones in its sustainability journey. The Company released its second ESG Report in November 2025, reflecting improved data coverage, enhanced governance disclosures, and clearer articulation of ESG priorities aligned with international reporting standards. Building on this progress, OGDC published TCFD-aligned climate disclosures for the first time. ESG leadership was further reinforced through the introduction of OGDC's first ESG Strategy and continued strengthening of the ESG Council.

Recognizing the importance of value chain impacts, OGDC introduced a Sustainability Supply Chain Roadmap to gradually integrate ESG considerations into supplier engagement, risk assessment, and performance monitoring. The Company also continued its commitment under the Oil and Gas Decarbonization Charter, signed at COP28, supporting industry collaboration towards decarbonization, adoption of low-emission technologies, and transparent reporting. In January 2026, OGDC became the first Pakistani company to join the United Nations Environment Program Oil and Gas Methane Partnership 2.0 (OGMP 2.0), strengthening its approach to measurement-based methane emissions tracking and reporting, with first reporting scheduled for May 2027. The Company is also developing a biodiversity policy aligned with the Kunming-Montreal Global Biodiversity Framework for management of natural capital impacts.

Sustainability Risks and Materiality Analysis

In line with the Securities and Exchange Commission of Pakistan adoption of the International Financial Reporting Standards (IFRS) S1 and S2, vide its order dated 31 December 2024, the Company has adopted the practice of disclosing material sustainability-related financial information. OGDC's Board, supported by the ESG Committee and Management, oversees the identification, assessment, and management of sustainability and climate-related risks and opportunities within the Company's governance and enterprise risk management framework. These considerations are integrated into the assessment of their potential impact on the Company's strategy, business model, and financial position. IFRS S1 and S2 disclosures will be incorporated in the Annual Report 2026, subject to approval by the ESG Council and ESG Board Committee. The Company remains on track to publish its third ESG Report by the end of 2026, in compliance with IFRS S1 and S2. The report will incorporate qualitative climate scenario analysis, employing a high-level, narrative-based approach to assess how different plausible future climate scenarios may impact on business strategy, model and financial position.