



2022-2023

ESG Report

NewMed Energy

A message from NewMed's Chairman of the Board, and its CEO

We are honored to present NewMed's ESG report for the years 2022 and 2023. In 2022 we presented the rebranding of the partnership and its new strategic goals. In the launching ceremony we emphasized our commitment to the environment, to our stakeholders and to the communities whom we serve.

This report is the second ESG report we are presenting to the public, in which we describe our activity in 2022 and 2023, and our strategy, especially with respect to the ways our activities impact the environment and our stakeholders.

We strive to meet our business and commercial goals while upholding environmental and social objectives and strengthening our corporate governance. We are committed to highest safety and environmental performance standards of our assets, as epitomized by Leviathan, our main asset. We recognize that natural gas, our main line of business, is a transition fuel that enables a gradual, sustainable and secure change to low-carbon energies. We are therefore increasing our efforts and investments in renewables, hydrogen and carbon utilization and storage, to ensure we maintain a strong position in the future energy sector.

We are abundantly aware that every day is an opportunity to improve, to connect, to learn, to collaborate and to expand the circle of our stakeholders. We are investing efforts and resources to reach out to the communities where we operate, such that we can excel in all aspects of our activity. We strive to be recognized by our communities and stakeholders as the go-to partner, one that is approachable and that will respond to questions, claims, and requests in a transparent, authentic, and meaningful way, that would ultimately result in positive impact.

Finally, this report is published 268 days after the Saturday of October 7, 2023, a day where Hamas terrorists committed heinous crimes on the residents of the south of Israel. The state of Israel is currently at war, and NewMed, its managers and employees, are committed to supporting the communities that were impacted by these events, and in particular to aid in the return of our hostages, and to support their families and friends.



Gabriel Last
Chairman of the Board



Yossi Abu
CEO

**BRING THEM
HOME NOW!**



As of the date of this report, 120 hostages, kidnapped on the 7th of October by the Hamas terrorist organization, are held in Gaza. Our hearts go out to them, their families, and friends. We won't be whole until they are all returned back.

About NewMed Energy

01

NewMed Energy (“NewMed”) is an Israeli public limited partnership focused on exploration, development, production and marketing of natural gas in Israel and the East Mediterranean. NewMed, formerly Delek Drilling and Avner Oil Exploration, has been the leader in the discovery of natural gas reservoirs in the EEZ of Israel and Cyprus surpassing 42 TCF (~1,000 BCM). Since then, NewMed has been diligently working on the efficient and responsible development and exploitation of the reservoirs it holds, while at the same time expanding its operations to other regions, and other sectors, including renewable energy.



NewMed’s activity has transformed the mix of energy sources in Israel and the region and has established commercial and energy collaborations between Israel and its neighbors, most importantly Egypt and Jordan.

Natural gas enables the generation of power in a significantly cleaner and more efficient way compared to using coal, oil or diesel, and grants communities throughout the region access to electricity at lower and more stable prices compared to other developed markets such as Europe. Use of natural gas in Israel and the region significantly reduces the emission of pollutants and greenhouse gases (GHGs) into the atmosphere, supports energy independence and access to energy, and facilitates a structured transition to renewable energies, all while increasing Israel’s revenues and unlocking value for stakeholders.

In coming years, NewMed aims to promote its core projects Leviathan and Aphrodite, to facilitate the continued transition away from coal and refined oil products, primarily in the power sector, but also in transportation and industry.

The environmental performance of the Leviathan project, particularly in terms of GHGs emissions, is exceptional relative to similar facilities worldwide, and NewMed and its partners in the project are diligently

working to maintain and even improve this performance.

NewMed is exploring and promoting activity in the renewable energies sector. It initiated and is pursuing collaborations with companies with expertise and experience in developing and operating renewable energies projects, most significantly with EnLight. These collaborations are expected to mature into viable power generating projects, which will ultimately reduce the partnership’s emissions’ intensity.

NewMed is an active contributor to academic studies, recognizing that development of natural resources, which is needed to support population growth and improved standards of living of the communities which NewMed serves, requires a deep understanding of the environment. Since NewMed mainly operates in the marine environment, and specifically in the Levant Basin, its collaborations focus on geological and environmental aspects of these regions.

Finally, this report is published at a time when Israel is embroiled in a war, instigated by the atrocities committed by Hamas terrorists on the residents of the south of Israel on October 7, 2023. The war is impacting the region from various aspects, and NewMed is adjusting its operations and outlook accordingly, to deliver on its commitment to provide energy to Israel and the region and stand by and support our communities.





NewMed's ownership structure and key economic data

NewMed is a subsidiary partnership of Delek Group and is traded on the Tel Aviv Stock Exchange (TASE), including on the TA-35 Index. The general partner, NewMed Energy Management Ltd. (General Partner), manages the partnership's business (the partnership and the General Partner shall be referred to as NewMed or the Partnership). The controlling shareholder, Delek Group, holds ~55%, and the public ~45%.

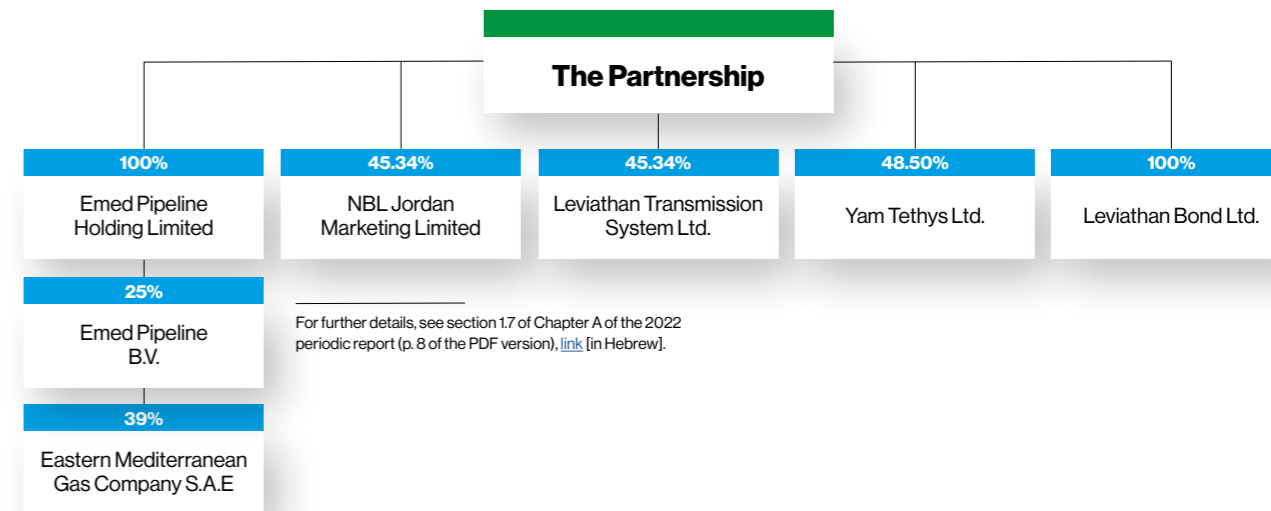
	2022	2023
Net Profit	\$ 469.7 mm	\$ 433.6 mm
Equity	\$1,287.4 mm	\$1,512.5 mm
Total Assets	\$3,939 mm	\$3,846.2 mm
Profit distribution	\$210 mm	\$210 mm
Government take	\$183.1 mm	\$217 mm

The Partnership's key economic data
(as of 31 December):

Additional details are provided in NewMed's financial statements on the [TASE website](#).



Structure of the main holdings of NewMed Energy



Key milestones in NewMed's development from the date of its establishment:

- 1991** - Avner Oil Exploration Founded
- 1992** - Delek Drilling Founded
- 1993** - Delek Drilling Founded
- 1998** - Tshuva acquires Delek Group
- 1999** - Noa discovered
- 2000** - Mari-B discovered
- 2004** - Mari-B 1st gas
- 2009** - Tamar discovered | Dalit discovered
- 2010** - Leviathan discovered | Tamar FID
- 2011** - Aphrodite discovered
- 2012** - Tanin discovered | Noa and Pinnacles 1st gas
- 2013** - Tamar 1st gas | Karish discovered | Tamar SW discovered
- 2014** - Tamar \$2bn bond
- 2015** - Tamar \$2bn bond
- 2016** - Tanin and Karish sold to Energean
- 2017** - 1st gas export from Israel (Tamar) to Jordan | Leviathan FID
- 2018** - GSPAs to sell Leviathan and Tamar gas to Egypt
- 2019** - Leviathan 1st gas | Aphrodite POD approved by Cyprus Government
- 2020** - Leviathan 1st gas to Egypt | Leviathan 1st gas to Jordan | Leviathan \$2.25bn Bond
- 2021** - Working interest in Tamar sold to Mubadala
- 2022** - Rebranding of Delek Drilling to NewMed Energy | Leviathan hits 1tcf milestone
- 2023** - A-3 appraisal well drilled in Aphrodite

Achievements and Targets

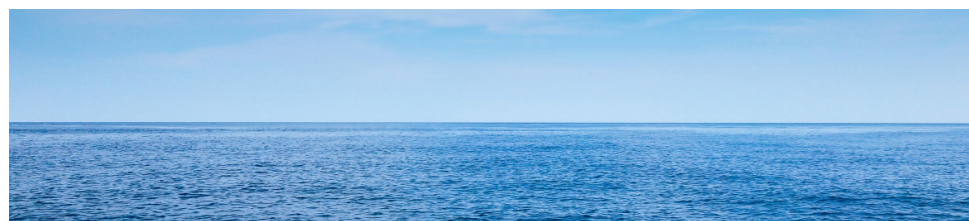


2022 Achievements:

- Sold ~11.4 BCM natural gas (100%) from Leviathan
 - 43% Egypt; 33% Israel; 24% Jordan
 - Commenced gas flow to Egypt via Jordan
 - Maintained exceptionally low GHG emission intensity 1.6 kgCO₂eq/BOE
- Approved A3 well in Aphrodite, to progress field appraisal towards sanctioning
- Rebranded as NewMed Energy to reflect updated strategy
 - Collaboration launched with Enlight to develop and promote renewable energy projects
 - Agreements signed to acquire Boujdour Atlantique Exploration licenses offshore Morocco
 - Kicked off assessment of hydrogen projects in Israel and in the region
- Plugged and abandoned Yam Tethys wells
- Supported range of community outreaches, primarily through Leviathan Project

2023 Achievements:

- Sold ~ 11.0 BCM natural gas (100%) from Leviathan
 - 57% Egypt; 19% Israel; 25% Jordan
 - L3GL¹ \$560MM FID to boost production capacity from ~1.2 to ~1.4 bcf/d
 - Maintained exceptionally low GHG emission intensity 1.5 kgCO₂eq/BOE
- Added a 5th production well at Leviathan, to maintain capacity and increase redundancy
- Won Exploration Block I in the Israeli EEZ
- Drilled A3 well in Aphrodite, confirmed resource base for development
- Approved and implemented Partnership's donations protocol – directly donated \$267K
- Mobilized to support communities and individuals impacted by the October 7 Hamas atrocities; >1,300 hours of volunteering, and >24,000 km driven



¹L3GL – Leviathan 3rd Gathering Line Project, further details in 2023 Annual Report.

²Net zero emissions refers to being climate neutral, such that all of the GHGs emitted into the atmosphere as part of human activities are offset by the GHGs recovered from the atmosphere.

³Carbon Capture Utilization and Storage (CCUS)

Near-term targets:

- Further develop Leviathan to increase capacity from 1.2bcfd to a) ~1.4 by 2025, and to b) 2.1 by end of decade, by investments in upstream and midstream, while maintaining world class HSE performance
 - Unlock value for investors
 - Boost state revenue and energy independence, while supporting complete phase-out of coal for power generation in Israel
 - Improve access to cleaner energy for communities in the region
- Draft and implement carbon emissions offset strategy
- Devise social impact strategy, including donations strategy
- Mature Aphrodite development concept towards sanctioning
- Progress work program in Boujdour (Morocco)
 - Advance technical work to mature drillable prospect
 - Devise ESG strategy, with emphasis on human rights, in support of new country entry
- Progress work program in Zone I (Israel)
- Conclude Yam Tethys Project decommissioning
- Explore and appraise blue hydrogen project/s, and support growth of regional hydrogen ecosystem
- Advance renewable energy collaboration with Enlight
- Advance diversification of work force
- Further enhance governance and compliance, through review and training

Medium-/long-term targets:

- Achieve net-zero emissions², primarily through offsets derived from renewable energy, CCUS³, and hydrogen projects, in Israel and the region
- Sustainably expand natural gas portfolio throughout value chain, anchored by production from Leviathan and Aphrodite
- Substantially increase exposure to low-carbon energy, primarily through ownership in renewables and hydrogen projects
- Be recognized by communities, governments and industry as a leader and partner of choice in sustainable development of energy resources



NewMed unlocks ESG value:

- **Reduce national GHG and pollutants emissions and facilitate a structured transition to a low carbon economy**
- **Operate with exceptionally low carbon footprint, setting industry gold standard**
- **Anchor Israel's energy independence, and support regional access to relatively clean and cheap power**
- **Boost State Revenues from natural resources**
- **Expand activity into alternative and renewable energy sources**
- **Enhance and expand regional collaborations, in support of geopolitical stability**
- **Support R&D, deepen understanding of our impact on nature, and nurture the local scientific and entrepreneurial ecosystem**

Strategy

NewMed is striving to realize the potential of its main assets, the Leviathan and Aphrodite gas fields, in a responsible and efficient manner in order to unlock optimal value for the stakeholders, while actively upholding its ESG values.

In the Leviathan project, NewMed and its partners are promoting Phase 1B expansion to increase the maximum annual production capacity to over 21BCM in order to meet growing regional demand for natural gas. The Leviathan partners are discussing with stakeholders, primarily the Israeli government, the optimal development plan, which balances technical, national, commercial, environmental, and social considerations. Leviathan, the largest gas field in the region, is a well-connected, high porosity and permeability reservoir charged with dry and lean gas, which supports a relatively straightforward development, and enable efficient operations with a relatively small environmental footprint. As such, Leviathan expansion depends on regulatory approvals, regional transmission systems, and ultimately market conditions.

In the Aphrodite project, NewMed and its partners are promoting development of the reservoir to markets in Egypt, Cyprus and Europe, including in the form of Liquefied Natural Gas (LNG). Aphrodite too is a high-quality reservoir, characterized by dry, lean gas. While Aphrodite is the largest discovery in Cyprus to date, it contains only around one-sixth of the resources of Leviathan. Therefore, Aphrodite development requires honing the balance between the reservoir's technical capacity, regional demand (The Republic of Cyprus will require less than 1 BCM per annum), and economic and environmental considerations.

Although natural gas is fossil fuel and a finite resource, demand for it is expected to grow over the next two decades, especially in the East Med. **NewMed is increasing its exploration activities in order to discover additional resources and meet such demand, both in the Mediterranean and offshore North Africa.**

NewMed recognizes that natural gas is a transition fuel and thus is entering the renewable energy space, as well as developing capabilities in low-carbon energy technologies such as hydrogen.



Collaborations in renewable and alternative energies

After changes made to TASE rules in July 2021, NewMed began exploring investments in the renewable energy sector, to diversify and enhance the Partnership's asset portfolio, and further improve its environmental performance. In August 2022, NewMed signed an MOU with Enlight for the development and construction of renewable energy projects in North Africa and the Middle East. Further to the MOU, detailed agreements were signed between Enlight, NewMed and Yossi Abu, stating that they will jointly work to identify, initiate, develop, finance, construct and operate renewable energy projects, including solar, wind and energy storage. NewMed's general assembly approved an investment of up to \$100

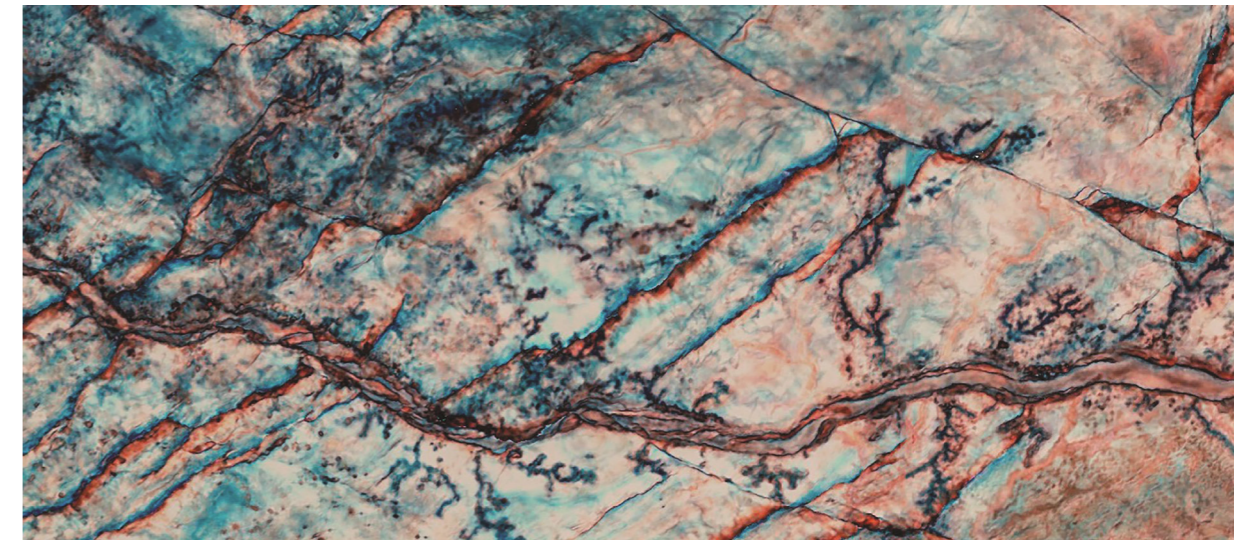
million in this joint venture. The joint venture combines the expertise and experience of Enlight in the renewable energy sector with the experience and expertise of NewMed in the energy sector in the target countries.

Another component of NewMed's alternative energy strategy focuses on **hydrogen**, and mainly hydrogen produced from natural gas, while capturing and either utilizing or storing CO₂ ("blue" hydrogen). The partnership is active in the growing national hydrogen ecosystem, through sponsorship and participation in events and courses.

Research collaborations

NewMed believes that a **deeper understanding of the natural environment** in which we operate benefits our stakeholders and ourselves, in guiding **more efficient and less environmentally impactful operations**. The deep Levant Basin, where our discoveries are located, has been scantily surveyed, due to its relative remoteness. NewMed has been engaged in research collaborations with local

and international universities and research institutes, in the fields of geology, environment, oceanography and engineering. Most of these projects are conducted by graduate students. Highlights include research focused on the geological processes that shape the seabed of the Eastern Mediterranean Sea, as well as research on sea currents in the region.



This seismic-based image shows submarine channels buried hundreds of meters below the seafloor of the Levant Basin, that witnessed the demise of the Messinian salinity crisis—one of the most enigmatic environmental events in Earth's history. From Moneron and Gvirtzman, 2022, *Geology* v.50 (1366-1571).

Regional collaborations

NewMed is a member of EMGF's Gas Industry Advisory Committee, and is active in the fields of regulation, economy and environment. Among other endeavors, the Partnership has led, together with others, a review of

regulatory gaps and overlaps in the fields of environment and safety between the countries in the region, to facilitate and promote cross-border collaborations. The study was presented in December 2022 at the EMGF's annual event.

The Partnership's assets



Leviathan, Israel

The Leviathan Field is located 130 km offshore Israel, around 5 km below sea level, and around 3.3 km below the seabed. Leviathan was discovered in 2010, and production of gas began at the end of 2019. As of the end of 2023 (2022) and following the production of ~40.5 (29.4) BCM of natural gas, the field still holds around 608 (619) BCM of natural gas, implying a field life, at current capacity, over 50 (51) years.

Production from the field is currently performed through 5 subsea production wells that are connected to an offshore processing platform situated ~10 km off Dor Beach¹. Gas processing, consisting primarily of separation of gas from liquids, is exclusively carried out on the platform.

In 2023 (2022), the Leviathan project supplied around 2.0 (3.8) BCM

of natural gas to the Israeli market, accounting for ~16% (29%) of Israel's overall gas supply. The Leviathan project further supplied around 8.9 (7.6) BCM to Egypt and Jordan, accounting for ~78% (83%) of the total Israeli gas exports².

The Leviathan Platform operates under three environmental permits (Air, Discharge, and Toxins), which are all valid as of the report release date.

Chevron Mediterranean Ltd., the operator of the asset, reports annually the volumes of pollutants emitted to the atmosphere and discharged to the sea to the Ministry of Environmental Protection's (MoEP) Pollutant Release and Transfer Register (PRTR).

¹ In 2023, a fifth production well was drilled in the Leviathan field.
² 2022 income report, Natural Resources Administration, Ministry of Energy and Infrastructures, [link](#) [in Hebrew].



Aphrodite, Cyprus

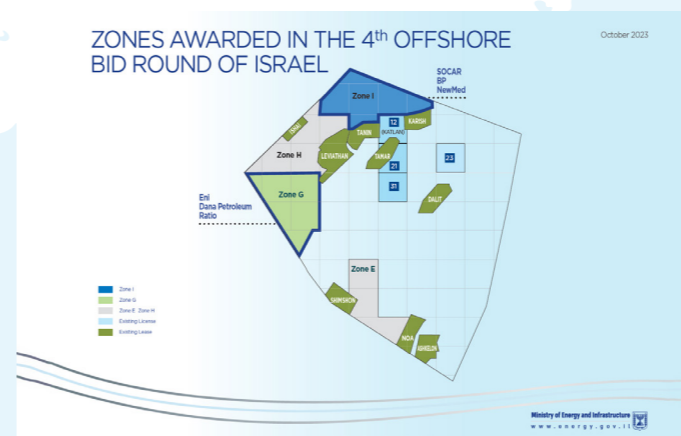
The Aphrodite Field was discovered in 2011 and was the first gas discovery in the EEZ of Cyprus. In 2019, the Government of Cyprus approved a field development plan based on subsea wells, a floating production facility over the field, and long subsea pipelines to Egypt. As of the report release date, the Aphrodite partners are working together with the government of Cyprus on optimizing the field development plan prior to taking a final investment decision.

Development of the reservoir is expected to be a significant economic growth engine for Cyprus, and potentially alleviate cost of electricity for local consumers.

Since Cyprus is a member of the European Union, activity in the Aphrodite project is subject to European directives, including environmental directives.

Zone I, Israel

In October 2023 the Ministry of Energy announced that the partnership, together with its joint venture partners SOCAR (acting as operator) and BP, was awarded the Zone I exploration licenses in the Israeli EEZ, following the 4th Offshore Bid Round. Zone I spans over ~1700 square kilometers of relatively unexplored acreage, at the very north of the Israeli EEZ. The joint venture committed to an initial work program of 3 years, which includes acquisition of new 3D seismic, and conducting various complementary studies, including environmental.



Boujdour Licenses, Morocco

In 2022, NewMed, together with Adarco Energy Limited (Adarco) and the Moroccan National Office of Hydrocarbons and Mines (ONHYM), signed agreements regarding joint oil and natural gas exploration and production activity in the Boujdour Atlantique exploration licenses, in the Atlantic Ocean offshore Morocco. Boujdour Atlantique spans ~30,000 square km and has seen some industry operations in the last 20 years, which did not result in commercial success. The work plan proposed by NewMed and its partners for the first 30 months of the licenses includes reprocessing and analysis of the existing database, and ESG work. NewMed has not committed yet to physical operations in the licenses, and specifically has not undertaken to drill a well.

The Boujdour Atlantique licenses are located offshore an area historically referred to as the "Western Sahara" and is defined by the UN as a non-self-governing-territory, while it is de facto administered by Morocco. As part of the ethnic Sahrawi population residing in

¹ On the 2015 Natural Gas Framework see the partnership's annual report.

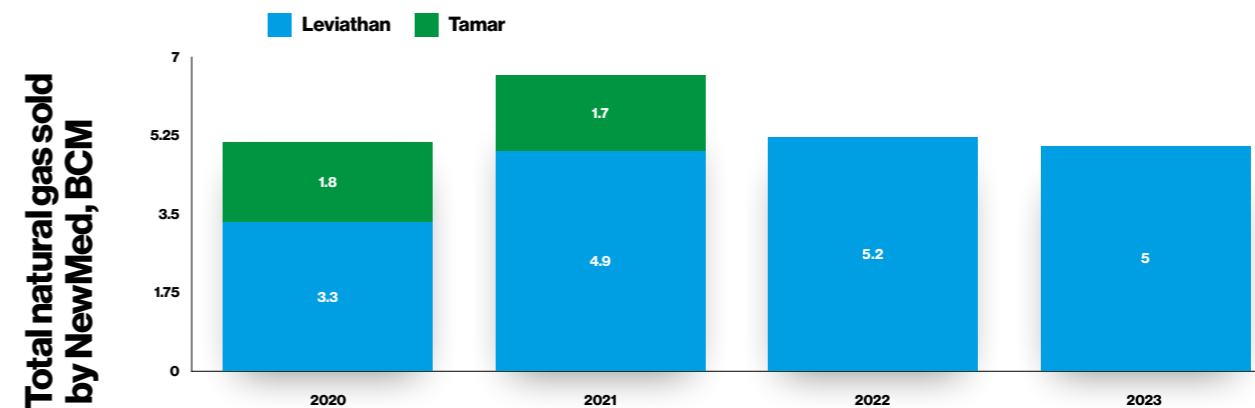
Algeria and part living in the area and objecting to the Moroccan administration, certain interested parties in governments, social organizations and investment bodies deem extraction of the natural resources of the area under Moroccan control to be legally and ethically problematic. Conversely, the State of Israel, the U.S., and several leading European countries recognize this area as part of Morocco. NewMed is committed to operating here in a manner that will ensure that its activity is in conformance with the principles outlined by the UN, such that its activity benefits the people of the region, and particularly local residents.

Yam Tethys, Israel

The Yam Tethys project was the first natural gas project in Israel, and includes three fields (Noa, Mari-B and Pinnacles) and their related production facilities, which are located primarily offshore Ashkelon. Production from the Yam Tethys project began in 2004 and laid the foundation for the Israeli natural gas sector. Production from the project came to an end in 2019, after ~ 26 BCM have been produced. As of the report release date, the project is being decommissioned, in accordance with local regulations. Just as the Yam Tethys project was the harbinger of natural gas discovery and production in Israel, it is also the local harbinger of responsible decommissioning with a strict focus on safety and environmental aspects.

Tamar, Israel

NewMed was among the partners that drilled the Tamar-1 wildcat well, that opened the "Tamar Sands Play" in 2009. Tamar began producing natural gas through five subsea wells in March 2013, and propelled Israel on the path to energy independence. In December 2021, after over 77 BCM have been produced from the field, NewMed sold its working interest at Tamar to Mubadala Petroleum in accordance with its commitment under the 2015 Natural Gas Framework¹. Tamar competes now with Leviathan for market share in Israel and in regional export markets.



Source: NewMed data. At the end of 2021, the Partnership sold its holdings in the Tamar reservoir in accordance with the Gas Framework.



Natural Gas in Israel— supply, demand and utilization

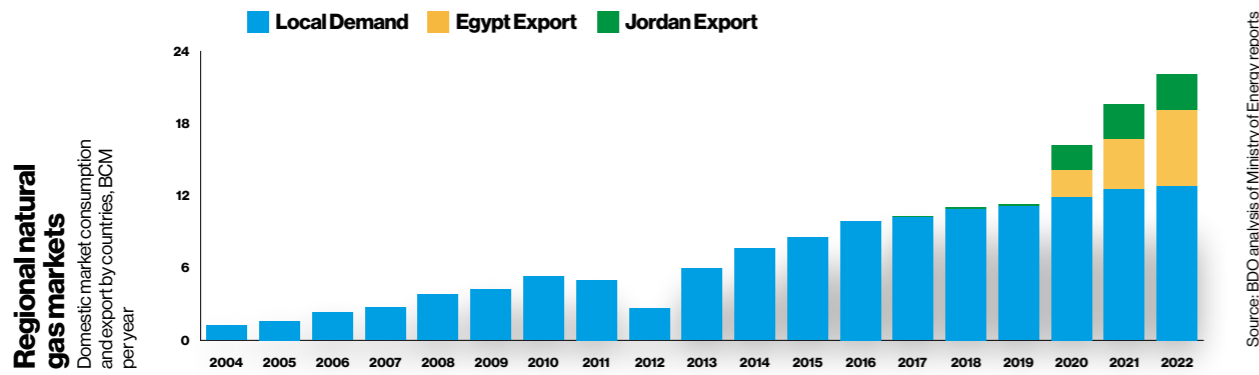


Over 70% of the natural gas consumed in Israel is used to generate electricity, while the remainder is used for industrial purposes, either substituting for various refined oil products or utilized as feedstock in the production of chemicals and fertilizers.

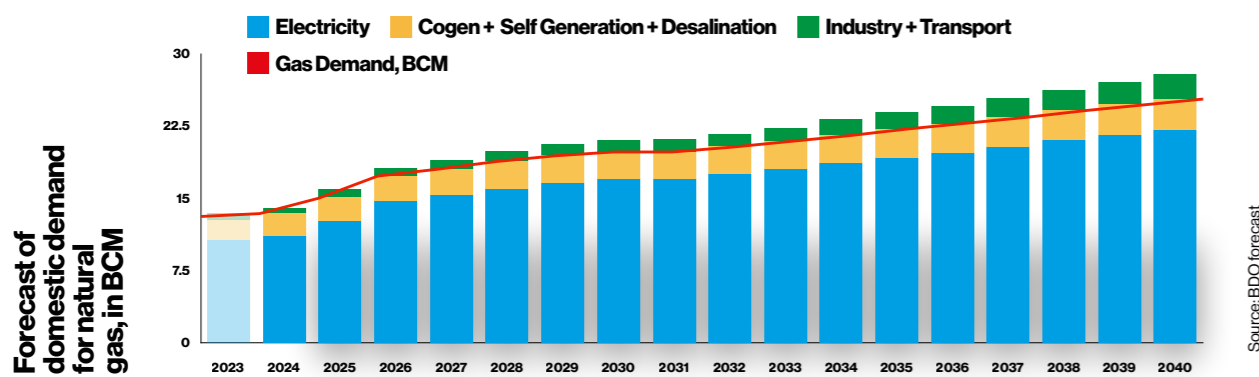
The domestic natural gas market is expected to continue to grow over the next two decades, both on the supply side (due to increased production from existing fields and the connection of additional gas suppliers to the national transmission system), and on the demand side (due to the gradual phasing out of coal-based power generation, population growth and increased penetration into transportation, housing, services, etc.)¹.

Expansion of export to neighboring countries and to Europe is expected to further increase demand for Israeli natural gas.

The natural gas resources discovered in Israel can supply its needs for decades, thus reducing Israel's dependency on foreign energy sources, mainly with respect to power generation. Continued development of the Israeli natural gas sector, including growth in consumption of gas for industry and transportation, will reinforce Israel's energy independence, while improving environmental metrics.



Source: BDO analysis of Ministry of Energy reports



Source: BDO forecast

¹ Review of developments in the natural gas sector, summary for 2021, Ministry of Energy. [Link](#) [in Hebrew]

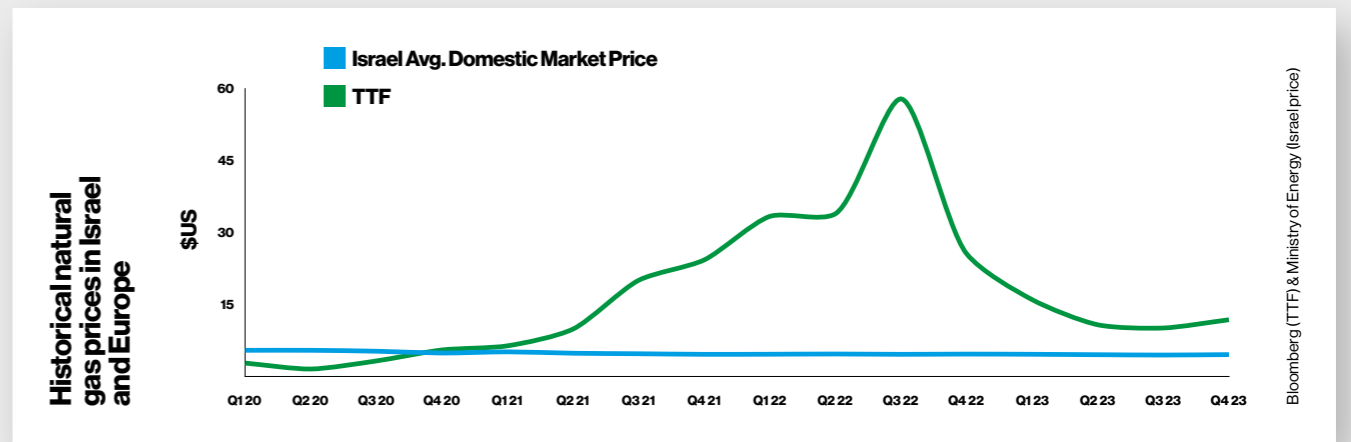


Natural gas - a price and stability buffer

The global energy sector was severely impacted in 2022 by Russia's war in Ukraine. The war led to severe disruptions in global natural gas supply chains, causing gas prices in Europe and Asia to soar by hundreds of percent, compromising energy security of many countries, and limiting access to energy of vulnerable populations. Israel's power sector, on the other hand, was isolated to a large extent from these stressors, thanks to the buffer provided by the robust domestic natural gas production from the Tamar and Leviathan gas fields.

The price of Israeli natural gas is lower than other petroleum fuels, thus leading to significant savings in goods' production costs, and consequently minimizing negative price impacts to energy intensive goods and services. Furthermore, natural gas is produced from Israeli reservoirs, while coal is imported from overseas and is therefore exposed to price fluctuations and to various disruptions in regional and global supply chains¹.

2021 was characterized by exceptionally high fuel prices, but the stable natural gas prices in Israel saved the Israeli market ~USD 21 billion². Accelerating coal phase-out can generate potential savings of around ~USD 1 billion per year, equivalent to a 14% reduction in the price of electricity compared with the cost of coal-fired power generation³. The Ministry of Energy states⁴ that from 2004 to the end of 2021, the transition to natural gas saved the Israeli economy ~USD 37 billion in direct energy costs, the majority of which (~USD 26 billion) is associated with power generation cost reductions. Additional savings of ~USD 11 billion were materialized in industry due to the lower price of natural gas relative to the fuels it phased out.



Bloomberg (TTF) & Ministry of Energy (Israel price)

¹ The energy crisis in Europe and the resilience of Israel's energy market, Bank of Israel, March 2023. [Link](#) [in Hebrew].
² Review of developments in the natural gas sector, summary for 2021, Ministry of Energy. [Link](#) [in Hebrew].
³ Review by Chen Herzog (BDO) at the Knesset, May 2022. [Link](#) [in Hebrew].
⁴ See Footnote 3 (Review of developments in the natural gas market). The Ministry of Energy calculated the financial savings based on the assumption that using natural gas obviated the need to build new coal-fired power plants, and supplementary power production from fuel oil and diesel oil. The savings derive from fuel price differences only, and do not take into account capital investments in power plant construction and conversion to natural gas.





Impacts of natural gas utilization – Environment

Climate change, reflected in long-term temperature and weather changes, is widely documented and researched. The effect of human activities on climate change, including the burning of fossil fuels, has also been extensively documented and researched. To limit global warming to 1.5°C above pre-industrial levels, net-zero GHG emissions must be achieved by 2050¹. Achieving net-zero emissions while maintaining consumers' access to reliable and sufficient energy is challenging, and solutions are specific to each country. The path laid by the government of Israel is to gradually transition power generation from coal and liquid fuels, through natural gas to renewables. NewMed is a key partner in making this path achievable.

The transition from coal and liquid fuels-based power plants to natural gas-based plants significantly reduces GHG and

other pollutants emissions. According to a status report on the electricity sector for 2021 of the PUA-E² and BDO's analysis for 2022, **from 2012 to 2022, the CO2 emissions in the electricity sector in Israel decreased from 46.2 million tons per year to 34.1 million tons per year (a reduction of around 27%), despite a rise of around 20% in power generation in the market in these years. This is reflected in the emission intensity (the GHG emissions per unit of electricity generated), which dropped dramatically by ~40% over the years. The aggregate financial savings associated with CO2 emissions reduction is ~ USD 6.8 billion.** These trends are mainly attributed to increased use of natural gas concurrently with reduced use of coal, fuel oil and diesel oil for power. **SO2 and NOx levels dropped by ~85% and ~75% from 2012 to 2022, giving rise to aggregate financial savings of ~USD 47.2 billion³.**

1 https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15_SPM_version_report_HR.pdf
 2 Status Report on the Electricity Sector for 2021 [in Hebrew], PUA-E.
 3 The aggregate financial savings thanks to the reduction of CO2 and sulfur and nitrogen oxide emissions was calculated similarly to the calculation of NewMed's contribution to the reduction of emissions caused by power production. The conversion from the quantity of gas emissions by weight to financial terms was made using the MoEP's "green book", which provides guidelines for the quantification and measurement of environmental costs.

Natural gas – Exports

Israel's natural gas export policy is based on the recommendations of the interministerial Tzemach Committee. Between 2020 and 2023, Israeli gas producers exported ~32BCM of natural gas to Egypt and Jordan, which generated state revenues of USD 0.8 billion in the form of royalty payments alone¹. The export of natural gas from Israel provides significant geopolitical, environmental and economic benefits for both supplier and consumer.

In 2019, the energy ministers of Israel, Egypt, Cyprus, Greece, Italy, Jordan and the Palestinian Authority set up the East Mediterranean Gas Forum (EMGF)², whose primary objectives are to serve as a platform for dialogue, to formulate natural gas policy, and to promote the development of a regional gas hub in the Eastern Mediterranean to benefit its communities and stakeholders. NewMed is a proud and active member of the forum.

1 Ministry of Energy Royalty Reports.
 2 <https://emgf.org/>

Export milestones

Jordan

- Feb 2014** Tamar signs GSPA with Jordanian Dead Sea plants Arab Potash and Jordan Bromine - ~2BCM for 15 years
- Sep 2016** Leviathan signs GSPA with Jordanian NEPCO: ~45BCM for 15 years
- Jan 2017** Tamar 1st gas to Jordan
- Oct 2018** Additional GSPA signed with same buyer -1.1BCM for 14 years
- Jan 2020** Leviathan 1st gas to Jordan
- As of Dec 2021** 0.83BCM from Tamar
- As of Dec 2023** ~10BCM supplied from Leviathan

Egypt

- Feb 2018** Leviathan and Tamar sign GSAs with Egyptian BOE to sell 60 BCM and 25.3 BCM over 15 years via the offshore EMG pipeline
- Jan 2020** Leviathan 1st gas to Egypt
- Jul 2020** Tamar 1st gas to Egypt
- As of Dec 2021** 1.06BCM from Tamar
- As of Dec 2023** 16.5BCM from Leviathan

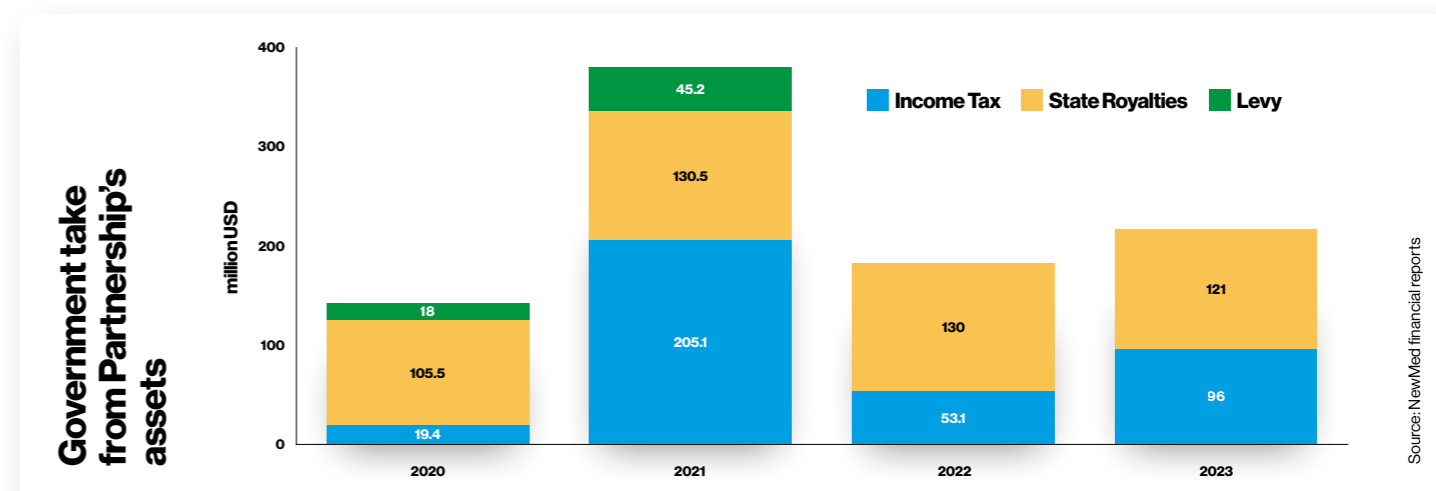


Natural gas sales by field and market

		2020	2021	2022	2023
		BCM (100%)			
Leviathan	Israel	3.47	4.54	3.77	2.04
	Egypt	1.91	3.43	4.90	6.24
	Jordan	1.87	2.74	2.71	2.69
Tamar*	Israel	7.77	6.90	-	-
	Egypt	0.25	0.73	-	-
	Jordan	0.23	0.16	-	-

		2020	2021	2022	2023
		BCM (NewMed's share)			
Leviathan	Israel	1.57	2.06	1.71	1.71
	Egypt	0.87	1.56	2.22	2.22
	Jordan	0.85	1.24	1.23	1.23
Tamar*	Israel	1.70	1.51	-	-
	Egypt	0.06	0.16	-	-
	Jordan	0.05	0.04	-	-

* Tamar's figures relate to the period 1-11.2021. Under the Gas Framework, NewMed sold its holdings in the Tamar reservoir in December 2021.



Source: NewMed financial reports



Promotion of UN Sustainable Development Goals

The Sustainable Development Goals (SDGs) include 17 goals and 169 targets for 2030 set by the UN. In September 2015, the State of Israel, together with the member states of the UN, adopted the decision to play a part in achieving the goals. NewMed has identified six SDGs where the Partnership can make material contributions through its operations.



Industry, Innovation and Infrastructure

Sustainably develop natural gas resources, in support of growing local and regional demand, while enabling the offset of more polluting fuels.



Affordable and Clean Energy

Maintain robust natural gas value chain in support of gradual transition to low-carbon economy, while diversifying asset portfolio with renewables.



Partnerships For The Goals

Build and maintain bridges to communities and stakeholders, locally and regionally.



Quality Education

Support and promote training and education, from elementary to post-graduate, through courses, R&D collaborations with academia, and scholarships.



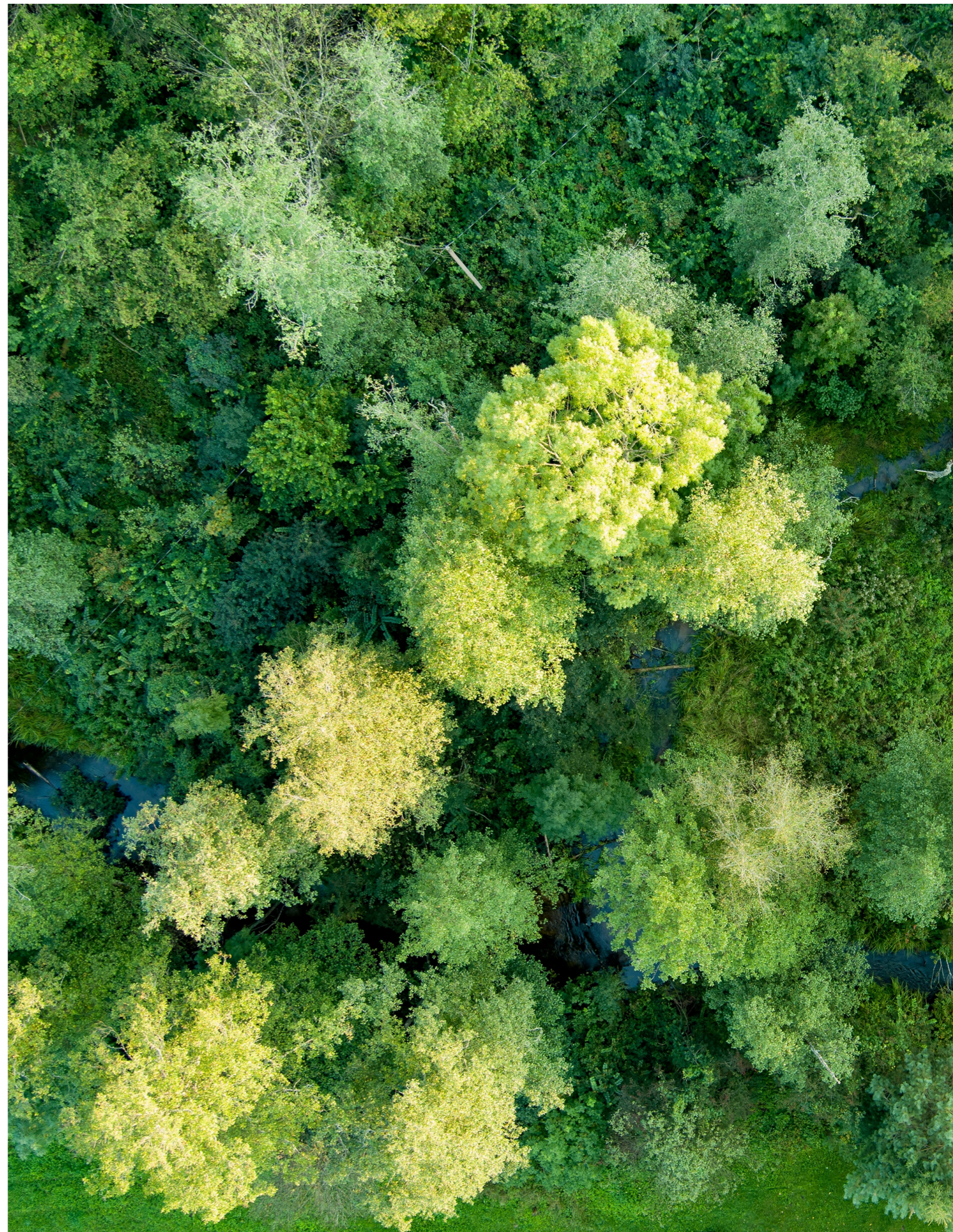
Climate Action

Partner in exceptionally efficient natural gas developments with low carbon footprint and low environmental impact; committed to Net Zero by 2050.



Life below water

Careful and respectful development of offshore infrastructure, maintaining robustness of values of nature



Environment

Environment

02

NewMed's core activity has been focused for decades on the exploration, development, and production of offshore natural gas assets in the eastern Mediterranean. NewMed is proud to be one of the founders of the natural gas sector in Israel, and a key player in the regional upstream and downstream landscape, in large part because of its meaningful positive environmental and societal impacts.

We view natural gas as a critical transition fuel, which enables the gradual, secure, and sustainable change from more polluting fossil fuels to renewable energy sources, in Israel and in the region. In Israel, natural gas is utilized primarily for power generation, and feeds as of end of 2023 -75 power generation units spread over 30 sites, which generate approximately 70%¹ of local power needs. These power plants are significantly more efficient, run on a "cleaner" fuel and emit less pollutants than the coal-fired power plants they replaced, and thus contribute to the improved quality of air nationwide. Additionally, the supply chains associated with coal, which is imported to Israel, are significantly longer and more environmentally impactful than those of the local natural gas. Therefore, **NewMed's activity significantly improves air quality in Israel by enabling reduced power plant emissions and supports shorter and more efficient supply chains.**

Exploration, development, production, and decommissioning of oil and gas reservoirs impact the environment. To minimize these impacts, several layers of controls and measures are put in place. At the most fundamental level, the partnership's assets are operated under robust safety and environmental regulatory frameworks, both in Israel and in Cyprus. These frameworks consist of laws and regulations, which are based on international standard and best practices. In Israel, NewMed's assets operate under various permits and licences, amongst which the Air Emissions, Discharge to Sea and Toxin permits are the most environmentally significant. These three permits are administered and regulated by the Ministry of Environment Protection (MoEP), and regularly renewed. In Cyprus, EU Directives are in-place. As of the date of this report, all environmental permits on all the partnership's assets are valid.

Another layer of controls is provided by the operator's Operational Excellence Management System (OEMS), which includes an internal

assurance program that ensures safeguards are in place and functioning. OEMS complies with Chevron's global standards and is regularly audited by corporate subject matter experts external to Chevron's East Med business unit. Chevron's OEMS includes comprehensive risk analysis matrices and proactive mechanisms that reduce the likelihood of adverse events occurring and mitigate the impacts of such events, should they occur. They also include reporting guidelines to the various stakeholders, that comply at a minimum with local regulation.

Finally, NewMed exerts another layer of controls through its own internal EHS monitoring procedure, which is not specifically required by regulation, but is a "beyond compliance" measure that NewMed takes to ensure safe and environmentally sound operations in its assets. NewMed's audit committee, which holds ultimate responsibility in these matters, delegated authority to Dr. Kul Karcz, VP Exploration, to implement this procedure, and report to the committee regarding its application at least annually. This procedure is also subject to internal audits conducted by the Partnership's internal auditor.

The Eastern Mediterranean has unique physical and biological characteristics making it particularly worthy of protection.

The eastern basin of the Mediterranean Sea is characterized by slow water turnover compared to the oceans, resulting in longer residence time of various marine pollutants². From a biological perspective, while being an oligotrophic basin³, the East Med is considered a global biodiversity hotspot that serves as home to a large variety of marine organisms, both native and invasive, that together sustain a delicate and sensitive ecosystem. Despite significant scientific progress made in the past few decades, the East Med is still considered scientifically underexplored and prone to the discovery of new species and marine assemblages.

At the same time, the region hosts a variety of human activities, including industry (oil and gas, desalination, marine agriculture, and fishing to name a few), trade, tourism, and shipping. All this activity exerts anthropogenic pressure on the unique ecological systems, emphasizing the **need for measures to prevent disruptions and mitigate negative impacts**, including those that NewMed is involved in.

¹ Remainder power generation capacity provided by coal (>20%) and solar (<10%).

² Physical forcing and physical/biochemical variability of the Mediterranean Sea: a review of unresolved issues and directions for future research, P. Malanotte-Rizzoli et al., Ocean Sci. 10, 281-322 (2014)

³ A basin characterized by low bio-productivity due to sparsity of nutrients.



Emissions Management

NewMed recognizes the ambitious goals to limit global temperature rise below 2, and preferably below 1.5 degrees Celsius¹, and is further aware of the important role the oil and gas industry must play to attain them. Curtailing the emissions of GHGs, primarily methane, as well as other, non-GHG pollutants, is a primary task for the partnership.

Methane is not only a potent GHG, but also the main product the partnership produces and sells (over 98% of Leviathan natural gas is composed of methane) and as such is a valuable commodity. Therefore, NewMed and its partners are doubly incentivized to curtail methane emissions to a minimum. It should be noted though that methane is a relatively minor contributor to CO₂eq emissions at Leviathan (<2% since 2021), with actual CO₂ emissions being the dominant emittent.

The emissions intensity associated with the production of natural gas from Leviathan is extremely low compared to international benchmarks, standing at below 1.8 kgCO₂eq/BOE since first gas. The emissions intensity at Leviathan in 2022 and 2023 was more than 8

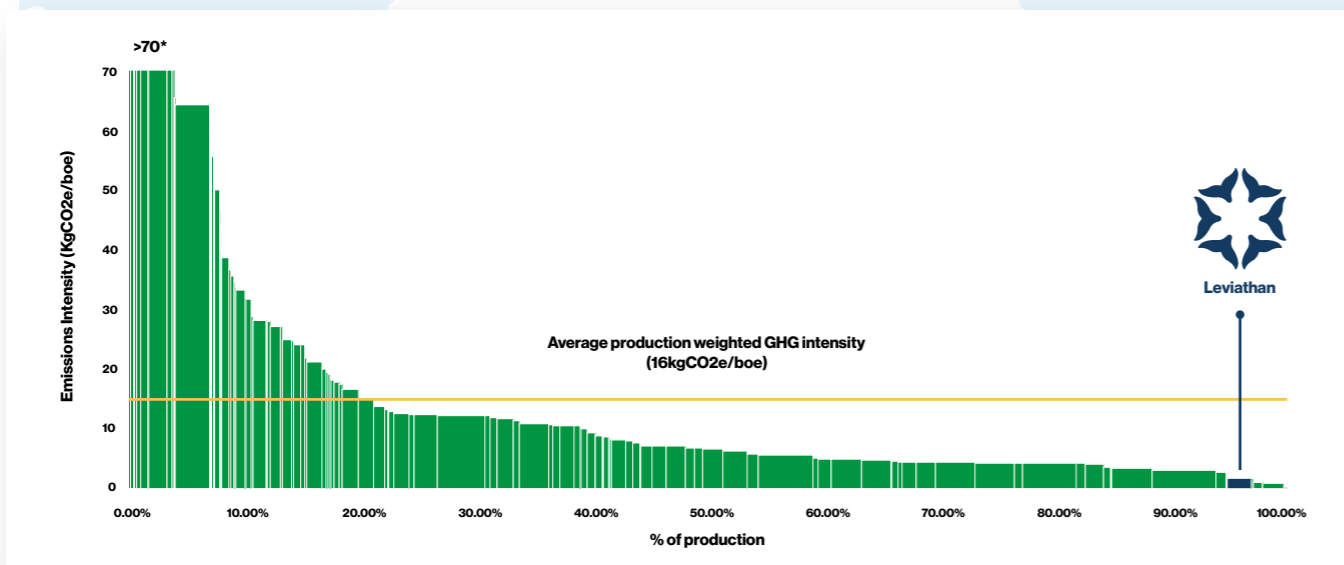
times lower than the weighted average of large global offshore gas projects, and is at the very top of performers worldwide.

The reasons for the low emissions intensity include the characteristics of the raw natural gas ("dry and sweet", i.e., high methane content and low concentration of sulfur compounds) which lends itself to a relatively simple production system, implementation of best available technologies in the system design and operations, including the use of a flare-gas recovery unit to minimize flaring, and the use of a high-efficiency and high-redundancy flare to burn excess gases during maintenance and emergency. In addition, routine leak detection and repair (LDAR) and optical gas imaging (OGI) campaigns, and high awareness among the employees which is reinforced by periodic trainings, ensure optimal environmental and safety performance.

Emissions to air are regulated in Israel by an Air Permit, under the Clean Air Law. The permit is administered and audited by the MoEP. The Leviathan Air Permit was first granted in November 2019 for a period of 7 years, and updated in June 2022.

¹ Since the pre-industrial revolution baseline year. See for example most recent IPCC report www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf

Emissions intensity of global offshore gas reservoirs, 2022



Data compiled Feb 14, 2024
 * The upperbound exceeds 70kgCO₂e/boe. For legibility the full range was not included.
 Source: S&P Global Commodity Insights upstream E&P content (Vantage).

Emissions are reported annually by Chevron, Leviathan's operator, to the national PRTR administered by the MoEP, as required by law. NewMed and Ratio Energies (the other non-operating partner in the Leviathan project)

use a 3rd party to independently assess GHG emissions from Leviathan, beyond what is required by regulation. The independent assessments for the years 2020-2023 confirmed those of the operator.



The partnership's assets' emissions (partnership working interest)

GHG Emissions in Leviathan (working interest = 45.34%)

		2020	2021	2022	2023
tCO ₂ e	Scope 1	33,564	52,538	52,748	48,312
	Scope 2	53	124	125	124
	Total Scopes 1 + 2	33,617	52,661	52,873	48,435
kgCO ₂ e/BOE	Emission Intensity, Leviathan	1.6	1.7	1.6	1.5

GHG Emissions in Tamar¹ (working interest = 22%)

		2020	2021	2022 ¹	2023 ¹
tCO ₂ e	Scope 1	16,624	17,268		
	Scope 2	1,837	1,552		
	Total Scopes 1 + 2	18,461	18,820		
kgCO ₂ e/BOE	Emission Intensity, Tamar	1.7	1.8		

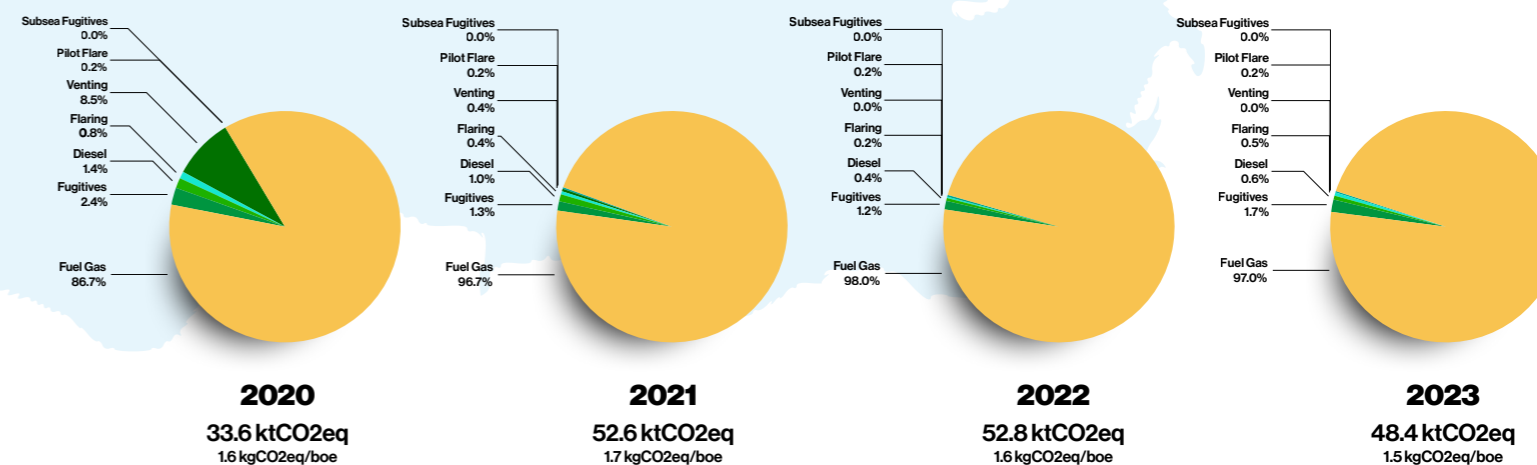
¹ NewMed sold its working interest in Tamar to Mubadala in December 2021.

NewMed's Scope 1 (direct emissions) carbon footprint consists primarily of emissions from Leviathan, and marginal emissions associated with the Partnership's employees' vehicles. Scope 2 (indirect emissions) includes emissions associated with electricity

purchased from the utility company and consumed at the Leviathan onshore facilities, and at the partnership's headquarters'. For further details regarding GHGs and other pollutants emitted from the Partnership's projects, see appendix A.

¹ LPP generates its own power using natural gas-operated generators.

Leviathan GHG emissions split (partnership working interest)





Reduction of GHG and pollutant emissions

Emission reduction is aimed at improving air quality in the vicinity of the facilities and beyond, minimizing carbon footprint and improving energy efficiency. NewMed and its partners are committed to reducing GHG and pollutant emissions to the bare minimum.

At Leviathan, emission reduction is focused on optimizing flare usage (both in planned and unplanned events) and minimizing fugitive emissions. Both efforts build on the original design of the platform, which was particularly minded to safety and environmental impact, and benefited from experiences gained at both Yam Tethys and Tamar¹. Building on this solid foundation, actual production data was needed to reveal opportunities to improve the production system, increase efficiency and decrease environmental impact.



The operator has a robust monitoring and documentation procedure, to log all flaring events, both planned and unplanned, record the volume of gas emitted, and document the cause of the flaring event. In cases where the cause is not straightforward, a root cause analysis investigation is launched. Causes of flaring events include design, work procedures and human performance, and can be mitigated in various ways depending on their nature. **Through this monitoring and investigation system, the operator reduced the number of unplanned flaring events from 57 (2020) to 24 (2021), 17 (2022) and 16 (2023).**

It is noteworthy that the flare serves a critical safety and operational role, and it is impossible, nor advisable, to reduce flaring events to nil. Flaring is a designed process to bring the platform to a safe state during process upsets. Having said that, the volume of gas emitted during these events is extremely low

¹ The Tamar Emissions Reduction Project was kicked-off in 2017, following learnings from 4 years of production, and included the installation of various systems, including a system to capture, condense, and recover emissions from the main vents of the platform, and a flare. These resulted in substantial emissions reduction, as presented in the MoEP PRTR 2021 presentation. Note that NewMed had a significant holding in Tamar until December 2021.

NewMed's strategy to reducing GHG emissions intensity and achieving net-zero GHG emissions

NewMed is committed to achieving net zero by 2050, by gradually reducing GHG emissions intensity (emissions per unit energy produced), through investments in renewable energy. Furthermore, it is actively pursuing investment opportunities in hydrogen, and carbon capture utilization and storage (CCUS) projects, that will offset residual emissions. This commitment applies also to any further increase in natural gas production, be it through Leviathan expansion, Aphrodite, once developed, and should any significant discovery be made in any of the partnership's exploration acreage (e.g., Boujdour and Zone I). NewMed is making significant strides on these emission reduction vectors: on the renewable energy front, NewMed formed a joint venture with Enlight and Yossi Abu to identify, initiate, develop, finance,

(the average volume of natural gas emitted in flaring events during 2023 was ~0.33 mmscf/event). Furthermore, the gas is burned by the flare such that a negligible volume of methane is released to the atmosphere (the flare has a >99% efficiency), but rather CO2, which is a much less potent GHG than methane.

The other source of emissions are fugitives, which are defined as unintentional leaks of gases or vapors from pressure-containing equipment. Fugitives pose safety, health and environmental concerns, and therefore are addressed in a robust fashion through a structured monitoring program consisting of campaigns held periodically at the Leviathan facilities of both leak detection and repair (LDAR) on the liquid lines and optical gas imaging (OGI) on the gas lines. The documentation system also enables retrospective investigation to establish patterns, for example to determine whether certain elements are more prone to leakage. Here too the operator has presented best-in-class performance, with an exceedingly low percentage of leaking components, most of which are repaired immediately (some require depressurizing the system, and therefore, as long as the leak is not considered severe, await the forthcoming general maintenance). In the 2023 LDAR, ~0.06% of the components were found to leak above the repair definition, and all were repaired promptly.

To address concerns raised by local communities prior to commencement of gas production in late 2019, the Leviathan partners installed an air quality station on the Leviathan platform, exceeding regulatory requirements. The station transmits data to the Urban Association for Environmental Protection Sharon-Carmel ("Igdud Arim Sharon-Carmel"), and is accessible at https://www.igudhadera.co.il/nitur_hadera/by_monitor/nitur_group.htm.

Finally, the Leviathan project has installed and is operating two air monitoring stations onshore (Dor and Maayan Zvi) that supplement the national air quality monitoring network administered by MoEP.

Additional information on measures implemented in the Leviathan platform to minimize environmental impact, real-time operational updates, reports and other data can be found on the Leviathan project website (<https://leviathanproject.co.il/environment-and-safety/>)

construct and operate renewable energy projects, including solar, wind and energy storage, in the East Med and North Africa. In September 2022 NewMed's general assembly approved an investment of up to \$100 million in the joint venture, which will leverage Enlight's expertise in renewable energy, and NewMed's expertise in the energy sector in target countries. This should increase the total amount of energy produced by NewMed, without increasing significantly the emissions, resulting in a decrease in emissions intensity. On the hydrogen and CCUS fronts, NewMed is evaluating potential projects, capitalizing on its subsurface and engineering expertise, combined with its understanding of local and regional regulatory frameworks.



Water Management

The vast majority of water used in the partnership's assets is at the offshore Leviathan Production Platform (LPP), where all processing of Leviathan's natural gas and condensate is accomplished¹. Leviathan does not utilize any water for reservoir stimulation, and free-flow production occurs from the highly prolific subsurface beds, driven solely by the pressure gradient between the reservoir and the platform. There are no plans to utilize water to enhance recovery through reservoir stimulation².

Various LPP water streams, byproducts of the gas processing system and the facility use are either discharged to sea or evacuated to shore, based on their characteristics. All effluents are regulated by a Discharge Permit, which includes volumes, pollutant concentration thresholds, monitoring and control measures, and reporting guidelines. The aggregated pollutants volumes, from all discharged streams, are reported annually to the PRTR and presented in appendix A for convenience. By far the most voluminous used-water stream is that of

sea water utilized to cool gas processing. Approximately 30 thousand cubic meters are circulated daily (onboarded and discharged continuously) through the LPP heat exchangers. Produced water (~29 thousand cubic meters in 2023), consist to date of condensed water originating in the reservoir (i.e., it is water vapor at reservoir pressure and temperature conditions, but condenses to liquid as it is brought to surface with the gas). In the future, this stream will also consist of reservoir formation water, but the exact timing and volume depends on various factors, including production rates and operational considerations.

Other significant water streams are those that support personnel on board the platform. The LPP desalinizes its own water and discharges the residual brine (~5.3 thousand cubic meter in 2023), and also discharges treated sanitary water (~3.3 thousand cubic meter in 2023). All water streams are regularly monitored and duly reported to the MoEP, according to the terms of the Discharge Permit.

¹ NewMed sold its working interest in Tamar in December 2021; the Yam Tethys project's natural gas fields (Mari B, Pinnacles and Noa) are depleted as of 2019, and are currently being decommissioned. The Mari-B platform is being utilized by the Tamar Project, under a Facilities Use Agreement.

² Reservoir stimulation refers to operations aimed at increasing production rate and/or ultimate recovery, commonly by injecting fluids into the reservoir.

Biodiversity and Ecosystem Conservation

Operations associated with natural gas exploration and production affect wildlife and ecological systems and can potentially negatively impact the marine environment and the biological diversity within it. Such operations include seismic surveying, drilling, traffic of vessels and vehicles, light and noise, installation (and removal) of infrastructure on the seabed, in the water column or at the surface. In the partnership's assets, the operator implements a comprehensive policy regarding biodiversity, aiming to prevent and minimize significant impacts on sensitive species, habitats, and ecological systems. These measures are implemented throughout the entire project lifecycle, from exploration to production to decommissioning¹.

Material operations, such as drilling or pipe laying, are preceded by an environmental survey to discover whether there are any sensitive nature values in place, and to establish an environmental baseline. The activity itself is then conducted under designated permits and licences and audited accordingly by the regulator. The activity is then

followed by a post-activity survey, to document any potential changes caused by the activity, and remediate material negative impacts.

A case in point is the drilling of the Leviathan-8 in-fill well in 2022-2023. The operations were preceded by an environmental survey that was conducted in 2014 as part of the Leviathan Field environmental baseline study (EBS). The operations themselves were conducted under the approvals of the ministries of Energy and Environmental Protection, and conducted under various permits and licenses, including a Discharge Permit. Finally, a post-drill survey was conducted after operations were concluded in March 2023. The survey documented seafloor morphology and sediment composition in the vicinity of the wellhead and concluded that no material adverse changes occurred since the baseline survey.

Environmental surveys conducted in NewMed's assets are presented in the table below.

¹ Further details available at www.chevron.com/investors/esg#biodiversity.

	2022	2023
Yam Tethys	Mari-B EMS report (submitted in July 2023)	Mari-B EMS report (to be submitted in September 2024)
Leviathan	LPP EMS report (submitted in July 2023)	Post L-8 drilling (submitted in October 2023) LPP EMS report (to be submitted in September 2024)
Aphrodite		A-3 post-drill environmental survey A3 Regional Environmental Baseline Survey



03

Society

NewMed is committed to delivering strong financial results, in a safe, sustainable, and respectful way.

We manage to do so primarily by focusing on people, be them our employees, our customers, our partners, and our communities. We believe we employ the best in the business, people who are not only talented, but mainly dedicated and committed to NewMed's goals and initiatives. We do our best to respond in kind to our employees, by fostering an equitable and inclusive environment, where all employees can feel a sense of belonging and partnership, and where they feel adequately nurtured and compensated.

We are equally committed to supporting and improving the wellbeing of our communities. We strive to be recognized by our communities and stakeholders as the go-to partner, one that is approachable and that will respond to questions, claims, and requests in a transparent, authentic, and meaningful way, that would ultimately result in positive impact.

NewMed's main assets are operated by others, namely Chevron Mediterranean Ltd (Leviathan and Yam Tethys) and Chevron Cyprus Ltd (Aphrodite). Both operators prove to be exceptionally safe, environmentally conscious, and effective operators, which is a testament to the emphasis the respective joint ventures put on these matters. The operators and NewMed have systems in place that promote safety and environment protection, and that ensure that we continuously improve. Being best is not a "done" task, but rather a consistent effort to improve.

NewMed is slated to become operator in the Boujdour Atlantique exploration licenses which are located in an area historically referred to as "Western Sahara", and which is defined by the UN as a non-self-governing-territory, while it is de facto administered by Morocco. NewMed is aware of the social and geopolitical complexities of operating in this area and is committed to conducting operations in conformance with the principles outlined by the UN, and in particular in a manner that benefits the people of the region, and most importantly local residents. NewMed is engaging key stakeholders and advisors to ensure that it devises an ESG strategy, with an emphasis on human rights, that will ensure meeting highest standards.

Society



Our Employees

NewMed is managed by the General Partner in accordance with the terms of the partnership agreement. NewMed is a small firm in terms of workforce. At 23 employees, it is one of the smallest in the sector, especially when considering its portfolio's value, and the breadth of its activity. Each of our employees counts to the success of the partnership, and it is a priority for NewMed's management and board to ensure that they all feel fulfilled, content and adequately compensated and treated.

To that end, NewMed offers its employees best-in-class benefits.

- Social benefits including provident fund, pension, compensation fund and disability
- Training fund including company match of 3:1, calculated on full salary (beyond Israeli Tax Authority ceiling)
- Index-linked salary (only positive indexation, quarterly)
- Transit allowance (either company-leased vehicle or reimbursement)
- Subsidized meals
- Generous paid-time-off program, including ~12 paid company holidays, and recuperation days beyond those required by law
- Flexible and hybrid work schedules
- Personal pension consultation
- Maternity leave per law, with certain benefits extended beyond requirement.



Since 2023 the partnership is offering its employees free access to an on-site fitness center, and sponsors two weekly group fitness classes. It further expanded the annual health survey ("Seker") to include all employees above 40 years old.

The partnership organizes an annual "Woman's Day", in recognition of the contributions of our female employee, which make up 32% of the workforce.

NewMed also utilizes various external advisors, with expertise ranging from geology, geophysics, engineering and environment, through legal and cyber, to financial and marketing and more. The advisors are engaged through contracts, which where relevant include consents to abiding by NewMed's internal guidelines, such as anti-bribery and code of ethics.

NewMed's current assets are operated by Chevron affiliates. The operators of the assets employ personnel directly, either as employees, consultants or contractors. NewMed does not have an employer-employee relationship with the operators' employees, consultants or contractors.

NewMed is committed to:

- **Creating a respectful work environment** – the partnership sees its employees and managers as full partners in its success and works to promote their development while creating a safe, supportive, and respectful work environment.
- **Ensuring the rights and well-being of employees** – the partnership is committed to preserving the rights of its employees and providing them with fair and appropriate working conditions.
- **Implementing an organizational culture** – the partnership works to instill an organizational culture that upholds human dignity, privacy, equality, prevention of discrimination, prevention of harassment, and fair employment practices
- **Adopting an ethics code** – The partnership's ethics code sets expectations and provides guidelines related to proper conduct, strict compliance with the law, adherence to regulations governing the partnership, dealing with suppliers, responsible marketing, diversity and inclusion, prevention of bribery and corruption, prevention of sexual harassment, and more.
- **Protecting privacy and personal information** – The partnership works to secure, separate, and register databases containing the personal information of its employees and advisors.



Diversity in Gender and Age

In accordance with NewMed's code of ethics and in compliance with the law, the partnership is committed to operating in an equitable manner and to not discriminate against any employee or job applicant based on their race, ethnicity, age, gender, religion, sexual orientation, gender identity, gender expression, disability, or economic status. This commitment applies to recruitment of employees, as well as to the terms of employment, including promotion, salary and benefits, disciplinary actions, termination, and retirement benefits.

NewMed strives to create an organizational culture based on mutual respect, caring, teamwork, and responsibility. As part of

this commitment, NewMed adheres to and promotes fundamental and universal labor rights, including the prohibition of child labor in the projects we are involved in; compliance with regulations in the countries where NewMed operates; prohibition of forced labor; and respect for the right of employees to join workers' organizations under the principle of freedom of association.

Throughout 2022 and 2023, no complaints of discrimination were received.



Training and Development

NewMed employees participate in conferences, workshops, and training, tailored to their roles as well as their areas of interest and aspirations. The partnership encourages and financially supports professional development, ranging from short seminars to graduate-level education. Additionally, the partnership periodically trains its

staff, including relevant consultants, on business conduct, sexual harassment, information security and cybersecurity.

Throughout 2022 and 2023, employees of NewMed participated, on average, in ~21 hours of training each.

Charitable Giving Governance

NewMed charitable giving is funneled through two main channels:

1 Directly from the partnership, and governed since November 2023 by NewMed's donation policy, which is implemented by the board-appointed Donation Committee, chaired by Mr. Nadav Perry, with Mr. Yossi Abu, Mr. Gabi Last, Ms. Sari Singer, and Mr. Tzach Habusha as members. NewMed's charitable giving focuses on education and environment, primarily in peripheral regions, and supports projects that provide sustainable improvements to communities.

For example, the partnership initiated in 2017 a collaboration with the Kinneret College, Meir Elementary School in Beit She'an, and Gallium (the latter being a regional partnership for scientific and technological education) with the aim of supporting science and technology education in the peripheral north. As part of the project, NewMed provided scholarships to undergraduate students studying energy engineering at Kinneret College. In return, scholarship recipients assisted in teaching science and technology at Meir Elementary School in Beit She'an. Throughout 2022, NewMed supported seven scholarship recipients (~20 thousand USD) and supported the activities at the school (additional ~35 thousand USD). In addition, NewMed senior technical staff mentored students at the college in their final projects. Finally, in 2023 NewMed sponsored Meir's off-site end-of-year science fair event (~10 thousand USD)¹.

Following the October 7 atrocities inflicted by the Hamas terrorist organization on the southwest of Israel, which precipitated the Swords of Iron war, NewMed has dedicated resources, monetary but more significantly in-kind, in support of communities. NewMed's employees and management volunteered over 1,300 hours, and drove over 24,000 km in the 13 weeks following October 7, in support of various community impacted by the war.



For example, NewMed partnered with the family of the late **Lt Colonel Salman Habaka**, from the Yanuh-Jat village in the Galilee (northern Israel), to commemorate him through a myriad of educational activities. Salman embodied in his life the strong bond and alliance between the

druze community and the intricate tapestry which makes up the Israeli society. He was a compassionate and fearless leader, and we had the honor of meeting him before he fell in action.

Another partnership NewMed is honored to be part of is with the **Nova Tribe** community, which was ravaged on October 7 while celebrating an outdoor nature party. Thousands of party goers of all ages were transported suddenly, at 6:29am as the sun was rising, from a world of love and giving, to an abyss of terror and war. The Tribe of Nova Foundation supports the members of the Nova community by offering various paths for healing, micro-grants for specific needs, and initiating commemoration events.



2 Through the Leviathan Project, where the joint venture partners (NewMed, Chevron and Ratio) pool resources to support projects and initiatives that are related, primarily geographically but also thematically and demographically, to Leviathan. The Leviathan Project charitable giving is governed and implemented by the joint venture Operating Committee, and is focused on education projects in peripheral areas, and on projects associated with the sea and coastline.

"Song of the Sea" – The Good Energy Initiative: an environmental organization focused on identifying and implementing technologies to address climate change. The Song of the Sea project aims to renew, expand, and strengthen marine diversity in the Mediterranean Sea by adding artificial reefs to underwater infrastructure in a way that enables carbon sequestration, the establishment of obstacles to trawl fishing (which is prohibited by law), and various educational activities. The study includes sonar surveys and mapping, surface inspections and acquisition of hydrological and biological data (~92 thousand USD).

Yemin Orde – "Bridging the Digital Gap": Yemin Orde is a youth village in the Hof HaCarmel Regional Council hosting 420 students, ~75% of which arrive to Israel from the Former Soviet Union, Ethiopia, and France, without the support of a family framework or facing economic hardship. The rest of the students hail from challenging socio-economic backgrounds. The Friends of Yemin Orde is promoting the "Bridging the Digital Gap" project, in which each student will receive a laptop and benefit from educational support to acquire necessary computer skills (~100 thousand USD).

Histadrut HaNoar HaOved VeHaLomed Youth Movement Branch in Jisr az-Zarqa: The branch was reestablished in 2021 in the community characterized by very low socio-economic status, facing chronic shortages in educational activities for its youth. The movement proposed an educational program to operate the branch, emphasizing activities in the maritime domain such as water sports, revitalizing the bay in the community and developing a diverse and healthy maritime space, and joint Jewish-Arab activities within the framework of the project "Everyone's Ocean" (~70 thousand USD).



"HaGal Sheli" association: The association operates education centers for at-risk youth, promoting personal empowerment and building self-confidence through surfing. The association emphasizes environmental awareness with a specific focus on the marine and coastal environment. The association operates an educational center in the youth village "Kfar Galim" in the Hof HaCarmel Regional Council, attended by groups of students from Haifa and the Krayot, Naale Youth (youth that immigrated to Israel without their parents), Nahf and Tamra (~100 thousand USD).



Scholarships for Students from Hof HaCarmel and Surrounding Areas: The scholarships are awarded to students (at least half female) pursuing degrees in the technology, engineering, and/or environmental studies. The scholarships cover annual university tuition (~150 thousand USD).

Madatzim Program in the Meir Shfeya Youth Village: The youth village, founded in 1923, is located in the Hof HaCarmel Regional Council and hosts approximately 600 high school students. The Youth Guides (Madatzim) program is part of the activities aimed at building young leadership and is intended for students in grades 9 through 12. The program aims to empower the students, develop leadership skills and personal resilience, foster social cohesion, and strengthen collaboration between the village staff and its students (~60 thousand USD).



"Forest Cities" - Venatata Association: The association plants trees and creates community gardens in urban areas, to reduce the "urban heat island" effect, promote environmental and sustainable values, and mitigate the impacts of climate change on vulnerable communities and populations. The initiative transforms geographically peripheral communities into "forested" urban spaces in collaboration with local authorities. Leviathan is supporting the implementation of "Forest City" in Jisr az-Zarqa (~300 thousand USD).



¹ The partnership's charitable giving and community support program was approved by the board in November 2023, following the general assembly decision to approve a modification to the partnership agreement, by which the partnership may donate reasonable funds to appropriate goals.

Participation of Stakeholders in Partnership Activities

NewMed maintains direct and open communications with its stakeholders, responding as much as possible to the needs of the community in which our employees live and work and serve.

Throughout the development of the Leviathan project (between 2017 and 2020), NewMed, together with its project partners, conducted hundreds of meetings with various stakeholders, including members of the public, environmental organizations, school administrators and students, researchers, students, youth movement activists, parent committees and resident groups. These meetings allowed us to deepen our understanding of the community's needs and concerns, as well as those of various stakeholders. They also provided an opportunity to emphasize to stakeholders the importance and contribution of the project to Israel and its citizens, highlighting NewMed's strong emphasis on environmental preservation, safety, security, and quality of life in the region. As a result of the dialogue with stakeholders, additional systems were incorporated into the project, and various measures were incorporated during the project's development phase to ensure best in class environmental performance, and to enhance transparency. For example, an air monitoring station was installed

on the Leviathan platform, and the acquired data is consolidated and made available to the public on the project's website. Additionally, the data is shared with the Israeli Meteorological Service for integration, contributing to the development of weather forecasting models.

In addition, dedicated websites and social media pages were established for the Leviathan project, through which the public, the community, and stakeholders are informed about the project characteristics and its activities. On the website (www.leviathanproject.co.il), one can find information on environmental aspects, safety, the platform's operation, and ongoing monitoring results of emissions. The Leviathan Project website acts as a central hub created by Leviathan's partners to ensure that the interested public is well-informed about the project's activities and to provide access to its leadership.

In the years following the start of production in December 2019, the Leviathan partners have maintained continuous communication with the project stakeholders, utilizing the project's website and a dedicated group on WhatsApp managed by the operator for collaborative reporting purposes.



Safety

The operators of NewMed assets have comprehensive operational management systems that adhere to both local and international standards and are subject to periodic audits. The prime objective of these systems is to enhance safety and environmental performance by reducing

the frequency and severity of incidents. EHS aspects of NewMed's assets are monitored by the partnership according to an internal procedure which supplements the operators' internal assessments and audits, as well as those of the relevant regulators.

TRIR	2021	2022	2023
Leviathan	0 (927)*	0 (931)*	0 (1200)*
Yam Tethys	0 (327)*	0 (260)*	0 (46)*
Aphrodite	(a)	(a)	0 (310)*
Tamar	0.1 (1114)*	(b)	(b)

(a) No significant operations executed

(b) NewMed divested its holdings in Tamar in December 2021

* 1000's of person hours



04

Governance

Upholding responsible conduct and ensuring proper corporate governance constitute intrinsic aspects of our day-to-day activity and are integral to our success. We firmly believe that maintaining the corporate governance structure, having controls in place, and ensuring transparency and proper reporting contribute significantly to generating tangible value for our stakeholders, both presently and in the long-term.

We are committed to complying and observing laws, regulations and procedures essential for our continued operation and prosperity. Such compliance is maintained through a system of internal procedures, that are regularly reviewed and audited. Per our adopted procedures, we assess the compliance of project operators with the provisions of laws, regulations, licenses, and permits, as well as best industry practices. Additionally, these procedures govern the Partnership's interaction with the operator, including reports regarding operations, infrastructure, finances, environment, and other aspects.

On 29 September 2022, the Partnership announced its intention to merge with the English company Capricorn. Due to developments at Capricorn in early 2023, including a major change to Capricorn's board of directors and senior management, on 15 February 2023, NewMed and Capricorn agreed to cancel the merger.

On 28 March 2023, international energy companies BP and ADNOC submitted a non-binding, indicative offer to acquire half of the NewMed partnership. The offer is for the acquisition, in cash, of all of the Partnership's participation units that are held by the public (45%), as well as 5% of the participation units held by Delek Group. On March 13, 2024, the independent committee, that was established to assess the proposed transaction, agreed together with BP and Adnoc to suspend discussions in relation to the proposed transaction, due to the uncertainty created by the external environment. BP and Adnoc reiterated their interest in the proposed transaction.

The board of directors

At the end of 2023 the board comprised 7 directors, 3 of which were classified as external directors. In addition to the external directors, the board has a chairman, who was previously Chairman of Delek Group, the controlling holder, as well as three other directors who also hold office at Delek Group, namely the CEO, the General Counsel and the CFO.

One female director serves on the board. The average age of the board members is 68.

The directors contribute a wealth of experience in formulating the Partnership's strategy and policy, possessing an in-depth knowledge of its activity and the markets in which it operates, coupled with expertise in the energy sector. Among the seven directors, three possess specialized expertise in accounting and finance, and the rest boast extensive business acumen, including considerable experience serving on the boards of public companies across diverse sectors.

Board members periodically participate in seminars organized by management. In 2022 and 2023, training sessions were conducted for the board members on corporate governance, security and geopolitics, cybersecurity and cybercrime, Israel and the global economy, and ESG. In addition, and as an integral component of the Partnership's enforcement program, newly appointed board members undergo a comprehensive training and onboarding program. This program includes sessions with officers and advisors and involves a thorough review of pertinent documents, addressing issues such as the Partnership's business and associated risks, strategic considerations, legal provisions, and the internal enforcement program. Additionally, any new director who is also appointed to the audit committee is further provided with the audit reports and the internal auditor's work plan.

The résumés of the directors are available on [the Partnership's website](#).

In 2020, the Partnership's board and its committees held 54 meetings, and the average rate of participation by directors was ~ 93%.

In 2021, the Partnership's board and its committees held 50 meetings, and the average rate of participation by directors was ~ 92%.

In 2022, the Partnership's board and its committees held 41 meetings, and the average rate of participation by directors was ~ 98%.

In 2023, the Partnership's board and its committees held 29 meetings, and the average rate of participation by directors was ~ 98%.

Governance

Board committees

The board of directors of the Partnership's General Partner, along with its committees, is tasked with managing and formulating the Partnership's long-term strategy and overseeing its implementation by the Partnership's management, to ensure alignment with the interests of shareholders and other stakeholders. Board committees conduct in-depth discussions on focus areas, including, inter alia, financial statements, profit distributions and financial matters, senior executive

compensation, investment management, EHS, information and cyber security, interested party transactions, internal enforcement, audit and procedures.

As of 31 December 2023, the board committees comprise exclusively of the three external directors, as detailed below:

Composition of the Board Committees			
Audit Committee	Compensation Committee	Finance Committee	Investment Committee
Amos Yaron	Amos Yaron, Chairman	Amos Yaron	Amos Yaron
Jacob Zack, Chairman	Jacob Zack	Jacob Zack, Chairman	Jacob Zack
Efraim Sadka	Efraim Sadka	Efraim Sadka	Efraim Sadka, Chairman

The audit committee

The audit committee is primarily responsible for internal controls, internal enforcement program for the securities law, the Partnership's Code of Ethics, EHS, information and cyber security, and ESG. The committee is further assigned to review and approve interested party transactions.

The committee appointed Adv. Sari Singer, the Partnership's General Counsel, as the internal enforcement officer for securities law and the Code of Ethics, who is responsible, inter alia, for preparing the enforcement procedures and updating them from time to time, ensuring the performance of compliance surveys, monitoring and supervising the implementation of the program, employee training, announcement of procedures, annual reporting to the audit committee, regular reporting and documentation.

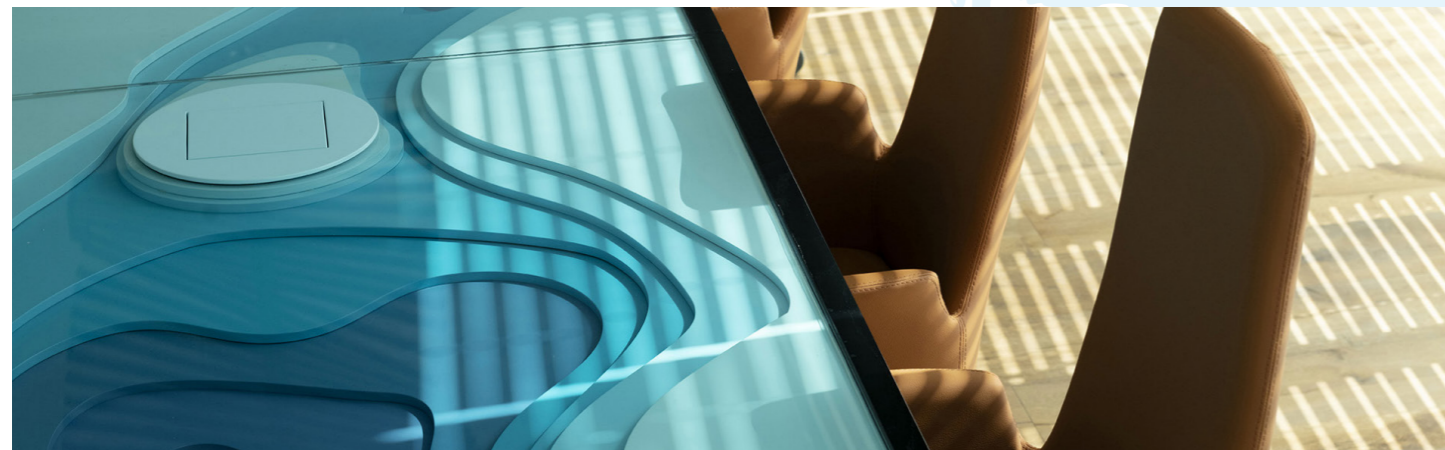
The committee appointed the Partnership's VP Exploration, Dr. Zvi (Kul) Karcz, as the Partnership's Environment, Health, and Safety (EHS) officer. Dr. Karcz is responsible for, inter alia, managing and implementing the Partnership's internal EHS procedure, which includes monitoring the Partnership's assets' operators' EHS activity and performance. Dr. Karcz reports to the audit committee, which

assumes the responsibility of overseeing the environmental and safety aspects of the Partnership's activity.

The committee approved the information and cyber security policy, and appointed Mr. Tal Levi, the Partnership's VP Budget & Control, as information and cyber security officer. Mr. Levi provides the audit committee with reports on policy compliance, the progress of annual work plans, and material cyber events twice a year. He is further responsible for writing and implementing work procedures that support the policy. To ensure implementation of the policy and recommendations of the professional functions, the Partnership retains a part time consultant who acts as chief information security officer (CISO) and is the professional function who advises the information and cyber security officer.

The committee was authorized by the General Partner's board as the organ responsible for ESG. In February 2022, the audit committee approved the Partnership's ESG report for 2020-2021, and in June 2024 it approved the Partnership's ESG report for 2022-2023.

The committee appointed Dr. Kul Karcz to be ESG Officer.



The compensation committee

The compensation committee is responsible, inter alia, for determining, updating, and approving officers' compensation policy, approving periodically officers' compensation according to the aforementioned policy, approving officers' insurance policies, and more.

The investment committee

The investment committee, which is not mandatory, was established with the aim of holding professional and in-depth discussions on the Partnership's Financial investments and making investment-related recommendations to the board. The committee conducts discussions on the investment portfolio, ensuring that the Partnership's available

funds are invested in accordance with the Partnership Agreement. It defines the preferred investment mix and oversees the implementation of the methodology for investing the Partnership's available funds, including monitoring and control measures.

The finance committee

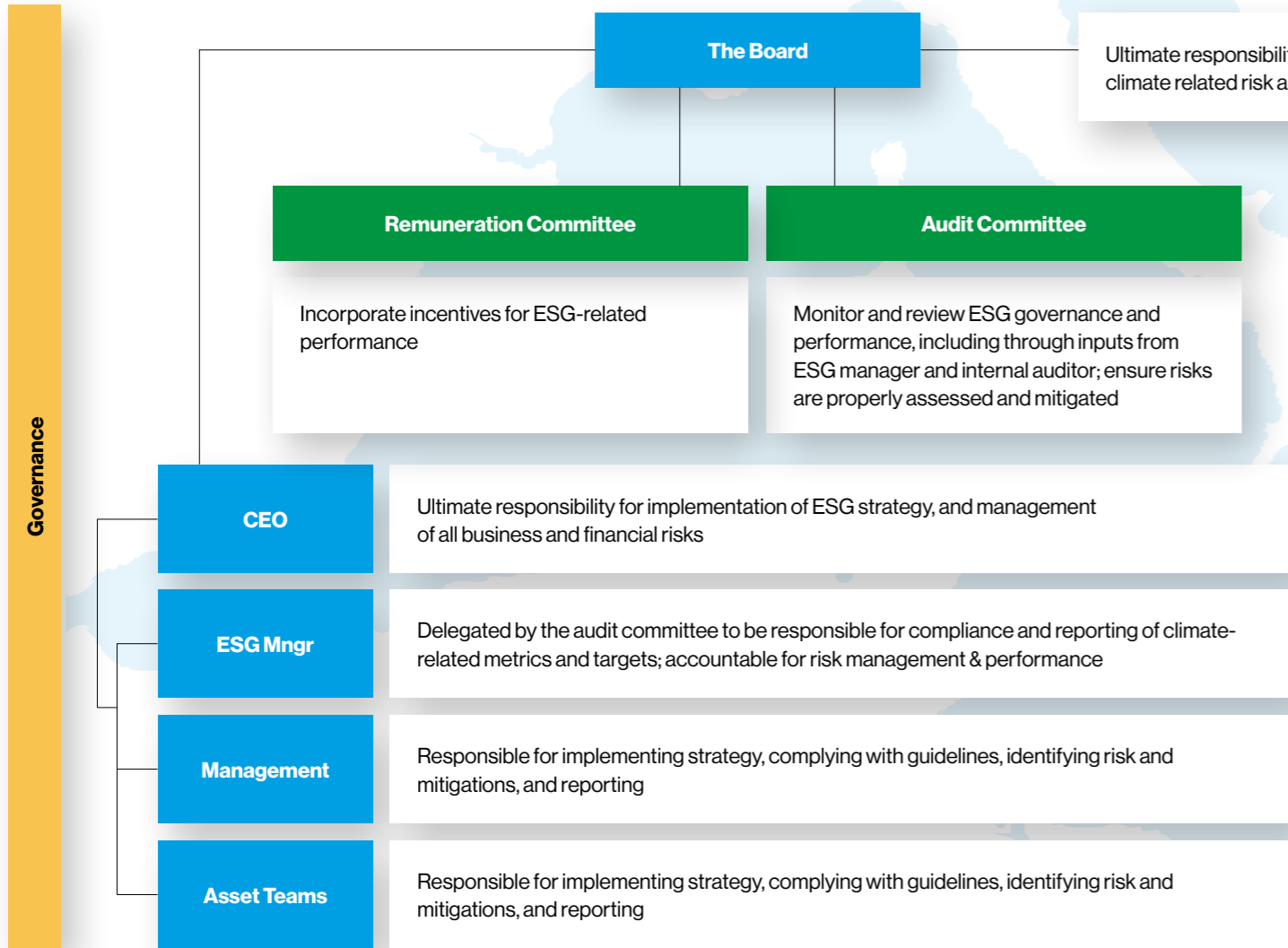
The finance committee (or FSRC - Financial Statements Review Committee) is responsible for controls of the Partnership's periodic financial statements and for their formal approval. Additionally, it undertakes the examination of the Partnership's compliance with the distribution tests stipulated by law, and according to its findings, approves and provides recommendations to the board concerning profit distributions.

In 2022 and 2023, the number of meetings held by the board and its committees, along with the rate of participation by the directors, are as follows:

Board / committee name	Number of meetings				Rate of participation (%)			
	2020	2021	2022	2023	2020	2021	2022	2023
As of 31 December								
Board	28	22	20	16	86	87	97	91
Audit Committee	11	12	8	3	100	98	100	100
Compensation Committee	7	7	6	4	100	96	100	100
Finance Committee	6	8	5	5	100	97	93	100
Investment Committee	2	1	2	1	100	67	100	100
Total	54	50	41	29	93	92	98	98



We present here for convenience roles and responsibilities of the partnership's organs, as they relate to climate-related risks and disclosures. Further details are provided in Appendix B



Strategy	
Natural Gas	The partnership's main business is in exploration, development, production and marketing of natural gas. - On the demand side, forecasts indicate robust regional market potential for >20 years - On the supply side, the partnership is actively pursuing capturing additional market in the short term (through increasing Leviathan production capacity), mid term (through development of Aphrodite), and long term (e.g., exploration in Block I)
Renewables and Hydrogen	To achieve net zero emissions in 2050 while supporting growth in natural gas, the partnership will - Maintain and improve best-in-class carbon emission intensity in assets - Reduce emissions intensity through investments in renewable energy; offset emissions through investments in hydrogen and ccus

Risk Management		
Physical Risks	Risks: Assets and operations may be disrupted due to extreme climate events, and/or other natural or human causes beyond the partnership's control	Mitigations: The partnership's East Med assets are operated by subsidiaries of Chevron, a reputable operator with robust operations, safety and environment management systems, which are periodically reviewed by the partnership and external auditors. Procedures for operating under extreme weather event, earthquakes etc. are in place.
Transition Risks	Risks: Assets and operations are subject to risk associated with evolving policy, technology, market, legal and reputation.	Mitigations: The partnership is aware that significant disruptions to its assets' operations may be caused through evolving regulation, technology and market drivers, and therefore monitors such trends closely. The partnership is diversifying its asset portfolio, to include international assets (Morocco), include renewable energy assets, potentially include hydrogen assets, fill-up the exploration pipeline (Block I), and form alliances with other significant energy players (e.g., BP, SOCAR).

Metrics	
GHG Emissions Monitoring and Reporting	The partnership is committed to achieving net zero by 2050 The partnership's assets' GHG emissions and environmental performance metrics are reported in alignment with pervasive standards. The partnership uses a 3rd party to independently assess GHG emissions from Leviathan, beyond what is required by regulation.

¹ The Financial Stability Board announced that the work of the TCFD has been completed, and has been assimilated in the ISSB Standards. Companies may continue using TCFD recommendations, noting that applying for IFRS S1 and IFRS S2 will meet the TCFD recommendations.



Officers

As of 31 December 2023, the Partnership and the General Partner had eight senior officers: CEO, EVP Legal, VP Exploration, VP Finance, VP Leviathan Project, VP Budget & Control, VP Regulatory & Public Affairs, and VP Trade. In addition, the Partnership retains the services of an internal auditor.

Internal audit

The Partnership's internal audit function works according to the Internal Audit Law and professional standards and carries out objective and independent audits on diverse issues. The audit reports are presented for discussion at the audit committee. The current internal auditor has served in the position since 2016. The internal auditor reports to the chairman of the board, and his budget is approved by the audit committee. The internal audit work plan is prepared by the Partnership's internal auditor in coordination with the Partnership's management, and is based on a risk survey, which is updated periodically. The plan is presented to the General Partner's board and audit committee and is approved by the audit committee.

The audit committee and the board meet in a closed session (i.e., without the presence of the partnership's management) at least once a year, to review the audit system and the internal auditor's performance.

During the years 2021 through 2023, 600 audit hours were allocated to the internal auditor per year.

In addition to the internal auditor's work and in accordance with the joint operating agreements (JOA) governing the Partnership's assets, the Partnership, facilitated by external entities, conducts audits of the operators' work in the Leviathan and Aphrodite projects. Mr. Tal Levi, the Partnership's VP Budget & Control, participates in the meetings for the preparation, monitoring and supervision of said audits, and reports to the General Partner's board and audit committee on their findings. A periodic audit of Leviathan's operator's books for 2020-2021 was conducted in 2022 by an external consultant with global expertise in auditing in the energy industry, with an approved budget of ~780 hours. In addition, in 2022, an audit of Aphrodite's operator's books for 2018-2021 was conducted through a joint team of the Partnership and Shell (the other partner in the asset).

Internal enforcement

An internal enforcement program for securities is a voluntary mechanism adopted by organizations and implemented on an ongoing basis to identify and prevent breaches and violations and to ensure compliance by the organization and its affiliated individuals with various laws and directives. The program further determines the methods by which the organization will supervise its implementation and integration, and the actions that the organization will undertake in supervising and controlling third parties with whom it engages. As part of the Partnership's general risk management, in 2013, an internal enforcement program for securities was first adopted. In 2018 an updated program was adopted determining the manner of implementation, supervision and control of fulfillment of various laws and directives, appropriate handling of breaches and failures, mitigation of damage from any breaches, and defining the roles, powers and duties of the Partnership's various entities pertinent to achieving the goals of the internal enforcement program. The Partnership's enforcement program also consists of work procedures, including those regarding the work of the board of directors and the board committees, insider trading, anti-bribery and corruption. In 2022, a compliance survey determined that the enforcement program is comprehensive and meets the requirements of the Israel Securities Authority (ISA) and the law, and that the Partnership has a general culture of compliance and implementation of the enforcement program. In the context of these findings, it was proposed to make a small number of updates to the enforcement program procedures to streamline the work processes determined therein and to adapt them to the needs and character of the Partnership. The compliance survey and the procedures were approved in July 2022 by the audit committee and communicated to the board.

The General Partner's board determined that the enforcement program will be approved and supervised by the audit committee. The audit committee appointed Adv. Sari Singer, the Partnership's General Counsel, as the officer in charge of implementation and integration of the program at the Partnership. Ms. Singer is responsible for reporting annually to the audit committee, and for documenting and retaining the documents pertaining to the enforcement program, including compliance surveys, updates, notices of breach, etc. The internal auditor conducts an audit of implementation and integration of the partnership's enforcement program.

In 2020-2023 no compliance issues were recorded at the Partnership.

Anti-bribery and corruption

The Partnership is committed to conducting its business with fairness, integrity, credibility and responsibility, and to ensure that its business activity, both within and outside of Israel, adheres to the highest moral standards and complies with the various laws and regulations governing its areas of operation. The Partnership is thus committed to avoiding potential corruption risks. Accordingly, the Partnership has established an anti-bribery and corruption procedure, which is regularly updated and is intended to ensure compliance with and observance of laws and directives relating to bribery, corruption, money laundering, etc. The procedure outlines its applicability, along with the events and warning signs that necessitate attention.

In 2020-2023, there were no recorded reports to the Partnership concerning incidents of bribery and corruption.

Risk management

The Partnership's activities expose it to various risks of diverse nature, including, but not limited to, financial, operational, technical, geopolitical, security and market. A concise list and table of risks and mitigations are provided in the partnership's annual reports, most recently that of 2023.

The Partnership's overall risk management process is guided by the board, who meets at least once a year to review and discuss risks and mitigations. Accordingly, the board assigns to specific managers responsibility to manage certain risks. For example, Mr. Tzach Habusha, the partnership's CFO, is in charge of market and financial risks management. Similarly, Dr. Kul Karcz, the partnership's VP Exploration, has oversight over climate-related risks.

The audit committee, supported by the internal auditor who has expertise in risk management, meets in a closed session (i.e., without the presence of the partnership's management) at least once a year, to identify and discuss any deficiencies in the partnership's management.

Information and cyber security

In accordance with the directives of the National Cyber Directorate (NCD), the operators of the Partnership's projects are responsible for the prevention of damage to IT systems. Information and information security (cyber) risks are among the most prominent risks currently faced by companies, and the Partnership reviews and monitors the operators' management systems and performance in this respect. To the best of the Partnership's knowledge, as of 2023 the operators of Leviathan, Yam Tethys and Aphrodite meet all of the information security requirements.

The Leviathan project operator has adopted an information security strategy comprised of three pillars: implementation of advanced information security technologies, strict prevention of cyberattacks through employee awareness and training, and compliance with information security laws and regulations.

Chevron, which acquired Noble in 2020, has adopted and implemented an Operational Excellence Management System (OEMS). This system helps identify and assess various risks, including information and cyber security risks, mapping safeguards and their top-down implementation. OEMS meets ISO 45001 for occupational health and

safety management systems.

The Partnership does not have access to the IT systems of the operators, nor any control over the key Industrial Control Systems (ICS) that monitor and control the production activity, which are under the sole responsibility and control of the operator.

The Partnership works to implement directives of the Privacy Protection Authority as well as recommendations of the National Cyber Directorate (the "Cyber Defense Methodology for Organizations"), for effective management of information security and cyber defense. The Partnership has established an information security and cyber defense policy which is implemented throughout the partnership's procedures, assets and services. This defense policy is approved annually by the Partnership's board.

The Partnership works to raise employee awareness of information and cyber security, including phishing attacks and rules on remote work. The Partnership also receives monitoring and control services from a third party, 24/7, 365 days a year, designed to alert on irregular activity in the Partnership's network.



During 2021-2023, annual cyber trainings were held for employees, with 100% attendance.

In accordance with the established policy, the Partnership conducts an information and cyber security risk survey, along with penetration tests, through a third party once every 3 years (most recently in 2021). The Partnership is committed to consistently implementing the recommendations from these surveys and tests, prioritized by severity. In addition, in 2022 and 2023, the Partnership allocated a designated budget for the management of cyber risks.

To the best of the Partnership's knowledge, in 2020-2023, there were no successful attempts at significant cyberattacks on databases co-owned by the Partnership or at its offices.

Transparency

Transparency plays a major role in ESG, and corporate governance. In our industry, which by its nature presents environmental and social opportunities and challenges, transparency is particularly important. We believe that transparency contributes to the quality of the Partnership's ongoing activity, while reducing exposure to managerial and operational risks. It further strengthens the relationship with capital markets, unitholders, stakeholders and the public in general. However, in maintaining transparency, a balance must be struck between the need to maintain commercial confidentiality, competitive advantage, and the need to present valid and verified information to stakeholders, and all according to the provisions of the law.

In accordance with the Partnerships Ordinance [New Version], 5735-1975, which applies to NewMed, enhanced supervision mechanisms were determined, inter alia through the appointment of a Supervisor for the General Partner. The Supervisor was elected by the minority participation unitholders at a general meeting, to oversee and review actions of the General Partner which may impact them. The Supervisor enhances controls of proper conduct of the corporate governance structures at the Partnership, reinforces transparency, and strengthens the relationship between the minority participation unitholders and the Partnership's organs. NewMed, unlike other Israeli partnerships in the energy sector, has two supervisors, Fahn Kanne & Co., and Kedar Supervision and Management, the first with legal expertise and the other with accounting expertise.



Mr. Guil Bashan is the Partnership's full-time Director of Investor Relations, and is responsible for the relationship with various stakeholders, including institutional investors and analysts. Mr. Bashan maintains ongoing discussions with relevant stakeholders on the partnership's business activities and material issues. In favor of its non-Israeli stakeholders, the partnership translates all material information that is published on TASE in Hebrew, to English. This includes quarterly and annual financial statements, immediate reports, and various presentations. The Partnership regularly posts presentations for investors and other stakeholders, participates in various investor conferences in Israel and overseas, and holds, from time to time, an investor conference attended by the Partnership's CEO. The Partnership also holds on a quarterly basis an investor video conference (Webinar) in Hebrew and in English, accompanied by a presentation. The presentation is published on the TASE's website, and a recording of the conference is uploaded to the Partnership's website.

In 2023, the Partnership held 4 investor video conferences. In 2022, the Partnership held 1 in-person investor conference and 4 investor video conferences. In 2021, the Partnership held 1 in-person investor conference and 4 earnings calls. In 2020, the Partnership held 2 investor conferences and 4 earnings calls.

In its current business activity, the Partnership ensures accurate bookkeeping and record-keeping to adequately reflect the various transactions it performs. The Partnership also maintains, pursuant to the provisions of the law and the regulations to which it is subject to, procedures for internal control of financial reporting which include, inter alia, controls and procedures intended to give the Partnership's management reasonable assurance regarding the reliability of the financial reporting and regarding preparation of the financial statements in accordance with the provisions of the law. The Partnership also maintains controls and procedures that are intended to ensure that the information that it is required to disclose is in compliance with the provisions of the law, and is acquired, processed, summarized and reported on time and in the format set forth in the law, and that such information is delivered to management, all in order to facilitate timely decision-making in reference to the disclosure requirements. The controls and procedures comprise four key components: (1) Controls at the Partnership level – controls which may have an effect on the Partnership on the whole, and include, inter alia, controls over processes for making and approving decisions at the Partnership, having an internal enforcement program, approval of and reporting on transactions with interested parties and/or the control holder of the Partnership, and controls intended to prevent or mitigate the possibility of the Partnership's management's circumventing established internal controls; (2) Controls over the process of preparing and closing the financial statements – this process relates to the last part of the process of financial reporting and disclosure by the Partnership, which includes, inter alia, the controls required for determining and implementing the Partnership's accounting policy, preparation and drafting of the Partnership's financial statements, including the relevant disclosures, and discussions on and approval of the financial statements by the management and the board of directors of the Partnership's General Partner; (3) IT general controls (ITGC) – which include, inter alia, control procedures that pertain to authorizations for access to the Partnership's accounting systems and performance of actions therein, structured procedures for management of changes to the Partnership's accounting systems, and backup and recovery of information from these systems; (4) Critical processes for financial reporting and disclosure – specific regulations and controls designed to prevent a material misrepresentation in financial reporting have been established for processes that may have a highly material impact on financial reporting.

The Partnership works to constantly improve its corporate governance foundations. Thus, for example, the Partnership examined through external consultants, the corporate governance components at the Partnership, and adopted recommendations to strengthen them, such as reducing the number of participants in board meetings, establishing the investment committee through a formal appointment document, reducing the number of directors on the board (which increased the percentage of independent directors serving on the board) and initiating a process for the appointment of an external director on behalf of an institutional body.

Code of Ethics

NewMed has adopted a Code of Ethics that is regularly updated and that reflects its values and principles, and outlines the manner it expects its employees and officers to conduct themselves, both internally and externally. The Code of Ethics addresses appropriate conduct and maintaining fairness in business activity, compliance with provisions of law and procedures, contribution to society and the community, protection of the Partnership's assets, anti-bribery and corruption, prevention of sexual harassment, etc.

In 2020-2023, 100% of the Partnership's employees were informed of and signed updates to the Code of Ethics.

The officer in charge of the Code of Ethics is the Partnership's General Counsel, Adv. Sari Singer.

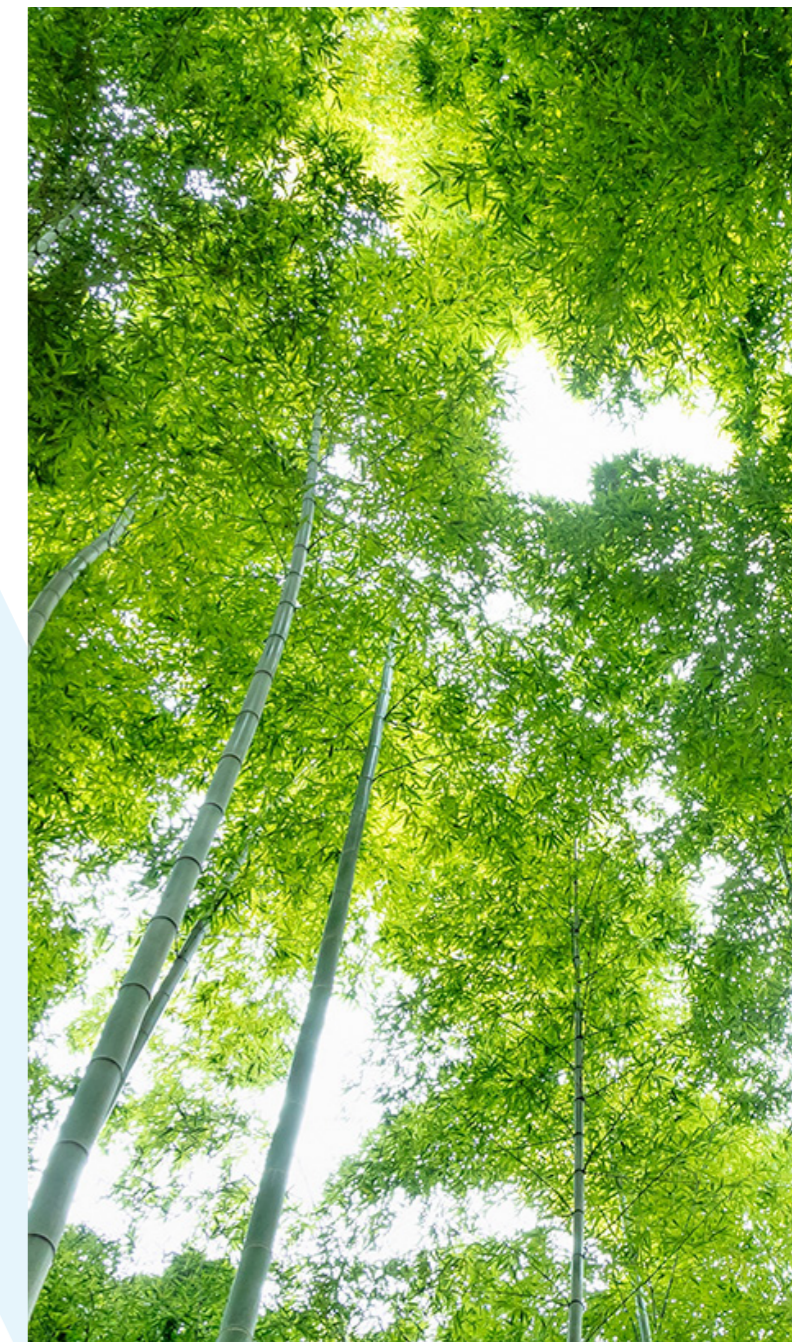
Our stakeholders

NewMed works to incorporate the diverse interests of its stakeholders in its activity. To this end, NewMed maintains ongoing and regular communication with stakeholders, in which needs and aspirations are identified and plans to integrate them are formed.

Mr. Nadav Perry is VP of Regulatory and Public Affairs, and oversees regular communication with government ministries, primarily – for purposes of the Partnership's business – the Ministry of Energy and the Ministry of Environmental Protection, either directly through the Partnership's officers, or through the operators of the Partnership's main assets. This communication ensures the partnership's and the projects' compliance with diverse regulations, including the terms and conditions of the environmental, technical, economic and governance permits, as well as enabling strategic planning for the future. In Cyprus, direct and indirect interface with primarily governmental entities is overseen by Mr. Eviatar Arviv, the partnership's New Ventures Manager.

The Natural Gas Association, of which the Partnership is a founding member, operates under the Manufacturers' Association of Israel (MAI), and represents the companies operating in the natural gas industry. The association strives to promote the interests of the industry in conformance with national and community interests, inter alia through dozens of seminars, lectures and publications. In recent years, the association has become pivotal in transitioning the local power generation sector from coal to natural gas. The association further promotes advancement of professional knowledge and keeping current with global trends through collaboration with international associations. In 2022 the CEO of the association was appointed as vice chair of the Group of Experts on Gas of the Sustainable Energy Division of the UNECE.

Since Leviathan is the largest natural gas project in Israel and the Partnership's main asset, considerable attention is paid to community relations, which are, for the most part, regularly maintained by the operator. The main communication channels with stakeholders are the project's website, and dedicated WhatsApp groups, all managed by the operator.



About the report

This report reviews the activity in our assets, focusing on ESG and safety, in the years 2022 and 2023.

This report was written in reference to current reporting instruction of the Global Reporting Initiative (GRI) and the GRI transparency standards. The report reviews NewMed's management's approach and internal processes, inter alia with respect to the operators in its assets.

Most of the information presented in the report was collected on an ongoing basis, mainly by the operators in the NewMed's assets. The report was written with the guidance of BDO Consulting's ESG unit, though it did not take part in the formation of NewMed's commitment to net-zero or its strategy for achieving this commitment.

Material issues selected for the report

NewMed mapped and prioritized issues that are material to the partnership and its stakeholders, based on various sources of information, and in reference to a peer group which includes companies that are operators of projects in the gas and oil sector. Materiality was also assessed based on controls the partnership has on operational aspects of assets which the partnership owns but does not operate. Of the issues considered, 16 are considered paramount, were discussed in the report, and are detailed for convenience in the materiality matrix presented below:

Economic

- 1. Economic performance
- 2. Direct and indirect impacts

Environmental – E

- 3. Environmental policy
- 4. Environmental impact mitigation
- 5. Emissions and emission reduction
- 6. Water management and marine discharge
- 7. Biodiversity and ecosystem conservation

Social - S

- 8. Contribution to the community
- 9. Instruction and training
- 10. Occupational health and safety

Corporate Governance - G

- 11. Ethics and behavioral norms
- 12. Proper corporate governance
- 13. Board composition
- 14. Anti-corruption, internal enforcement and compliance
- 15. Risk management
- 16. Information and cyber security



Issues identified as material	Position in matrix / chart	Report limits	Chapter in the report
Economic performance	1-2	Within the organization	01
Direct and indirect impacts		Within and outside the organization	
Environmental policy	3-4	Within the organization	01 & 02
Environmental impact mitigation		Within and outside the organization	
Emissions and emission reduction	5	Within and outside the organization	02
Water management and marine discharge	6	Within and outside the organization	02
Biodiversity and ecosystem conservation	7	Within and outside the organization	02
Contribution to the community	8	Within and outside the organization	03
Instruction and training	9	Within the organization	03
Occupational health and safety	10	Within the organization	03
Ethics and behavioral norms	11-13	Within and outside the organization	04
Proper corporate governance		Within and outside the organization	
Board composition		Within the organization	
Anti-corruption, internal enforcement and compliance	14	Within and outside the organization	
Risk management	15	Within and outside the organization	
Information and cyber security	16	Within and outside the organization	

Dr. Zvi (Kul) Karcz, VP Exploration and ESG officer at the Partnership
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Appendix A

		Leviathan (100%)			
		2023	2022	2021	2020
Air	Toluene (kg)	58	59	65	55
	Formaldehyde (kg)	94	101	98	72
	Non – methane Volatile organic compounds (NMVOC) (kg)	7,261	7,535	8,492	11,564
	Methane (CH4) (kg)	99,958	87,474	106,537	308,634
	Nitrogen oxides (as NO2) (kg)	50,597	60,460	73,656	71,563
	Carbon dioxide (CO2) (kg)	103,849,305	113,992,664	112,994,171	65,451,419
	Benzene (kg)	12	12	16	17
Carbon monoxide (CO) (kg)	15,001	17,951	19,529	23,878	
Discharge to Sea	Zinc & compounds (as Zn) (kg)	5.6	9	8	10
	Barium & soluble compounds (as Ba) (kg)	3.1	2		
	Ammonia (NH3) (kg)	464.4	282	92	116
	Copper & compounds (as Cu) (kg)	3	3	1	1
	Sodium (kg)	6,685.8	16,395	8,696	
	Total organic carbon (TOC) (kg)	18,873.96	5,711	1,516	1,868
	Chlorides (as total Cl) (kg)	12,625.24	27,589	16,867	
	Total phosphorus (kg)	50.96	30		
Total Nitrogen (kg)	533.63	311			
Waste	Hazardous Waste treatment (ton)	106	139	148	658
	Hazardous Waste disposal (ton)	143.5	12,328	16,248	10,451
	non-Hazardous Waste disposal (ton)	8,618	10,341	5,524	9,985
Production	NG Production MMscf	391,763	405,306.57	381,428	253,163
	NG Production MBOE	65,293.83	67,551.10	63,571.33	42,193.83
	Condensate Production MBBL	873.6	902.2	837.7	560.7
Flaring & Venting	Total flaring (MMscf)	8.6	3.6	7.9	12.5
	Total venting (MMscf)	0	0	0.59	1.34
Consumption	NG (MMscf)	1,891	2,085	2,050	1,161
	Diesel (bbl)	955	740	2,321	2,292
Produced Water	Discharged to sea (m ³)	28,217	17,617	4,758	6,120
	Evacuated and disposed onshore (m ³)	517	9,132	13,231	8,855



Appendix B: TCFD

(task force on climate-related financial disclosures)

Pillar	Recommendation	Disclosure	Reference
Governance	a. Describe the board's oversight of climate-related risks and opportunities.	The board has ultimate responsibility for governance and management of climate related risk and opportunities. Audit Committee: Review and monitor ESG governance and performance; ensure risks are assessed and mitigated. Remuneration Committee: Incorporate incentives for ESG-related performance.	
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	CEO: Ultimate responsibility for implementation of ESG strategy, and management of all business and financial risks. ESG Manager: Responsible for compliance and reporting of climate-related metrics and targets; accountable for risk management and performance. Management and Asset Teams: Responsible for implementing strategy, complying with guidelines, identifying risks and mitigations, and reporting.	
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Natural Gas: The partnership's main business is in exploration, development, production and marketing of natural gas. On the demand side , forecasts indicate robust regional market potential for >20 years. On the supply side , the partnership is actively pursuing capturing additional markets, leveraging, inter alia, increased use in natural gas in transportation and industry.	
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	As part of the transition to low-carbon economy, the partnership intends to develop Renewables and Hydrogen projects, and intends to achieve net zero emissions by 2050, while supporting growth in natural gas.	
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	NewMed partnered with Enlight, a global renewable energy company with a proven track record in delivering and operating projects, to bolster the partnership's entry into the field. The JV will focus on markets where NewMed has a deep understanding of the energy sector.	



Pillar	Recommendation	Disclosure	Reference
Risk & impact Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	Physical Risks: Assets and operations may be disrupted due to extreme climate events, and/or other natural or human causes beyond the partnership's control. Transition Risks: Assets and operations are subject to risk associated with evolving policy, technology, market, legal and reputation.	
	b. Describe the organization's processes for managing climate-related risks.	Mitigation of Physical Risks: The partnership's East Med assets are operated by subsidiaries of Chevron, a reputable operator with robust operations, safety and environment management systems, which are periodically reviewed by the partnership and external auditors. Procedures for operating under extreme weather event, earthquakes etc. are in place. Mitigation of Transition Risks: The partnership is aware that significant disruptions to its assets' operations may be caused through evolving regulation, technology and market drivers, and therefore monitors such trends closely. The partnership is diversifying its asset portfolio, to include international assets (Morocco), include renewable energy assets, potentially include hydrogen assets, fill-up the exploration pipeline, and form alliances with other significant energy players (e.g., BP, SOCAR).	
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	CEO: responsible for management of all business and financial risks. ESG Manager: Delegated by the board's audit committee to be responsible for compliance and reporting of climate-related metrics, targets and risks; accountable for risk management and performance. Internal Auditor: Has expertise in risk management, and performs independent ESG-focused audits, including climate-related matters. Board's audit committee: informed by the ESG manager annually and by the internal auditor; approves and reviews risk mitigation plan, and its implementation.	
Metrics	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Emissions are reported annually by Chevron, Leviathan's operator, to the national PRTR administered by the MoEP, as required by law. NewMed uses a 3rd party to independently assess GHG emissions from Leviathan, beyond what is required by regulation.	
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	GHG emissions: The partnership reports GHG emissions and other environmental performance metrics in alignment with pervasive standards and uses a 3rd party to independently assess GHG emissions from Leviathan. The partnership will establish environmental targets with the operators of its assets.	
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	NewMed is committed to achieving net zero by 2050. To achieve that while supporting growth in natural gas utilization, the partnership will: - Maintain and improve best-in-class carbon emission intensity in assets. - Reduce emissions' intensity (emissions per unit energy produced) through investments in renewable energy projects, and offset emissions through investments in hydrogen and CCUS projects.	



Appendix C: GRI Index

GRI Standard	Disclosure	Location	Reason	Explanation	GRI Sector Standard Ref. No.
GRI 2: General Disclosures 2021					
2-1	Organizational details	5, 38			
2-2	Entities included in the organization's sustainability reporting organization's sustainability reporting	3-15			
2-3	Reporting period, frequency and contact point	1, 36, 43-44			
2-4	Restatements of information		Not applicable	No restatements were made with respect to previous report.	
2-5	External assurance		Not applicable	NewMed plans to conduct external assurance in forthcoming reports. The present report has been written under the guidance of BDO's ESG unit, and has been reviewed by the partnership's Internal Auditor.	
2-6	Activities, value chain and other business relationships	3-15			
2-7	Employees	25-27			
2-8	Workers who are not employees	2023 Financial Report, Ch. A, 7.18.4			
2-9	Governance structure and composition	5, 33-35			
2-10	Nomination and selection of the highest governance body	2023 Financial Report, Ch. D, 21(b) (7), and 26.			
2-11	Chair of the highest governance body	1, 38-39, https://newmedenergy.com/about-us/#team			
2-12	Role of the highest governance body in overseeing the management of impacts	38-39, 46-47			
2-13	Delegation of responsibility for managing impacts	38-39, 46-47			
2-14	Role of the highest governance body in sustainability reporting	38-39, 46-47			
2-15	Conflicts of interest	40-41 2023 Financial Report, Ch. D, 22			
2-16	Communication of critical concerns	35-43			



GRI Standard	Disclosure	Location	Reason	Explanation	GRI Sector Standard Ref. No.
2-17	Collective knowledge of the highest governance body	35-36, 2023 Financial Report, Ch. D, 26.			
2-18	Evaluation of the performance of the highest governance body	37, 40			
2-19	Remuneration policies	2023 Financial Report, Ch. D, 21(b)(1)			
2-20	Process to determine remuneration	2023 Financial Report, Ch. D, 21			
2-21	Annual total compensation ratio		Confidentiality constraints	All employees are engaged through individual contracts. Top 5 earners are published in annual report, per regulation (https://newmedenergy.com/wp-content/uploads/2024/03/NM_FS31122023_ACCESSIBLE.pdf)	
2-22	Statement on sustainable development strategy	6-9, 22			
2-23	Policy commitments	6-9, 35			
2-24	Embedding policy commitments	6-9, 35			
2-25	Processes to remediate negative impacts		Not applicable	NewMed's assets are operated by operators, who have management systems which are reviewed and periodically audited. The operator of the Leviathan Project has a hot line for grievances. Further details at 2023 Financial Report, Ch. A, 7.22. NewMed further provides an email address on its website for contact.	
2-26	Mechanisms for seeking advice and raising concerns	36-40			
2-27	Compliance with laws and regulations	35-43			
2-28	Membership of associations	6, 9, 43			
2-29	Approach to stakeholder engagement	1-16, 43			
2-30	Collective bargaining agreements		Not applicable	In the reporting period NewMed did not have collective bargaining agreements	
GRI 3: Material Topics 2021					
3-1	Process to determine material topics	38-39, 41, 44, 46-47			
3-2	List of material topics	44			

GRI Standard	Disclosure	Location	Reason	Explanation	GRI Sector Standard Ref. No.
Topic 11.1 GHG emissions					
3-3	Management of material topics	44,38-39,46-47			11.1
GRI 302: Energy 2016					
302-1	Energy consumption within the organization		Not applicable	Energy consumption is negligible (>3 orders of magnitude smaller) compared to that at the Leviathan. The partnership will continue to monitor this, and may report based on materiality.	11.2
302-2	Energy consumption outside of the organization	45			11.3
302-3	Energy intensity	45			11.4
GRI 305: Emissions 2016					
305-1	Direct (Scope 1) GHG emissions	20-22			11.5
305-2	Energy indirect (Scope 2) GHG emissions	20-22			11.6
305-3	Other indirect (Scope 3) GHG emissions		Not applicable	NewMed plans to collect and report this data in forthcoming reports.	11.7
305-4	GHG emissions intensity	20-22			11.8
Topic 11.2 Climate Adaptation, Resilience, and Transition					
3-3	Management of material topics	44,36-37,46-47			11.2.1
GRI 201: Economic Performance 2016					
201-2	Financial implications and other risks and opportunities due to climate change	36-37,46-47			11.2.2
GRI 305: Emissions 2016					
305-5	Reduction of GHG emissions	22			11.2.3
Topic 11.3 Air Emissions					
3-3	Management of material topics	44,38-39,46-47,22			11.3.1
GRI 305: Emissions 2016					
305-7	Nitrogen oxides (NO), sulfur oxides (SO), and other significant air emissions	45			11.3.2
GRI 416: Customer Health and Safety 2016					
416-1	Disclosure Assessment of the health and safety impacts of product and service categories		Not applicable	This is done by the operators of the partnership's assets.	11.3.3

GRI Standard	Disclosure	Location	Reason	Explanation	GRI Sector Standard Ref. No.
Topic 11.4 Biodiversity					
3-3	Management of material topics	44,38-39,46-47,9,23			11.4.1
GRI 304: Biodiversity					
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	23			11.4.2
304-2	Significant impacts of activities, products and services on biodiversity	23			11.4.3
304-3	Habitats protected or restored		Not applicable	During the reporting period, no habitats required restoration	11.4.4
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Not applicable	During the reporting period, operations in the partnership's assets were not materially impacting such species or habitats	11.4.5
Topic 11.6 Water and Effluents					
3-3	Management of material topics	44,38-39,46-47,23			11.6.1
GRI 303: Water and Effluents 2018					
303-1	Disclosure 303-1 Interactions with water as a shared resource	23,45			11.6.2
303-2	Disclosure 303-2 Management of water discharge-related impacts	23,45			11.6.3
303-3	Disclosure 303-3 Water withdrawal	23,45			11.6.4
303-4	Disclosure 303-4 Water discharge	23,45			11.6.5
303-5	Disclosure 303-5 Water consumption	23,45			11.6.6
Topic 11.9 Occupational health and safety					
3-3	Management of material topics	27-28,33,36			11.9.1
GRI 403: Occupational Health and Safety 2018					
403-1	Occupational health and safety management system		Not applicable	NewMed is considering devising an OHS management system tailored to its activity and workforce. In the meantime, as stated on page 28, all employees are covered by health insurance, and those over 40 are entitled to an annual health check-up.	11.9.2
403-2	Hazard identification, risk assessment, and incident investigation		Not applicable	NewMed is considering devising an OHS management system tailored to its activity and workforce.	11.9.3
403-3	Occupational health services	26			11.9.4

GRI Standard	Disclosure	Location	Reason	Explanation	GRI Sector Standard Ref. No.
403-4	Worker participation, consultation, and communication on occupational health and safety		Not applicable	NewMed is considering devising an OHS management system tailored to its activity and workforce.	11.9.5
403-5	Worker training on occupational health and safety		Not applicable	NewMed is considering devising an OHS management system tailored to its activity and workforce.	11.9.6
403-6	Promotion of worker health	26			11.9.7
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Not applicable	NewMed is considering devising an OHS management system tailored to its activity and workforce.	11.9.8
403-8	Workers covered by an occupational health and safety management system	26			11.9.9
403-9	Work-related injuries	31			11.9.10
403-10	Work-related ill health	26			11.9.11
Topic 11.10 Employment Practices					
3-3	Management of material topics	2023 Financial Report, Ch. A, 7:18			11.10.1
GRI 401: Employment 2016					
401-1	New employee hires and employee turnover	25			11.10.2
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Not applicable	In the reporting period NewMed did not have part-time employees	11.10.3
401-3	Parental leave		Not applicable	In the reporting period NewMed did not have employees on parental leave	11.10.4
GRI 402: Labor/Management Relations 2016					
402-1	Minimum notice periods regarding operational changes		Not applicable	In the reporting period NewMed did not have material operational changes	11.10.5
GRI 404: Training and Education 2016					
404-1	Average hours of training per year per employee	27			11.10.6
	GRI 414: Supplier Social Assessment 2016		Not applicable	Supply chains are managed by the operators of the partnership's assets	11.10.7
414-1	New suppliers that were screened using social criteria		Not applicable	Supply chains are managed by the operators of the partnership's assets	11.10.8

GRI Standard	Disclosure	Location	Reason	Explanation	GRI Sector Standard Ref. No.
414-2	Negative social impacts in the supply chain and actions taken		Not applicable	Supply chains are managed by the operators of the partnership's assets	11.10.9
Topic 11.11 non-discrimination and equal opportunity					
3-3	Management of material topics	34			11.11.1
GRI 202: Market Presence 2016					
202-2	Proportion of senior management hired from the local community	https://newmedenergy.com/about-us/#team			11.11.2
GRI 401: Employment 2016					
401-3	Parental leave		Not applicable	In the reporting period NewMed did not have employees on parental leave	11.11.3
GRI 404: Training and Education 2016					
404-1	Average hours of training per year per employee	27			11.11.4
405-1	Diversity of governance bodies and employees	27			11.11.5
405-2	Ratio of basic salary and remuneration		Confidentiality constraints	All employees are engaged through individual contracts. Top 5 earners are published in annual report, per regulation (https://newmedenergy.com/wp-content/uploads/2024/03/NM_FS31122023_ACCESSIBLE.pdf)	11.11.6
GRI 406: Non-discrimination 2016					
406-1	Incidents of discrimination and corrective actions taken	29	Not applicable	No incidents reported in the reporting period	11.11.7
Topic 11.14 Economic impacts					
3-3	Management of material topics	36-41			11.14.1
GRI 201: Economic Performance 2016					
201-1	Direct economic value generated and distributed	4-16			11.14.2
202-2	Proportion of senior management hired from the local community	https://newmedenergy.com/about-us/#team			11.14.3
203-1	Infrastructure investments and services supported	2023 Financial Report, Ch. A, 7.2-7.9			11.14.4

GRI Standard	Disclosure	Location	Reason	Explanation	GRI Sector Standard Ref. No.
203-2	Significant indirect economic impacts	4-16			11.14.5
204-1	Proportion of spending on local suppliers impacts		Information unavailable / incomplete	NewMed plans to collect this information and publish it in forthcoming reports. Most suppliers are engaged through the operators of the partnership's assets.	11.14.6
Topic 11.15 Local communities					
3-3	Management of material topics	1, 3, 8-9			11.15.1
GRI 413: Local Communities 2016					
413-1	Operations with local community engagement, impact assessments, and development programs	1, 3, 8-9, 28-29			11.15.2
413-2	Operations with significant actual and potential negative impacts on local communities	1, 3, 8-9			11.15.3
Topic 11.19 Anti-competitive behavior					
3-3	Management of material topics	41			11.19.1
GRI 206: Anti-competitive Behavior 2016					
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	41			11.19.2
Topic 11.20 Anti-corruption					
3-3	Management of material topics	41			11.20.1
GRI 205: Anti-corruption 2016					
205-1	Operations assessed for risks related to corruption	41			11.20.2
205-2	Communication and training about anti-corruption policies and procedures	41			11.20.3
205-3	Confirmed incidents of corruption and actions taken	41	Not applicable	No incidents reported in the reporting period	11.20.4
Topic 11.22 Public policy					
3-3	Management of material topics	27, 30-32, 42-44			11.22.1
GRI 415: Public Policy 2016					
415-1	Political contributions		Not applicable	The partnership has not made political contributions during the reporting period	11.22.2

Topics in the applicable GRI Sector Standards determined as not material

Topic	Explanation
11.5 Waste	Waste in the partnership's headquarters is negligible compared to waste generated in the partnership's assets. The operators on the partnership's assets have robust waste management systems, which are reviewed and audited periodically; waste (both hazardous and non-hazardous) is reported annually to the national PRTR.
11.7 Closure and rehabilitation	Closure and rehabilitation are critical aspects of the operations of our assets. These aspects are managed by the operators of our assets through robust management systems which are regularly reviewed and audited. Information on the on-going decommissioning of the Yam Tethys Project is provided on pages 11 and 33, and in 2023 Financial Report, Ch. A 7.4.
11.8 Asset integrity and critical incident management	Asset integrity and incident management are critical aspects of the safe and efficient operations of our assets. These aspects are managed by the operators of our assets through robust management systems which are regularly reviewed and audited.
11.11 Non-discrimination and equal opportunity	NewMed is implementing an organizational culture that upholds human dignity and fair employment practices. See NewMed's commitment on page 28.
11.12 Forced labor and modern slavery	While this topic is of utmost importance, NewMed's assets are located in countries with robust legal and regulatory frameworks, which the partnership strictly complies with. Furthermore, the operators in the partnership's assets are committed to respecting human rights as set out in the International Labour Organization Declaration on Fundamental Principles and Rights at Work (e.g., www.chevron.com/investors/esg#labor-relations).
11.21 Payments to governments	NewMed has a strict anti-bribery policy, and a self-regulated interface with government entities. Furthermore, its assets are located in countries with robust legal and enforcement mechanisms.

Disclaimer

This ESG report primarily reviews the ESG aspects of the activity in which the Partnership was involved in 2022 and 2023. This report is not and should not be interpreted as a public offering of securities, and is not a report pursuant to the Securities Law, 5728-1968, including the regulations promulgated thereunder, and it is therefore clarified that the information and data presented in this report are no substitute for inspection of the Partnership's reports.

This document reflects the desire of NewMed to share with its stakeholders various "beyond compliance" aspects. As such, this document contains no legal undertaking. The Partnership has made efforts to ensure that this document is correct and accurate, and to the best of its knowledge it is indeed correct and accurate as of this writing. However, as with any document, it may contain generalizations,

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