

ESG POLICY

1. Purpose

The purpose of this policy is to describe Sval Energi's approach to sustainability, including Environmental, Social and Governance issues (ESG), across all its activities and investments.

2. Ownership and Accountability

The CEO is the owner of the policy and responsible for ensuring that the policy is implemented. The EVP SSP is responsible for ensuring that the ESG Policy is integrated in all Sval activities both onshore and offshore, from business development, exploration, drilling and field developments, operations, and abandonment. The Sustainability Manager is responsible for establishing and maintaining this policy.

3. Principal Objective

In Sval, we believe that having a genuine focus on ESG is a competitive advantage, in addition to being a part of our social responsibility. Sval therefore integrates ESG assessments into its business activities and decisions.

Sval's primary objective as a company is to create value through providing stable and secure energy to the market. However, as an exploration and production company delivering oil and gas to its customers, we recognise that climate change, our footprint and associated mitigating actions is our primary ESG challenge. Sval support the goals of the Paris Agreement as well as the aligned and ambitious industry targets set by Konkraft and has high focus on reducing greenhouse gas (GHG) emissions across our portfolio and activities.

Sval will develop and mature a GHG roadmap with clear long-term targets and will start to track and report progress against these targets. As we continue to grow, we will remain a proactive contributor towards reducing emissions in our operated as well as non-operated assets and activities.

4. Sval ESG focus areas

Sval has selected eight ESG priority areas to focus our ESG efforts. Each priority area is sorted under the key overarching environmental, social and governance themes.

4.1. Environment – Action on Climate Change

Portfolio decarbonisation. Sval is committed to reducing emissions related to its energy production with a holistic portfolio view, starting with how we build our portfolio through M&A and exploration, how we drill wells, develop our fields, and drain the reservoirs to how we reduce emissions from producing assets and finally how we decommission our fields. This also includes our approach to R&D and engagement across the industry.

Pursuing low carbon opportunities. Sval is committed to pursuing CCS opportunities. Additional business opportunities and synergies might arise as part of the CCS value chain.

4.2. Social – Caring for people

Occupational health and safety. Sval is committed to ensuring its own and its business partners' people remain healthy and safe at work.

Local community engagement. Sval will actively contribute to society and create value for the local communities that we operate in, through sponsorships, engagement initiatives and fundraisers.

Capability and capacity building. Sval will focus its recruitment and retainment practises as well its training and education programmes to deliver on its ambitions while maintaining the highest HSE standards.

Inclusion & diversity. Sval will create a work environment that promote equality, diversity, and inclusiveness regardless of race, gender, ethnicity, faith/religion, or sexual orientation.

4.3. Governance – How we work

Cyber security. Information security and integrity is in our digital DNA and integrated in every aspect of our digital journey. Sval shall establish, implement, maintain, and continually improve an Information Security Management System including necessary technology, processes, and roles and responsibilities in accordance with Sval Information Security Policy (SVAL-IS-POL-0061).

Ethical business practices. Ethical business practise is a stringent requirement and Sval employees are expected to work to the highest ethical standards in line with Sval Code of Conduct (SVAL-SUS-POL-0046) as well as all other Company policies and guidelines.

5. Transparency

In Sval, transparency is key to create and protect value, as it ensures that informed and responsible decisions can be made. We embrace the need for transparency related to our impacts and contributions, and we will actively work on transparent reporting of the impact from our activities based on acknowledged standards. Sval is amongst other committed to reporting according to the Global Reporting Initiative (GRI) and Taskforce on Climate related Financial Disclosures (TCFD).