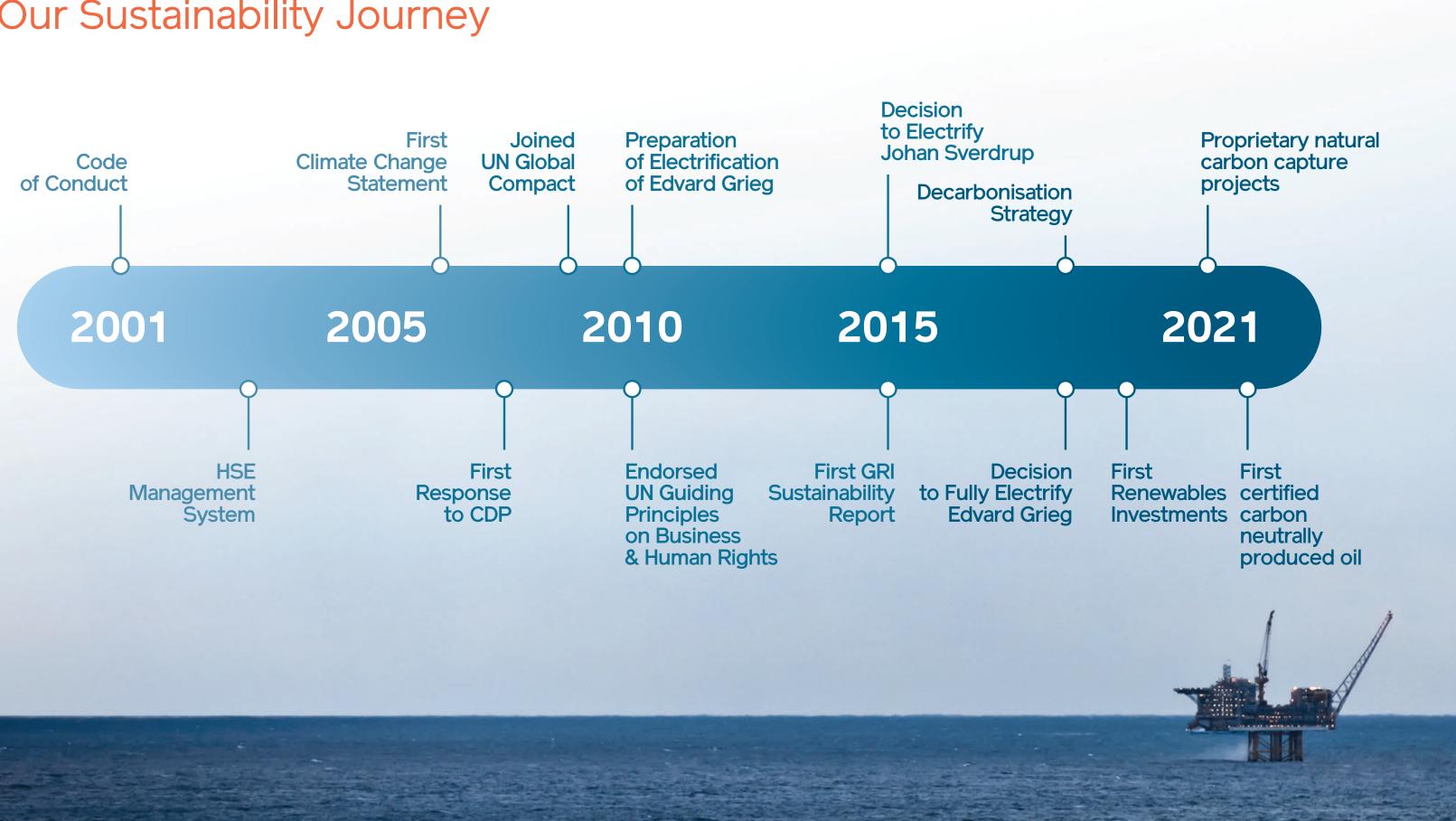
### Lundin Energy

## Our Sustainability Approach September 2021



## Lundin Energy Our Sustainability Journey



Our Sustainability Approach – September 2021

## Lundin Energy Sustainability Approach: 5 Core Themes



#### **Enablers**

Sustainability Policies | R&D | Industry Collaboration | Contractor Declaration | Training & Development | Risk Management | Stakeholder Engagement



Promote a diverse and engaged workforce, respect human rights, and positively impact society

Protect ecosystems, minimize impacts on water and from waste, and ensure responsible decommissioning

## Lundin Energy Sustainability Approach: Goals and Targets



→ Oily water discharges <15 ppm</li>
→ Produced water reinjection rate > 95%
→ Waste recovery >90%
→ Zero spills to sea



- Maintain robust labour practices and promote human rights
- Create positive societal impact through Lundin Foundation and engaging with local communities

## Lundin Energy Achieving Top Quartile ESG Ratings



### ESG Indices 2020







#### Now a Part of S&P Global

### Ranked 5<sup>th</sup> on Environment



## Climate Change



**13** CLIMATE ACTION

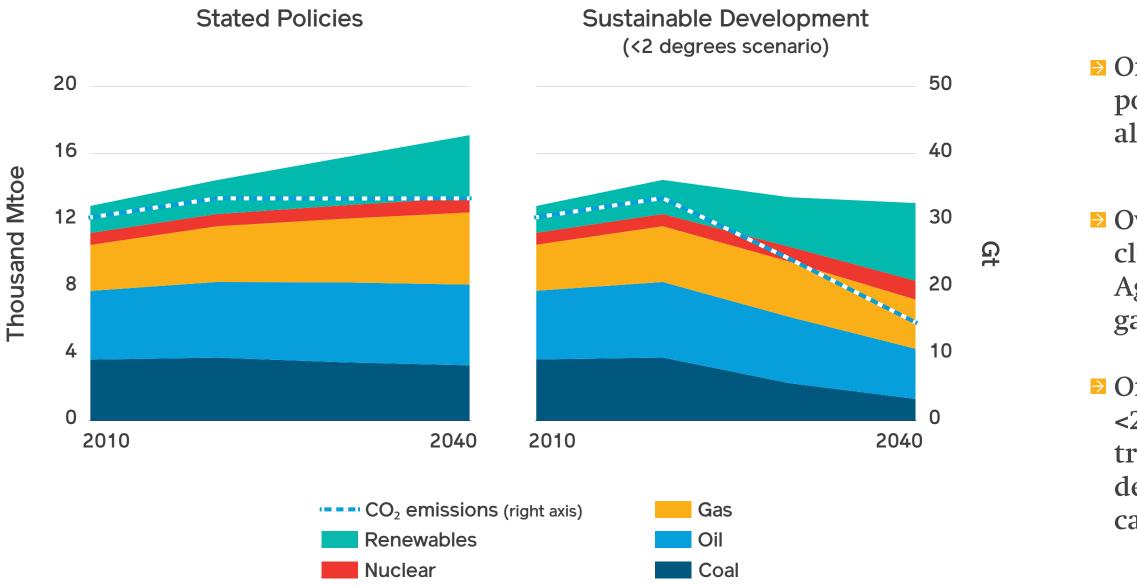






## Lundin Energy Oil and Gas: A Major Source of Energy for Decades to Come

#### World primary energy demand by fuel and related CO<sub>2</sub> emissions by scenario



Source: IEA World Energy Outlook 2020

▶ Oil will still comprise a significant portion of the energy mix in 2040, alongside other forms of energy

Over this same time frame, to meet climate targets set out in the Paris Agreement, global annual greenhouse gas emissions will need to be halved

▷ Oil will be used differently in a <2 degree future, with less used in transportation, significant decarbonisation of industry and carbon capture

## Lundin Energy Decarbonising to Achieve Carbon Neutrality by 2023

#### Industry leading low carbon business

...the path to carbon neutrality ~800 MUSD investment <sup>1</sup>

Emissions Reduction/ Energy Efficiency

> Electrification using Power from Shore >95% production by 2023

Renewable Energy Investments **100%** power usage in 2023

> Natural Carbon Capture Neutralise remaining emissions by 2023

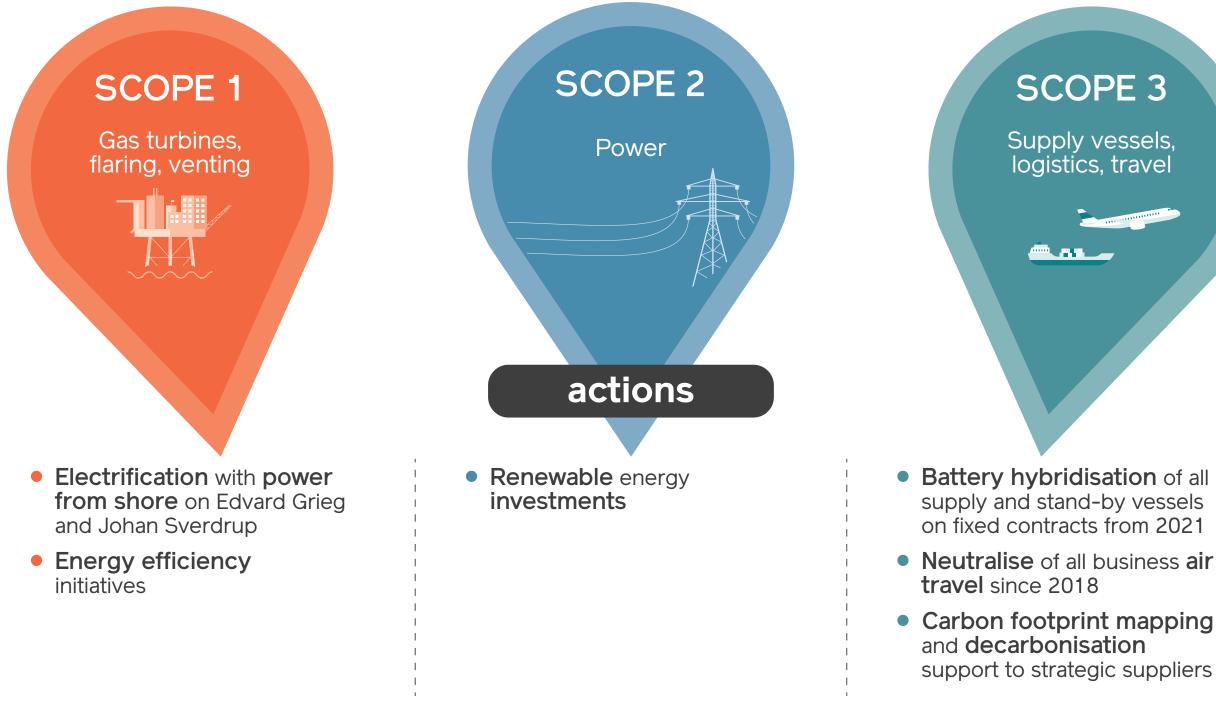
Investments in R&D | Industry Collaboration | Governance & Executive Incentives

- <sup>1</sup> >55% spent to date
- <sup>2</sup> Net Scope 1 and 2 emissions, from 2020 levels
- <sup>3</sup> Operational emissions (Scope 1, 2 and Scope 3 supply chain emissions supply vessels, logistics and business travel)

**50%** Absolute Emissions Reduction Target by 2023<sup>2</sup>

Carbon Neutral by 2023<sup>3</sup>

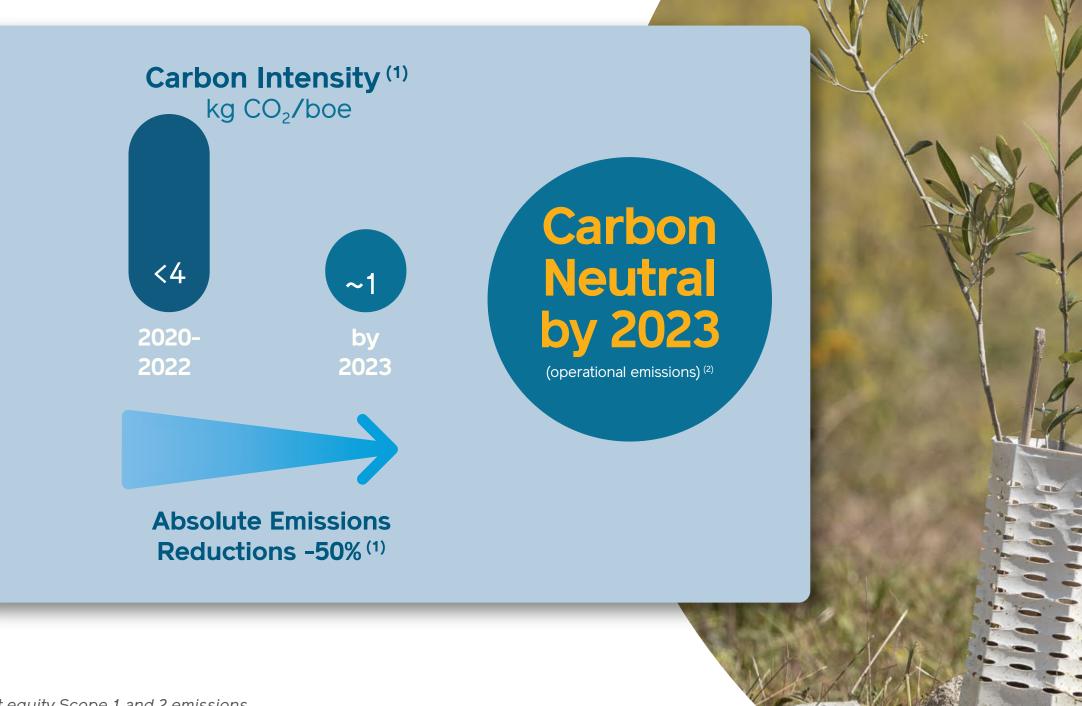
## Lundin Energy Our Priority Focuses on the Emissions that we can Influence



• **Natural carbon capture:** MUSD ~50 invested in proprietary reforestation projects and high quality marked based carbon credits to neutralise residual emissions



## Lundin Energy Carbon Neutral by 2023



<sup>(2)</sup> Scope 1, 2 and Scope 3 supply chain emissions

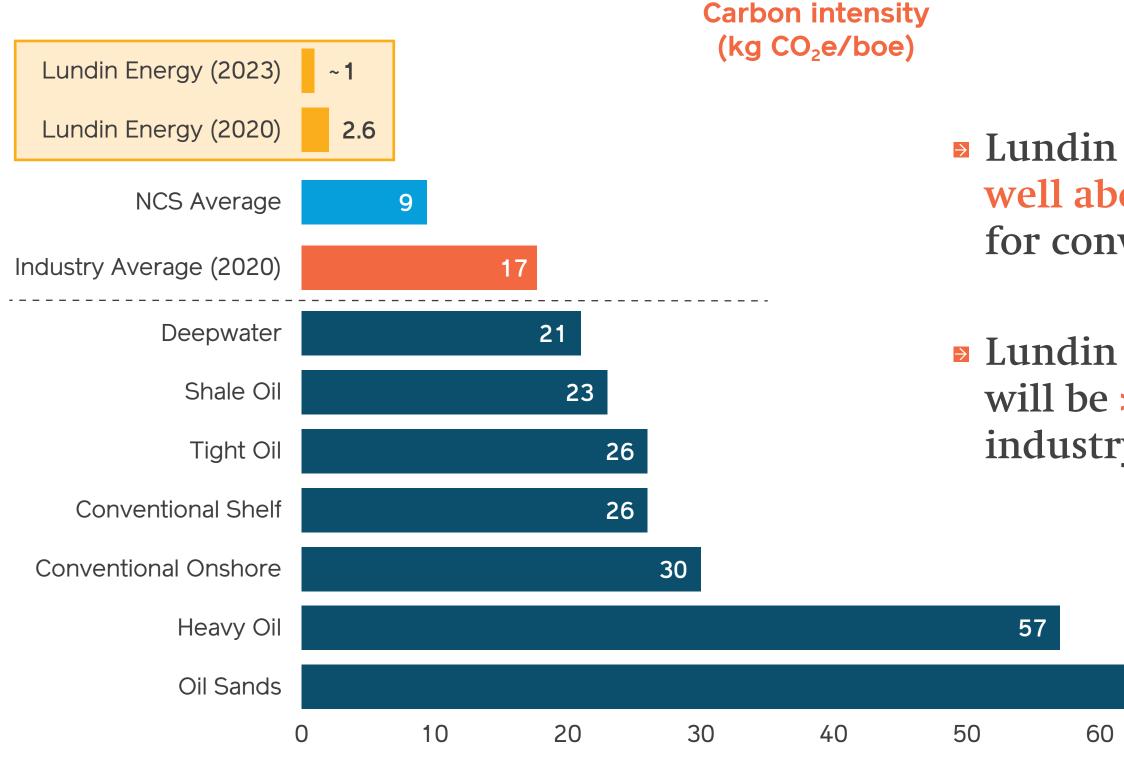
# ~60% of production carbon neutral in 2021



### VERIFIED CARBONZERO

JOHAN SVERDRUP-39,142,000 BOe 17,653 tCO2e OFFSET PER CARBONZERO-01

## Lundin Energy Carbon Performance Well Above the Offshore Industry Average

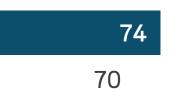


Source: Carbon Intensity – not all assets are created equal (Wood Mackenzie, 2018)

## Lundin Energy performs well above the benchmark for conventional shelf assets

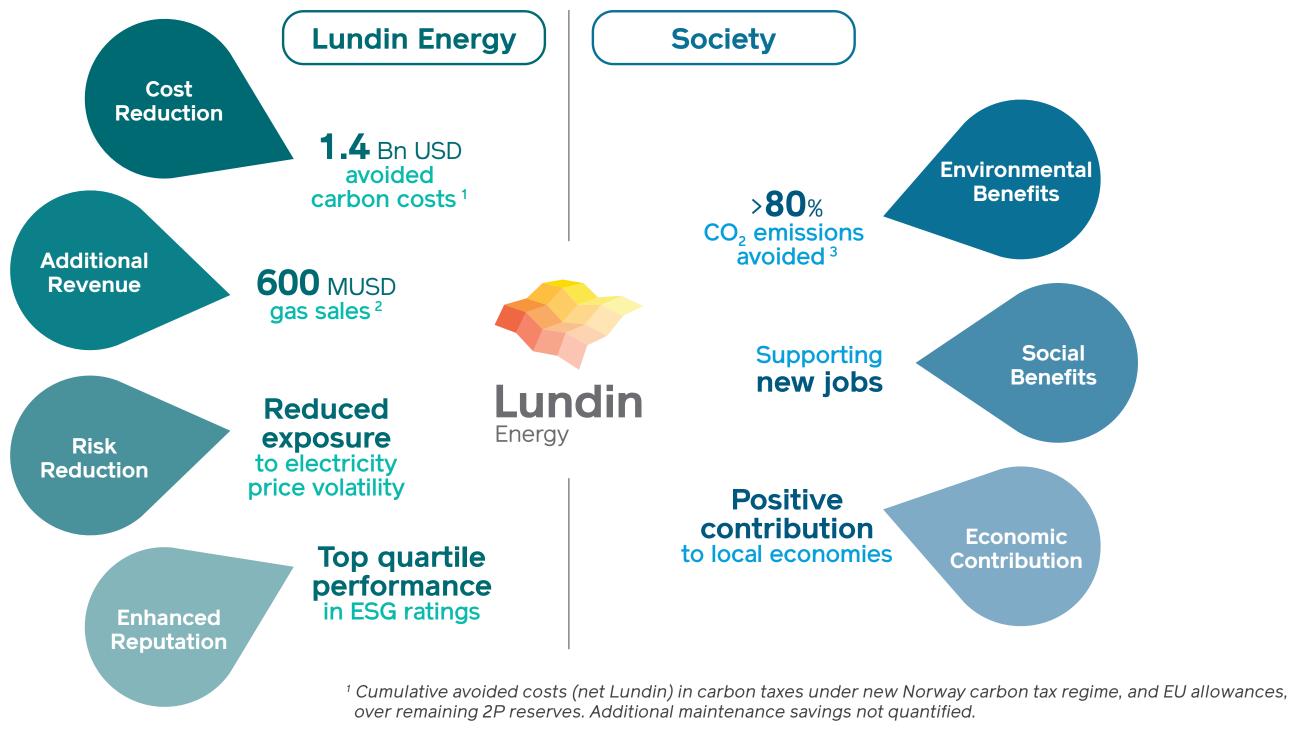
## Lundin Energy's carbon intensity will be >15x better than industry average

80



Lundin Energy

## Lundin Energy **Our Decarbonisation Strategy Creates Value for All**



## Lundin Energy Contributing to Development of a Low-carbon Industry

### 2020 R&D Investments



R&D spend on environmental projects

## MUSD

Spend on environmental performance improvement

Total no. of R&D

projects<sup>1</sup>



**Industry Collaboration** 

systems for marine use

Hybrid Energy System Offshore: Hybridisation of renewable energy generation for offshore assets

**Continental Shelf** 

Low Emission Research Centre: offshore energy systems

**SINTEF** 





## **Clean Highly Efficient Offshore Power: CM** Prototech Developing efficient fuel cell power

## Norwegian Carbon, Capture, transport and **Storage Research Centre (NCCS):** CCS technology deployment in the Norwegian

## Developing new technologies for low carbon

<sup>1</sup> Total no. of projects that contribute to environmental benefits

## Environmental Protection



Lundin Energy Our Sustainability Approach





## Lundin Energy Protecting Ecosystems and Minimising Waste & Water Impacts

	2021 target	2020 target <sup>1</sup>	2020 performan
<ul> <li>Scope 1+2 carbon intensity (net equity basis, kg CO<sub>2</sub>/boe)</li> </ul>	<4	<4	2.6
<ul> <li>Oily water discharges (ppm)</li> </ul>	<15	<15	11
<ul> <li>Produced water reinjection rate (%)</li> </ul>	>95	>95	98.6
<ul> <li>Waste recovery (%)<sup>2</sup></li> </ul>	>90	>80	99
<ul> <li>Spills to sea (no.)</li> </ul>	0	0	2
<ul> <li>Methane emissions intensity (%)</li> </ul>	<0.1	<0.1	0.013

#### nce

#### Lundin Energy **Environmental Policy**

#### Lundin Energy AB Policies

#### CORPORATE **ENVIRONMENTAL** POLICY

Rev. 4 of Policy. Published date: 07/05/202 /D Nantber: AD-050-901-0002 / 092015

#### Lundin Energy ensures that protection of the environment is central to all of our operational activities.

Introduction: Lundin Energy and its affiliates (The Company) conducts its activities: an amoner that respects the environment, and in compliance with all applicable environmental lass and regulations, consistent with our Code of Conduct and HSEQ Leadership Charter.

Objective: ae Company's objective is to minimise the potential apact of its operations on the environment, through Jentification, reduction, mitigation and monitoring of

- Environmental Expectactions:
   To advance a strong environmental culture that effectively minimises potential impacts and risks of incidents, local management shall clearly define environment in the strong str objectives and targets to:
- Detect potential environmental hazards, minimise current and potential risks through prevention, correction or implementation of controls.
- 5. Safeguard ecosystems, species and genetic diversity
- Promote energy efficiency and low-carbon innovation d Reduce the carbon footprint and greenhouse gas emissions in line with The Company's target to be carbon neutral by 2020 from operational emissions.
- Prevent unnecessary waste, and sort, recycle and recover waste as much as possible.
- Manage water consumption and effluents to water bodies with due consideration of the needs and requirements of other stakeholders.
- 32 The Managing Director shall:
- Attribute roles and responsibilities within the organisation to fulfill the principles of the Corporate HSEQ Leadership Charter.



- report results and ensure that the Company's goal of minimising impact on the environment and carbon neutrality from operational emissions by 2030 are user.
- I dentify necessary training requirestents for employees and contractors to have the knowledge and capability to conduct operations in a manner that is consistent with sound environmental practices.
- d. Manage potential impacts on biodiversity and climate change within the scope of their operations.
- 3.3 For new operations or phases, the plan 100 mere operations on page on tenvironmental studies. The level of assessment necessary will be related to the operational phase and/or the potential for significant environmental effects to arise. Environmental risks identified will be reduced and mitigated as much as possible.
- The Company supports the objectives express 4 The Company supports the objectives expressed in the Convention on Riological Diversity and respect for the protected areas as defined by UCN, UNISCO and RAMSARA. Operations are expected to integrate biodiversity in their environmental management planning and decision making processes, undertaking environmental baseline studies and impact assessments, engaging with local residents and biodiversity experts, and contributing to R&D for the conservation of biodiversity.
- 16 The Company alleres to the liest Available Technique principle in order to minimise greenhouse gas emissions. The Company aims to align with the recommendations from the Task Force on Climate-Related Financial Discolosures, and reports externally on a yearly basis its strategy, governance, risk management and greenhouse gas emissions performance.
- 3.6 The Company will monitor and audit all aspects of environmental compliance.

Nick Walker Lundin Energy AB

Londin Energy AD : AD-HSE-POL-0002/ 052015

Hoviagergeter 5 SE-111 48 Stockholm

#### <sup>1</sup> Targets apply to operated assets <sup>2</sup> Of non-hazardous waste

## Safe Operations



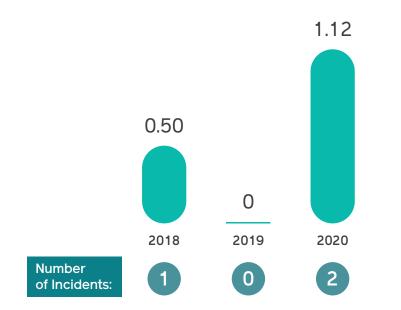
Lundin Energy **Our Sustainability Approach** 



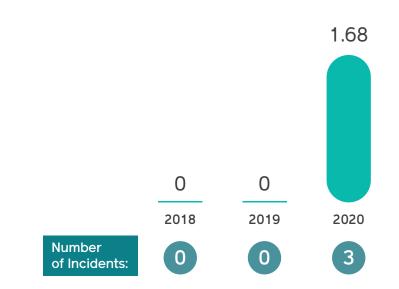


## Lundin Energy **Our Health & Safety Performance**

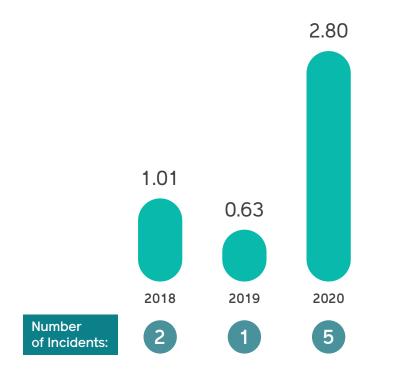
Lost Time Incident Rate (LTIR)<sup>1</sup>



#### Serious Incident Rate<sup>1</sup>



#### Total Recordable Incident Rate (TRIR)<sup>1</sup>



#### **Process Safety Incidents & Fatalities** <sup>2</sup>



#### Lundin Energy Health & Safety Policy

#### Lundin Energy AB Policies

#### CORPORATE **HEALTH AND SAFETY** POLICY

#### A strong health and safety culture is essential to the success of Lundin Energy's operations.

ss. Lundin Energy AB ("Lundin Energy" or

- recuture that effectively prevents accidents, local management shall clearly define health and safety objectives and targets including:
- Promoting a healthy work env
- Preventing occupational illness and hazard
- Reducing risk to personnel
- Reducing health and safety hazards omoting risk identification
- Preventing loss of asset integrity
- 2 Health & safety hazards must be identified an current and potential risks must be prevented corrected or controlled. Operating countries ar
- sure that proper rsonal prot

AR HER PCL - DOTTY DEROTE



- Ensure that hazard correction proc Maintain equipment regularly and thoroughly
- In case of unwanted incidents or events, priority i given to prevent harm to individuals, the environment, assets, reputation and to re-establish
- dementing Health & Safery policies, setting terives, and reporting results, to comply with Company HSEQ Leadership Charter.
- The Managing Director shall attribute HSE role
- Each operating asset must have H

- aging Director is responsible for reporting on Health & safety see to the COO and in the case of serious cidents or near miss with high potential, shall eport the details imm
- a Energy appreciates the value of its employees insiders their well-being to be a major factor it

Nick Walker President and CEO Londo Energy AB

<sup>1</sup> Per million hours <sup>2</sup> Since 2016 All data includes employees and contractors

## People and Society

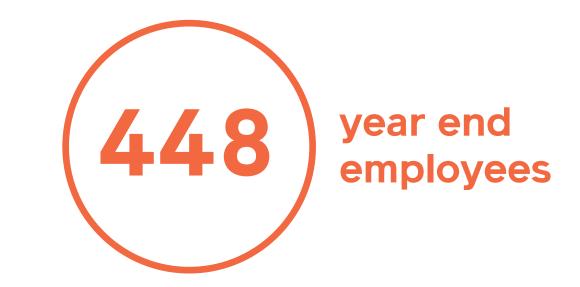


Lundin Energy **Our Sustainability Approach** 



## Lundin Energy Promoting a Diverse, Gender-balanced and Engaged Workforce

≥ 2020 Statistics



Women in workforce



#### Lundin Energy **Diversity Policy**

#### Lundin Energy AB Policies

#### CORPORATE **DIVERSITY POLICY**

Rec. og of Policy published 04/01/2021 ID Number: AB-CRE-POL-0014 / 072018

Lundin Energy is committed to oviding an inclusive work vironment free of any form of discrimination, promoting diversity among its workforc opportunities for all.

#### Introduction

Lundin Energy and its affiliates (the Comare committed to diversity and equal opportunity in the workplace. Consistent with opportunity in the workplace. Company values our Code of Conduct, the Company values diversity and recognises its benefits in attracting a broad pool of quality employees, encouraging employee retention, building high ng teams and enabling more releva

- 2.1 The Company shall adhere to equality The Company shall adhere to equality of opportunity and shall not discriminate in all areas of employment and business regardless of individual characteristics including, but not limited to, nece or ethnic origin, age, nationality, cultural background, religion, political belief, social or economic class, pregnancy and maternity, family status, sex, ual orientation, gender identity
- as shall assume to the sight; of employee equally including offering rewar work conditions, a safe and healthy wor environment and respect of local laws a andin Energy AB AB-CRE-POL-0014



- regulations, consistent with the Corporate Human Resource Policy. 3 Fair and non-discriminatory practices shall be applied in respect of nerruitment, selection, secondment, promotion & career advancement, and training & development for all staff. The Company as per local laws and as per the
- The Company as per local laws and as per the Swedish Code of Corporate Governance shall strive to integrate divenity in employment and in the composition of the Board of Directors. The Nomination Committee is to give particular attention to the requirements regarding breadth and diversity on the Board, as well as striving for gender balance. The Company shall not tolerate any form of discrimination, harassenent, victimisation or building the accordance way competitor to
- discrimination, harassment, victimisation or bullying in the workplace. Any complaint or report of this type, or other breaches to this policy, shall be treated seriously and appropriate measures will be taken as per applicable Employee handbooks or Whistlebbosing Procedures as relevant.
- Breaches of local equal opportunity laws shall se dealt with by the applicable Human Resource Department of the Company

- 3.1 The Chief Executive Officer carries o esponsibility to ensure the Company adopts a orporate culture where individual haracteristics and differences are respected.
- All senior managers responsible for selection of new hires, employee career development and ement shall take into account fai and non-discriminatory practices as per this
- policy. 3 All senior managers and employees are expected to demonstrate consideration and respect for individual differences and act to prevent any form of discrimination or harassment in the workplace.

Nick Walker President and CEO Lundin Energy AB

Novelagargatan 5 SE-111 48 Stockholm www.lundo-energy.com

## Lundin Energy Adhering to the Highest Standards of Human Rights and Labour Practices



**UN Global Compact** participant since 2010



Endorsed the UN Guiding Principles on Human Rights in 2012



Human Rights core to mandatory **E-learning** 

#### **Lundin Energy** Human Rights and Stakeholder **Relations Policies**

Lundin Energy AB Policies

#### ORPORATE KEHOLDE

Lundin Energy AB Policies

#### CORPORATE HUMAN RIGHTS OLICY

- OECD C.



## Lundin Energy Creating Positive Societal Impacts

Lundin Energy's investment through Lundin Foundation catalyses scalable solutions





## LUNDIN FOUNDATION



## Lundin Energy Supporting a Range of Innovative, Sustainable Businesses







trine

Katapult Climate (Oslo, Norway): Launched by Katapult and Lundin Foundation with the goal of supporting climate tech startups to advance low carbon innovations

**Ocean Harvesting Technologies (Karlskrona, Sweden)**: Prototyping infinity wave power technology, a modular and scalable wave energy conversion system capable of capturing and converting wave energy in a highly cost-efficient manner

Trine (Gothenburg, Sweden): Supports renewable energy for households in developing countries



**Investing for** the Future



**Evoy (Bergen, Norway):** Develops high-speed electric engine and propulsion systems for small and medium sized commercial boats



**CHAR**<sup>C</sup>E

Katapult Ocean (Oslo, Norway): Launched by leading Norwegian business incubator Katapult and WWF with the goal of developing solutions to preserve the health of our ocean

Charge (Oslo, Norway): Supports first generation immigrants to launch and grow businesses

## Governance and Ethics

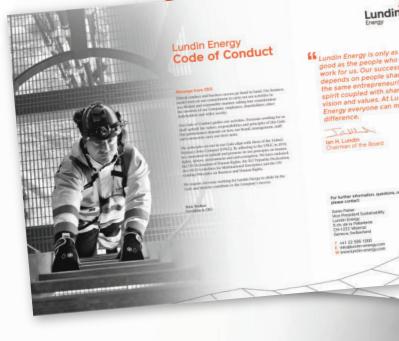






Core set of principles to conduct activities in a responsible and sustainable way

- > Upholding ethical business practices across the value chain
- > Minimizing impact on the environment
- > Providing a safe working environment for employees and contractors
- > Respecting and engaging with the owners of the resources
- Sustaining a good return on investment for shareholders



## Lundin Energy Upholding our Code of Conduct

Our Sustainability Approach – September 2021

#### Lundin Energy is only as good as the people who work for us. Our success depends on people sharing the same entrepreneurial spirit coupled with shared vision and values. At Lundin

Energy everyone can make a difference.

alles.

lan H. Lundin Chairman of the Board



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concerns.

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## Lundin Energy Adhering to the Highest Level of Ethical Conduct

- Our actions as guided by our Corporate Policies:
  - All forms of corruption prohibited under our Anti-Corruption Policy
  - Transparent means to report potential misconduct through our
     Whistleblowing Policy and Procedure
  - Follow industry best-practice as per our Competition Law Policy
  - > Maintain strict ethical internal controls on business practices as outlined in our Anti-Fraud, Anti-Money Laundering and Corporate Tax Policies
  - Employees and the Board receive mandatory training across core
     sustainability policies and Code of Conduct

#### Governance-related **Policies**



## Lundin Energy Contact information

For more information, please contact:

Zomo Fisher VP Sustainability

zomo.fisher@lundin-energy.com



### Disclaimer

#### Forward-looking Statements

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including Lundin Energy's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements speak only as on the date of the information and Lundin Energy does not intend, and does not assume any obligation, to update these forward-looking statement risks), productions costs, availability of drilling equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading "Risk management" and elsewhere in Lundin Energy's Annual Report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are expressly qualified by this cautionary statement.

## Lundin Energy

### www.lundin-energy.com

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Access Lundin Energy's latest information anytime, anywhere by downloading the

Lundin Energy App







