

Tethys Oil AB (publ) and subsidiaries



Anti-Fraud Policy

Adopted by:	Board of Directors	December 15, 2022
Review:	Annually	
Policy is in force until new version is adopted		

<i>Definitions:</i>	
<i>Tethys Oil or Group</i>	<i>Tethys Oil AB (publ) and its subsidiaries</i>
<i>MD</i>	<i>Managing Director of Tethys Oil AB (publ)</i>
<i>Head of Legal</i>	<i>Head of Legal of Tethys Oil AB (publ)</i>
<i>Policy</i>	<i>This Anti-Fraud Policy</i>
<i>Staff</i>	<i>Employee or Director of Tethys Oil</i>
<i>Board of Directors</i>	<i>The Board of Directors of Tethys Oil AB (publ)</i>
<i>Audit Committee</i>	<i>Audit Committee of the Board of Directors</i>

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Tethys Oil's corporate anti-fraud policy is established to raise awareness on fraudulent and dishonest behaviour aimed at or within Tethys Oil as well as providing guidelines of how to act to prevent such behaviour and how to react if it is encountered or suspected.

1. Scope of Policy

This Policy applies to all forms of actual or suspected fraudulent or dishonest behaviour involving employees and/or any other parties with a business relationship with Tethys Oil.

Its overall aims are to:

1. improve the knowledge and understanding of everyone in Tethys Oil, irrespective of his/her position, to the potential risks of fraud;
2. set out responsibilities regarding the prevention, detection and investigation of fraud; and
3. assist in promoting a climate of openness and a culture and environment where staff feel able to raise concerns sensibly and responsibly.

Tethys Oil broadly defines fraud as:

“The theft or misuse of Tethys Oil's funds or other resources, by an employee or a third party which may or may not involve the misstatement of financial records to conceal theft or misuse.”

2. Actions constituting Fraud and Dishonest Behaviour

The terms defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

- Misappropriation of funds, securities, supplies, or other assets
- Improper handling or reporting of money or financial transactions
- Profiting as a result of insider knowledge of Group activities
- Disclosing confidential and proprietary information to outside parties
- Disclosing to other persons securities activities engaged in or contemplated by Tethys Oil
- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment;
- Any similar or related irregularity
- Falsified electronic communication

Areas within Tethys Oil's business where the risks for fraud are particularly high are:

- letting or managing of external contracts
- receiving and handling cash, invoices, receipts, or accounts
- expense claims
- payroll including the reporting of flexible hours
- handling sensitive information
- overseeing high-volume, high-value or high-risk assets

3. Responsibilities and Implementation

Tethys Oil executive management has a duty to develop and maintain effective controls and procedures to prevent fraud and to ensure that if it does occur it will be detected promptly. In addition to effective controls and procedures, the experience, knowledge and good intent of employees of Tethys Oil is an integral part of preventing fraud and dishonest behaviour.

- If fraud occurs, Tethys Oil is obliged to carry out a vigorous and prompt investigation, taking appropriate legal and/or disciplinary action in all cases where that would be justified, and to

ensure that any necessary changes to controls, systems and procedures take place immediately to prevent similar frauds from happening again.

Tethys Oil also has a duty to ensure that its environment is a secure place in which to work and one where people are confident to raise concerns without worrying that it will reflect badly on them. This extends to ensuring that employees feel protected when carrying out their official duties and are not placed in a vulnerable position. Where employees have concerns about any procedures or processes that they are asked to be involved in, Tethys Oil has a duty to ensure that those concerns are listened to and addressed. Further details are set out in Tethys Oil's Code of Conduct.

4. Reporting and Investigation

The Head of Legal is the main point of contact for reporting and investigating suspected fraud and dishonest behaviour.

- An employee who discovers or suspects an improper activity should immediately inform the Head of Legal about any suspected fraud or wrongdoing.
- In instances where an employee does not believe that their issues can or should be addressed using the above reporting procedure, the whistleblower procedure as set out in the Tethys Oil Whistleblower policy should be implemented.

Employees should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.

All information received will be treated as confidential. Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect Tethys Oil from potential civil liability.

Tethys Oil is committed to investigating all reported cases of fraud and dishonest behaviour in order that appropriate action can be taken. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to Tethys Oil.

The Head of Legal has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the Policy. If the investigation substantiates that fraudulent activities have occurred, the Head of Legal will issue reports to appropriate designated personnel and, if appropriate, to the Board of Directors through the Audit Committee. Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with management, as will final decisions on disposition of the case. In instances where the chairman of the Audit Committee has been informed, the chairman of the Audit Committee will assume primary responsibility.

5. Discipline

Any Staff who violates the terms of this Policy will be subject to disciplinary action. Any Staff who has direct knowledge of potential violations of this Policy but fails to report such potential violations to Tethys Oil will be subject to disciplinary action. Any Staff who misleads or hinders investigations into violations or potential violations of this Policy will be subject to disciplinary action. Any related party who violates the terms of this Policy, who knows of and fails to report to Tethys Oil violations or potential violations of this Policy, or who misleads investigations according to this Policy, may have their contracts re-evaluated or terminated.

6. Documentation and reporting to the Board of Directors

It is the responsibility of the Head of Legal to keep an updated record of all suspected and actual incidents of fraudulent and dishonest behaviour as well as provide reports of such incidents to the Board of Directors on a continuous basis.

7. Key take away

Tethys Oil always strives to do business in a correct and responsible way. Hence, anything that seems odd and outside of good business practise may very well be outside the framework within which Tethys Oil should work.

- ➔ It is never wrong to ask an extra question and it is never wrong to consult with your responsible manager, or if need be the contact person below!

8. Administration of Policy

The Head of Legal is responsible for the administration, revision, interpretation, and application of this Policy. The Policy will be reviewed annually and revised as needed. Minor revisions of the Policy may be carried out by the Head of Legal.