

Tethys Oil Sustainability Report 2021



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This sustainability report is produced in accordance with the Annual Accounts Act (ÅRL chapter 6, §10-14) and encompasses Tethys Oil AB (publ) and its subsidiaries. The board of directors is responsible for the preparation of the report.

Letter from the Managing Director

In 2021, Tethys Oil expanded its operations in the Sultanate of Oman significantly as activity on our three operated Blocks increased. Increased activities mean increased opportunity for sustainable operations and for us as a Company and a Corporate Citizen to continue to improve our sustainable footprint. An operational highlight was completing the drilling of the Thameen-1 well. While we are yet to decide on how to progress on Block 49, the drilling itself was an operational success performed without any incidents affecting the environment or health and safety of our employees and contractors. We are grateful and proud of this achievement.

All our operating activity for the year was in preparatory and exploratory work, and as such the environmental impact and emission aspects of our operations were limited in terms of scope 1. Our focus has hence continued to be on ensuring sustainable governance and social responsibility, primarily through our community engagement. These have always been important aspects for Tethys Oil and are integral parts of our corporate culture. With three Blocks under our operatorship, comprising more than 25,000 km² combined, our contract area in Oman has greatly expanded over the years and thus also our opportunities to interact with and support local initiatives and communities.

We work closely with local officials and companies, and this dialogue with our local stakeholders is key in getting the support we need from those directly affected

by our activities. We aim to work with local suppliers and service providers to the greatest extent possible and one measure we use for this engagement is the In-Country Value measure. We are proud over that we, through our operations, awarded more than 50 contracts with a combined value of close to MUSD 40 to local stakeholders in Oman in 2021.

On an absolute basis, our engagement in our non-operated Blocks 3&4 continue to stand out as they, measured in turnover and investments, remain our largest asset by far. Despite the Covid-19 restrictions, the Blocks 3&4 joint operation led by operator CCED together with Mitsui and us, sponsored a dozen CSR projects in sectors as diverse as local infrastructure, health care and education.

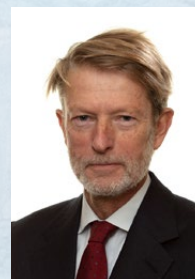
Environment and emissions will always be an important part of any company active in the extractive industry. Our operating activities during the year were limited to drilling one well and conducting seismic acquisitions, activities that typically don't leave a significant environmental footprint. Nevertheless, we focus strongly on further impact mitigating. Rigorous environmental impact studies are carried out before any activity is started and a focus in 2021 has been the mapping and promoting of biodiversity in our operating areas. A desert environment is less diverse than a rainforest but several plants and animal species live in areas where we have conducted operations and their wellbeing is of particular concern to us.

If our technical work is successful and more oil is found within our license areas, the next stage of operations, developing oil discoveries into producing oil fields, will offer challenges and opportunities on a much grander scale. In this regard, we are in the fortunate position of being able to design a development plan from scratch. Having a 'green' mindset from the outset, state of the art technical solutions can be implemented to conduct development that will be both safe, cost-effective and environmentally friendly.

However, the bulk of our emission footprint will continue to be scope 3 from our non-operated Blocks and the end use of the product. In non-operated projects, we work closely with the operator to constantly improve emission and other key operating metrics. The gas to power project in Blocks 3&4 as described in this report is the prime example of this work.

An energy transition is in progress but for the time being, our job is to supply the world with oil for as long as there is a reasonable demand for this efficient and versatile product. And to do this in such a way that Tethys Oil will be among the last oil producers standing when oil will eventually be phased out as a source of energy.

Magnus Nordin
Managing Director



Mission

Tethys Oil is an oil and gas exploration and production company with a primary objective of creating shareholder value working across the whole upstream industry life-cycle of exploration, appraisal, development, and production. A central belief in our business model is to explore for and produce oil and gas in an economically, socially, and environmentally responsible way. The Group applies the same standards to its activities worldwide to satisfy both its commercial and ethical requirements in accordance with our Code of Conduct.

Tethys Oil seeks to be a sustainable and profitable business long-term. Sustainability means running a business that is not only profitable but is aligned with the requirements and expectations of stakeholders both within and outside the Group.

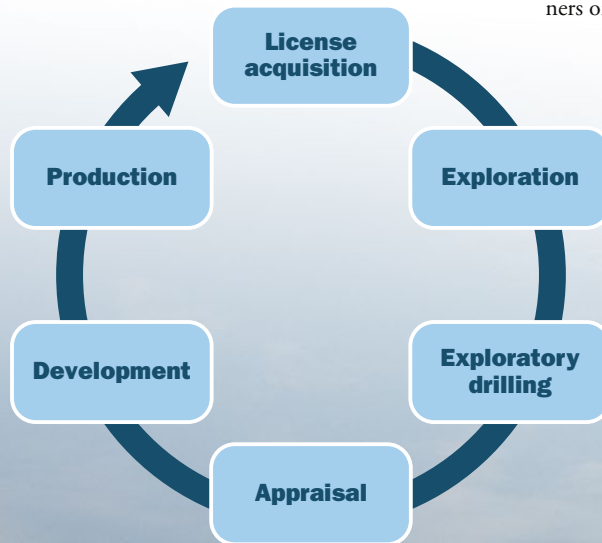
Vision

Tethys Oil's vision is that growth continues through its exploration success. It seeks to build, maintain and expand a well-balanced and self-financed portfolio of oil assets, offering a measured exposure to onshore production, development, appraisal and exploration potential. The focus of today and tomorrow is on geographies with proven petroleum systems, existing infrastructure, established institutional frameworks and low political risk. In all its activities, Tethys Oil seeks a balanced approach to risk.

Values

Tethys Oil's corporate culture emanates from the Group's Scandinavian roots. It is the responsibility of Tethys Oil's management to foster a corporate culture that promotes the values and principles outlined in Tethys Oil's Code of Conduct. Tethys Oil aims to act in all respects in a responsible, fair, accountable and ethical manner towards all aspects of the environment and to all individuals and entities that the Group encounters in its course of doing business. Tethys Oil aims to apply the same standards to all its activities wherever they are carried out.

It is of vital importance to Tethys Oil that the Group maintains and further builds on its reputation as a responsible and forward-looking corporate citizen in all countries where Tethys Oil has a presence and in relation to all stakeholders, may they be shareholders, employees, contractors, partners or someone else.



Mission Vision Values

Our business model and sustainability impact

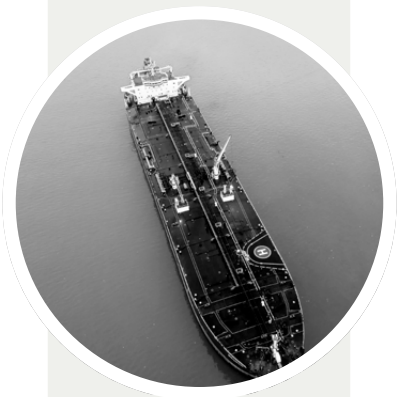
Upstream

Tethys Oil



Exploration, seismic studies, drilling, development, production, sales

Midstream



Storage, transportation and distribution.
Tethys Oil use existing infrastructure in Oman.

Downstream



Refining of crude oil and processing and purifying of gas.

The upstream business cycle includes onshore oil exploration, seismic acquisition and interpretation, drilling, development, production, and crude oil sales. The potential sustainability impact connected to the business area of the oil industry that the Company operates in includes environmental, social and financial effects. The focus on onshore exploration and production is a strategic decision. Due to lower drilling and development costs, financial exposure is lower than offshore explorations. Onshore oil exploration also involves lower environmental and safety risks. In all its activities, Tethys Oil seeks a balanced approach to risk

The environmental surroundings on land, especially in the desert settings of Oman, have a lower risk of impacting the surface environment and the natural habitats of animals. Due to the strategic approach to

focus on geographies with proven hydrocarbons, the Company is minimising the subsurface risk by exploring areas with previously overlooked discoveries, using modern techniques with proven, conventional technology.

Keeping the operations on land also increases the possibility of emergency preparedness which helps manage safety risks. On the other hand, the onshore operations might have various impacts on local communities. Aligning with the company's values, Tethys Oil's ambition is to reduce the impact on local communities and contribute in a positive way.

Throughout the oil and gas industry, joint operating agreements are common practice. In Oman, licenses to geographical areas are assigned through Exploration and Production Sharing Agreements (EPSA)

and one company is appointed as the operator. Each partner holds ownership of the equity and shares costs, benefits and liabilities of the asset or project. The operator serves as the overall manager and decision maker of the Block. Tethys Oil has operational control and the opportunity to affect and establish sustainable operations in three out of the five Blocks, Blocks for which the Company has interest shares. The Tethys Oil operated Blocks are currently in exploration phases.

ESG considerations and possible impacts exist at all operational stages. Implications during exploration phases are considered less extensive since activities are sparse, targeted and sporadic. Tethys Oil's ambition is to ensure sustainable environmental, social, and governance routines and practices that will allow sustainable greenfield projects for new developments of oil and gas fields.

Tethys Oil – an introduction

Tethys Oil is a Swedish oil company founded in 2001. The Company focuses on onshore exploration and production of oil and gas, and the core area is situated in the Sultanate of Oman. Tethys Oil's ambition is to continue to grow through successful exploration and production with a safe and sustainable approach to benefit all stakeholders long term. In 2007, Tethys Oil acquired the license for Blocks 3&4. Today, 15 years later, the Company has built a strong presence in the region, holding interests in five Blocks.

In 2017, Tethys Oil operations expanded with the exploration license for Block 49. In 2019, the operations expanded further with the partial license in Block 56, and in 2020 Tethys Oil was awarded the license for Block 58.

The following table shows the Blocks where Tethys Oil are active and where the Company has operational responsibilities.

Blocks	Share (%)	Phase	Operators (license-partners)
Blocks 3&4	30	Production/ exploration	CCED (Mitsui, Tethys Oil)
Block 49	100*	Exploration	Tethys Oil
Block 56	65	Exploration	Tethys Oil (Medco Arabia, Biyaq, Intaj)
Block 58	100	Exploration	Tethys Oil

* Interest percentage reflects a change that occurred as EOG withdrew from Block 49. The withdrawal was announced in 2021 and Tethys Oil is, as of the publication of this report, in the formal process to again have a 100 percent interest share in the Block.

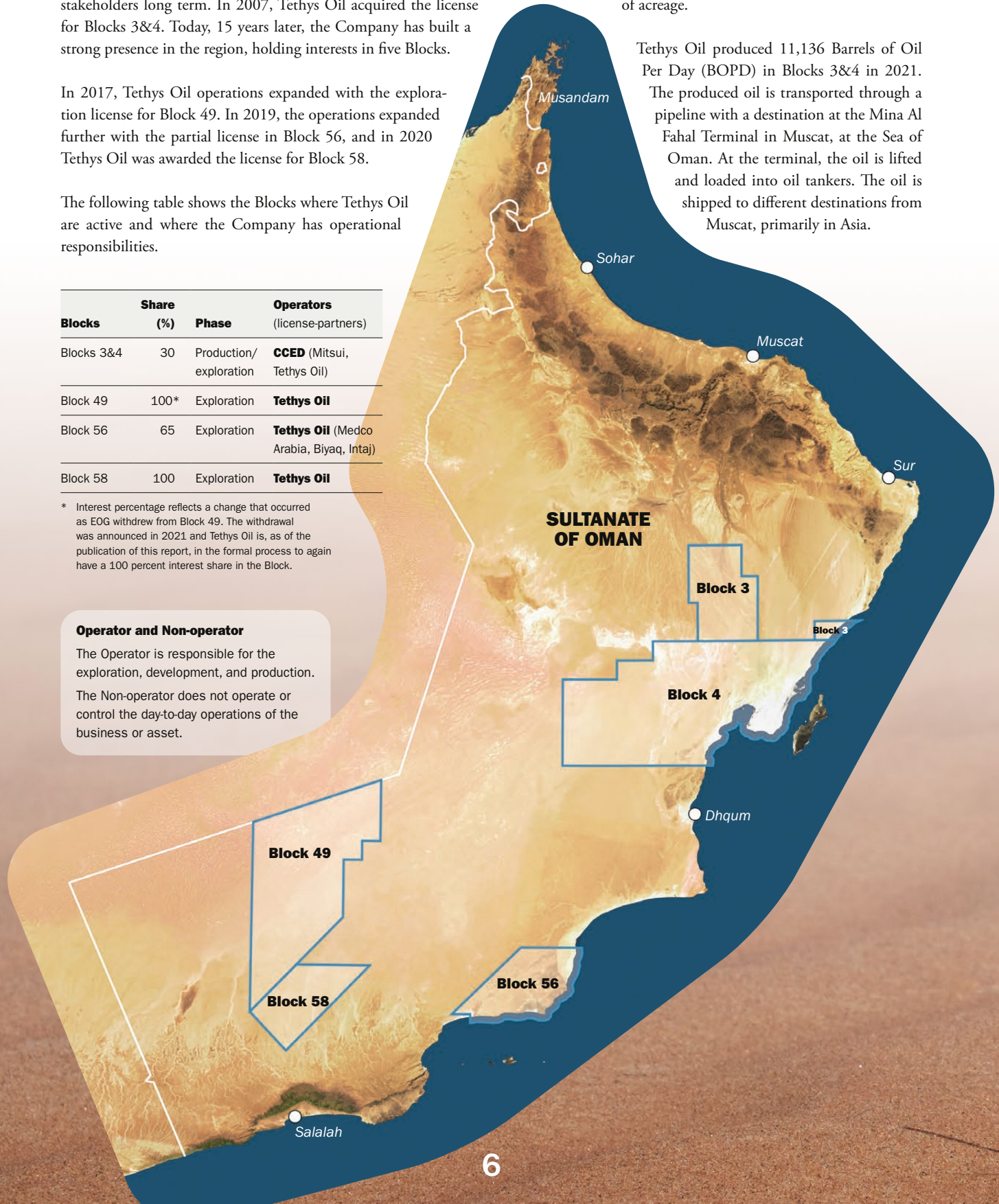
Operator and Non-operator

The Operator is responsible for the exploration, development, and production.

The Non-operator does not operate or control the day-to-day operations of the business or asset.

The combined area of Blocks 3&4, Block 49, Block 56 and Block 58 amounts to over 54,934 km², corresponding to 18 percent of Oman's total area. That makes Tethys Oil one of the largest concession holders in Oman in terms of acreage.

Tethys Oil produced 11,136 Barrels of Oil Per Day (BOPD) in Blocks 3&4 in 2021. The produced oil is transported through a pipeline with a destination at the Mina Al Fahal Terminal in Muscat, at the Sea of Oman. At the terminal, the oil is lifted and loaded into oil tankers. The oil is shipped to different destinations from Muscat, primarily in Asia.



2021 in brief

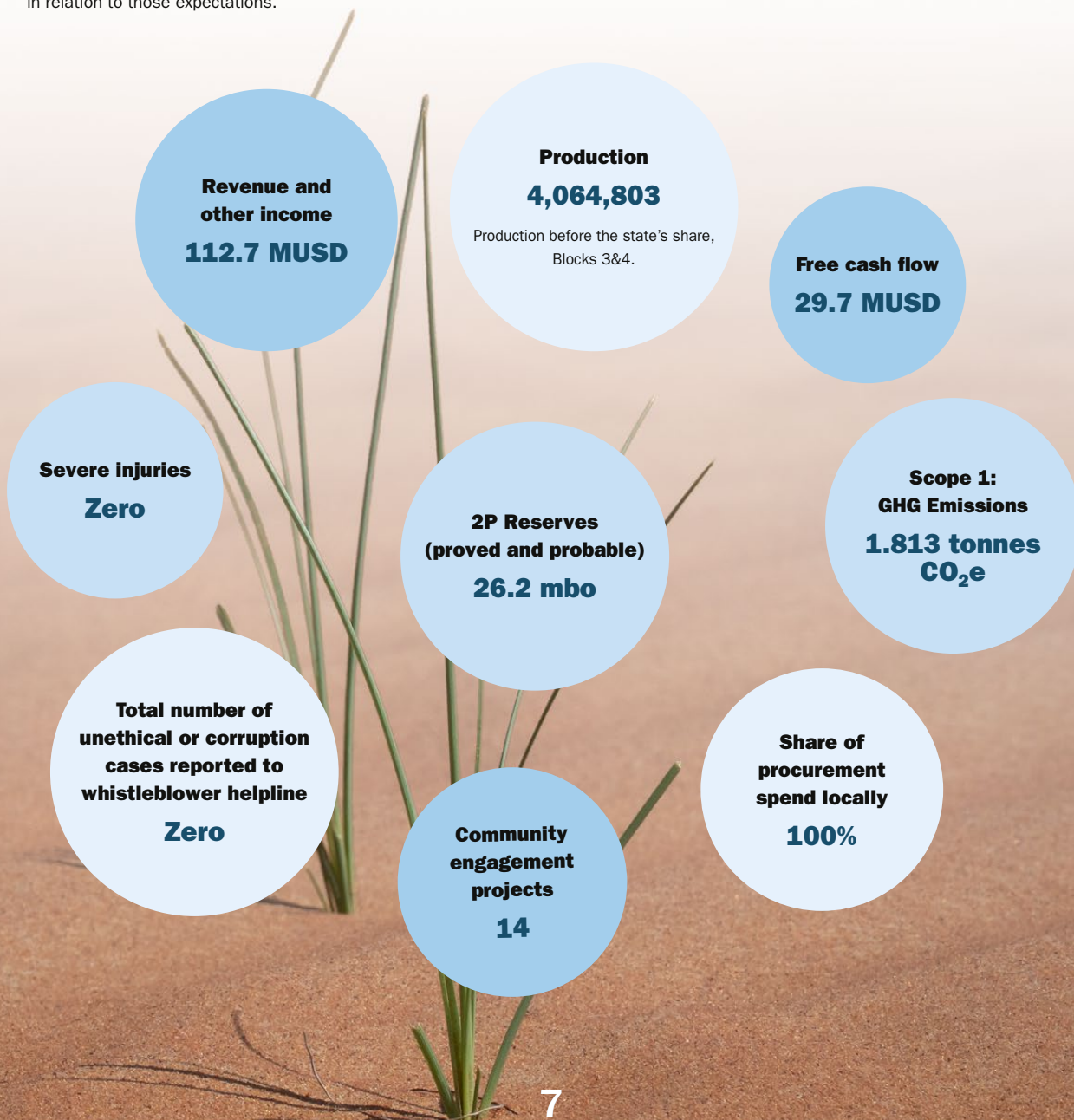
In 2021, Tethys Oil experienced a recovery from the challenging pandemic of 2020 and activity levels increased throughout the year. The OPEC+ agreement initiated in May 2020, which aims to reduce oil output and inventory levels following the pandemic, is still in effect, resulting in production limitations that affected

Tethys Oil during 2021. Following these limitations and a delayed start-up for parts of Tethys Oil's oil producing infrastructure, the Group's production levels are in line with 2020. However, the increased oil prices of 2021 positively affected the Company's revenue, net result, cash flow and financial position.

Tethys Oil aims to work actively to be a responsible and sustainable company. Sustainability lays the foundation for the Company's long-term development and growth. By 2021, Tethys Oil has updated a materiality analysis, resulting in updated material topics that will set the sustainability strategy's foundation.

Operational ESG highlights

- Widened the scope of reporting to include Scope 3 impacts.
- Tethys Oil's sustainability goals derive from the United Nations Sustainability Development Goals (UN SDG) which the Company have worked to find an alignment to contribute to common shared goals.
- Tethys Oil has updated its materiality analysis, to reflect the topics that matter the most to the business and the stakeholder.
- The efforts are therefore not only focused on understanding external stakeholders' demands and expectations on the Group but also on mapping and understanding the Group's unique circumstances in relation to those expectations.
- As explorational activities have increased so have work concerning environmental footprints, where the Company traditionally have put a high priority on local community engagement, we also strengthen activities around land use and biodiversity, to conduct operational activities in ways that create minimal disturbance to the environment and people.
- As the board of directors has been involved in the sustainability strategy, Tethys Oil arranged for the entire board to travel to Oman and the rural communities impacted by the Company's explorational activities to meet with the local stakeholders.



About this report

Access to affordable and reliable energy is essential for every business opportunity. Improving the quality of life is one of the most considerable challenges our world faces today. Oil and gas account for approximately half of the global fuel consumption. The rapid growth around the world has increased energy demand by 100 percent during the past four decades. This trend is seemingly continuing as the world's energy demand is predicted to grow by another 50 percent by 2050.

Tethys Oil is an essential piece of the energy providing puzzle for as long as demand for hydrocarbons plays a part in the world's energy consumption. However, the Company acknowledges the climate related challenges ahead of us. According to the Paris 2030 Agreement, emissions need to be reduced by 50 percent by 2030 to meet the agreed upon goals. Tethys Oil is committed to conducting its operations in an environmentally responsible way and the Company is continuously developing its operations to further meet the high and increasing expectations of its stakeholders. In this report, Tethys Oil aims to be transparent regarding its operations sustainability impact and risks. To be transparent regarding the progress of the Company's sustainability performance, the ambition is

to also continuously develop the sustainability reporting.

This report aims to provide sufficient information to understand the organisation's, approach to managing the material topics and their impacts. Based on an updated materiality analysis, the sustainability report summarises activities and reflects the issues most relevant to our business. The report outlines why sustainability is pertinent to our organisation, our priorities and responsibilities, how we measure progress and our approach to managing each material topic.

The scope of Tethys Oil's 2021 Sustainability Report

Tethys Oil's 2021 Sustainability Report covers the operations as consolidated in the 2021 Annual Report.

In Blocks 3&4 where Tethys Oil is not assigned the operating role, the Group is an active partner. The Sustainability report reflects impacts in both operated and non-operated licenses. However, the reporting of the measures taken to reduce sustainability impact is focused on the Blocks where the Company is the operator and has control over the decision making of the day-to-day operations.

Due to its limited exposure, the report does not include Tethys Oil's associated interest in the Lithuanian company Minijos Nafta.

All ESG issues are consistent through all activities, the materiality of the impacts however varies depending on the nature of the activity and, if the activity takes place in a production or exploration phase.

Water is a vital aspect of the business and critical to the communities where the Company operates. Despite the importance of water for the Company, and in the region, water usage is not material due to the small volumes needed during exploration phases. The report will be transparent about the usage of water in its licensed operations in Blocks 3&4 but will not report the issue as a material topic.

Reporting frameworks and principles

This data accounts for GHG Emissions according to GHG Protocol Corporate Accounting and Reporting Standard, based on operational control approach. Under the control approach, a company accounts for 100 percent of the GHG emissions from operations over which it has control.

EPSA and Scope 1, 2 and 3

Throughout the Omani oil and gas industry, licenses to geographical areas are held through the Exploration and Production Agreements (EPSA). For each EPSA there is one operator who has direct control of the operations. The level of control affects the Scope classification of Tethys Oil's different emissions. For clarification purpose, the Greenhouse gas (GHG) emissions are classified as either Scope 1, 2 or 3.

Tethys Oil is the operator in three out of the five EPSA the Group holds interest in; Blocks 49, 56 and 58. As the operator of the EPSAs on these Blocks, the majority of Tethys Oil's Scope 1 and 2 emissions originate in these Blocks.

While Blocks 3&4 is currently Tethys Oil's primary source of revenues and the Group has a 30 percent interest in the EPSA, the Blocks are operated by CC Energy Development (CCED). Emissions from Blocks 3&4 are accounted for as Scope 3.

This report's data primarily focuses on emission sources of Scope 1 and 2 as these are the emissions that is under Tethys Oil's operational control.

Scope 1:

Directs GHG emissions occur from sources that are owned and controlled by the Company

Scope 2:

Indirect GHG emissions from the generation of purchased electricity, steam, heating and cooling consumed by the Company

Scope 3:

All other indirect emissions not covered in Scope 1 and 2. Including extraction and production of purchased materials; transportation of purchased fuels; and use of sold products and services

Tethys Oil account for 100 percent of the GHG emissions on the Blocks where they have Operational control. Blocks in which the Company has a non-operator equity share will be accounted as Scope III (Category 15: Investments) emissions. The GHG Protocol standards have been adapted for the sustainability report and GHG reporting frameworks and disclosure schemes.

This material references Disclosures 102 -1 -12, 102-14-16, 102-18, 102-21, 102-40, 102-42-47, 102-50-53, 102-55 from GRI 102: General Disclosure and 201-1 from GRI 201: Economic performance 2016, and 205-3 from GRI 205: Anti-corruption 2016, and 303-1, 303-3, 303-5 from GRI 303: Water and effluents 2018, and 304-1-2, 304-4 from GRI 304: Biodiversity

2016, and 305-1-3, 305-4 from GRI 305: Emissions 2016, and 403-1-2, 403-9 from GRI 403: Occupational health and safety 2018, and 405-1 from GRI 405: Diversity and equal opportunity 2016, and 406-1 from GRI 406: Non-discrimination 2016, and 412-1 from GRI 412: Human rights assessment 2016, and 413-1 from GRI 413: Local communities 2016, and Disclosures 103-1-3 from GRI 103: Management Approach 2016. For more specific references, see p. 38-39 in this report.

Where it is relevant, the report also highlights the Company's priorities regarding the UN's Sustainability development goals (SDG). This report describes Tethys Oil's progress and the actions taken to impact the SDG's positively. Seven goals have been identified to illustrate where the Company have material contributions.

This report complies with the Non-Financial reporting requirements implemented in Swedish law, The Annual Accounts Act 1995:1554 (Årsredovisningslagen), implemented through the EU directive 2014/95/EU.

Reporting Boundaries

Joint operating agreements are particularly common in the oil and gas industry. Within each joint venture, one company is assigned the operator status, and each partner has a percentage of owned equity. This distinction is important as the operatorship role manages the operations and has the day-to-day control of the asset, while non-operator partners have a see-to-duty. For all our material topics and metrics, our metrics are focus oriented on an operated basis.

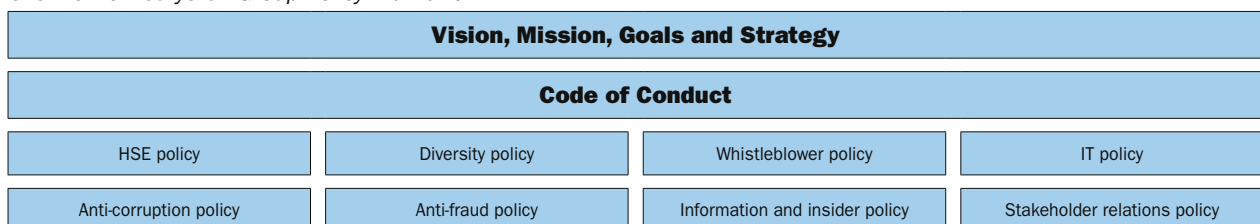


Tethys Oil Policy Framework

Tethys Oil holds itself to a high standard of ethical, moral, and legal business conduct and expects its staff to act honestly, with integrity and in accordance with the Group's Code of Conduct. The Code of Conduct, the HSE (Health and Safety Policy), Anti-corruption and Anti-fraud policy are the foundation for the Company's work with ethics, anti-corruption, and human rights.

Tethys Oil's management integrates sustainability and social responsibility considerations in its decision making. The policy framework provides guidelines and support for managing its material topics while ensuring similar processes are conducted throughout the organisation. Communication and educational efforts ensure all employees are aware and understand what our policy framework means in practice.

Overview of Tethys Oil Group Policy Framework



Sustainability Strategy



Tethys Oil's sustainability strategy springs from increasing expectations in a changing world to be able to contribute to the future energy needs of the world.

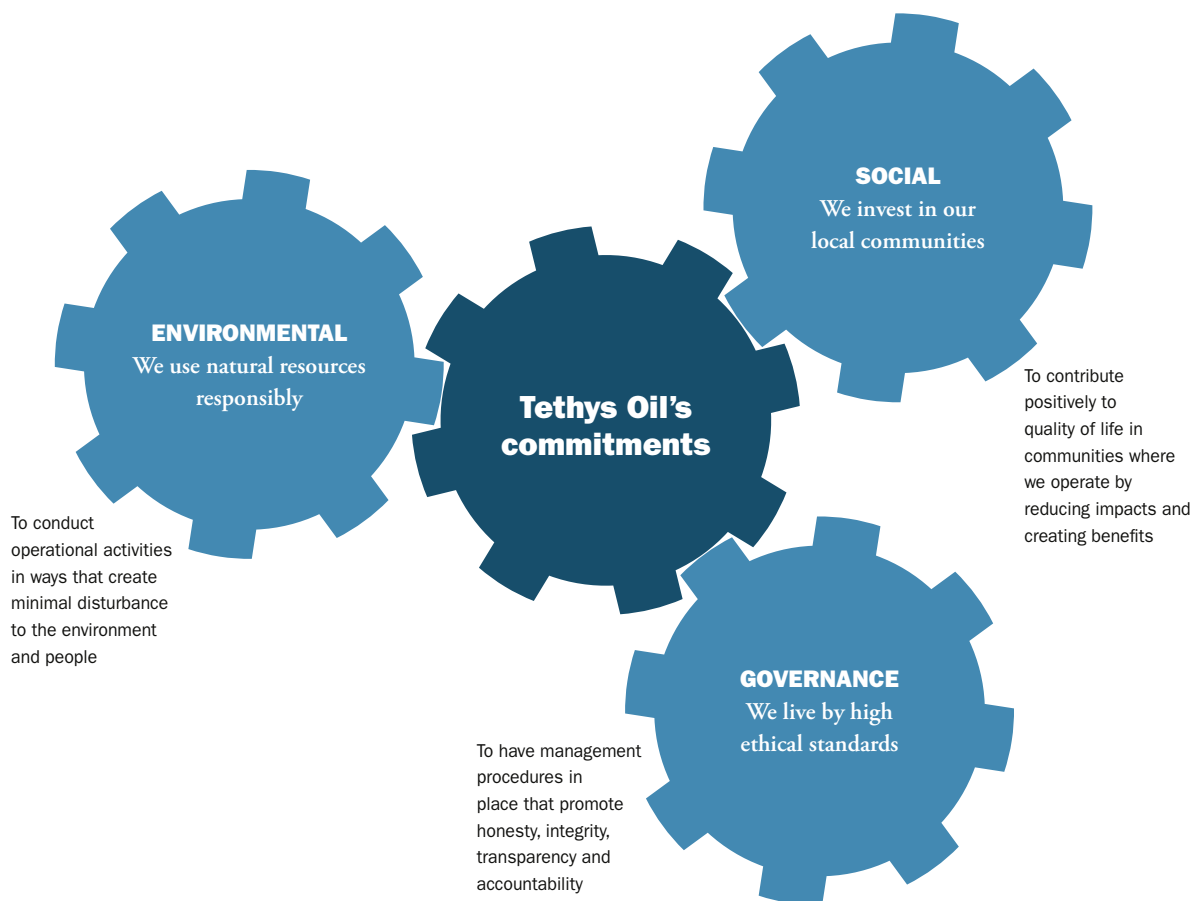
Tethys Oil's mission is to create value for its stakeholders in a sustainable and profitable way long-term. The world's sustainability agenda is rapidly evolving, not least following the Paris Agreement initiated in 2016, resulting in higher expectations from stakeholders and society at large. On the one hand, the energy demand is still increasing. Meanwhile, emissions

need to be cut in half to comply with the Paris Agreement. Tethys Oil is committed to continuously develop the sustainability strategy to keep up with the evolving demands and increased responsibilities stemming from the Group's expanding operations and license portfolio.

For the strategy to be effective, it must stem from the Group's unique circumstances – there is no universal solution for upstream oil and gas companies. Therefore, the efforts are focused on understanding external stakeholders demands and expectations on the Group as well as mapping

and understanding the Group's unique circumstances concerning those expectations.

Tethys Oil seeks to provide oil and gas and at the same time operate responsibly. Operating a sustainable and responsible business means reducing environmental impacts, such as emissions and interference with local animal habitats, and contributing positively to local communities. It also means fostering a corporate culture permeated by integrity, respect, and ethical values.



Stakeholder engagement

In 2021, Tethys Oil updated its materiality analysis, to address the most important topics to the business and its stakeholders. Given the nature of the business, the Group has a broad base of external and internal stakeholders. Openness and mutual trust are the foundations on which the Group builds its relations with stakeholders. The Stakeholder Relations Policy outlines the engagement and relationships with the stakeholders.

Tethys Oil has a continuous approach to stakeholder engagement. As set up in the Stakeholder Relation Policy, the Group aims to promote stakeholder relationships through two-way communication, engagement, collaboration, transparency, active

listening, and equal treatment. The Group assesses this approach to be well suited for collecting and comprehending all parties' legitimate interests and how to take them into consideration when implementing the sustainability strategy.

Materiality analysis

Tethys Oil materiality assessment is based on engagement and dialogue with key stakeholders as well as the monitoring of industry peers and drivers. The material topics are reviewed and prioritized by internal experts and the Group management. Material topics to be reported are identified by assessing issues that have the most effect on value creation and the economic and reputational resilience of the Group's operations in a positive or negative way. The considerations are based on

two pillars: significance to the Company and significance to the stakeholders with underlying factors such as severeness of the potential impact.

Tethys Oil material topics are divided into three categories linked to the Company's sustainability strategy. Social and Safety is the fundamental area, highly prioritised by both the Company and the stakeholders. Governance is of high importance to local stakeholders and shareholders and employees. The topic is also prioritised within the Company and springs from the core values and corporate culture. Environmental topics are becoming increasingly important to our stakeholders, particularly shareholders, banks and financial institutions and to society at large. Environmental topics have always been of high importance for the Company as responsibility is a part of Tethys Oil's corporate culture.



The Group's approach to materiality assessment sets a base to better understand the stakeholder's perceptions, as well as the potential risks and opportunities of the business. Hence, the material topics are closely linked to the risk framework and the Group's contribution to SDGs. The alignment between risk mitigation and material topics is further explained on page 35–36 in this report.

Tethys Oil's stakeholders		
Internal	External	
Employees	Regulatory entities	Customers
The Board /Management	Suppliers	Non-governmental organisations
	Local communities	Business partners
	Banks/Financial institutions	Society at large
	Shareholders	The Media /Opinion leaders



Tethys Oil has identified seven SDGs where the Company’s sustainability strategy contributes and supports the goals as defined by the UN.

Contribution to UN SDG

	Goal 3	Ensure healthy lives and promote well-being for all at all ages
	Goal 4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
	Goal 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Goal 10	Reduce inequality within and among countries
	Goal 13	Take urgent action to combat climate change and its impacts
	Goal 15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
	Goal 16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Material Topics

Environmental

Land use and Biodiversity
Manage land use through mitigation and restoration, and avoidance of disturbance.



Emissions Management
Comply with regulations, and work to lower our emissions of pollutants.



Social & Safety

Community Engagement
Contribute positively to the quality of life in communities where we operate by reducing impacts and creating benefits.

Diversification, Culture of inclusion and Human rights
Attract, develop and retain top talent and ensure on inclusive, respectful workplace.



Health & Safety
Promote a safety culture through processes and continued learning to avoid employee and contractor injuries and illnesses.



Governance

Business Ethics and Transparency
Obey the law, report accurately to investors and stakeholders, and act ethically in accordance with the principles of good governance,



Business Resilience and In-Country Value
Maintain strong financial discipline, with a focus on generating free cash flow and returns today while investing in low-cost growth opportunities.



Sustainable Operations



Environmental, social and governance issues are applicable in all stages of the Company's activities. Impacts related to those issues, whether presented as an opportunity or as a risk, will vary substantially depending on the stage of the business cycle. The likelihood of impact is considered small during exploration and appraisal as activity levels are low. Nevertheless, all potential impact are prioritised and managed by the Company.

For any meaningful change to occur, the fundamental structure must first be in place. With each new exploration, seismic or development project, the Company conducts a feasibility scoping report together with an environmental services agency. If the report's conclusion is positive and other parameters are satisfied, a comprehensive Environmental Impact Assessment (EIA) is conducted.

The purpose of an EIA is to ensure the protection and conservation of the environment and natural resources includ-

ing, human and health aspects, against uncontrolled development. It enables the Company to define existing biodiversity, environmental and other conditions near the activity sites, using various analytical techniques ranging from sampling to photography. Based on EIA recommendations, Tethys Oil strives to minimise the potential impact by identifying and implementing suitable measures at all stages of the Company's activities.

In areas of undergoing production activities, more detailed and broader-spectrum analyses are customarily required.

Potential project emissions could arise from the following sources:

- Diesel fuel consumption by the generators at the drilling and camp sites for power generation and by mobile sources (e.g. construction equipment, trucks delivering equipment/materials to the site, trucks collecting wastes/sewage wastewater from the site);

- Down-hole gas from the drilled formations coming to the surface with returning drilling mud;
- Fugitive emissions from mud materials breakdown and evaporation, which may lead to odours;
- Other fugitive emissions from cooling systems, handling and storage of chemicals (e.g. paints, solvents), fuel loading and storage systems (tanks, pipes); and
- Flaring – (if unavoidable)

Project controls are implemented to avoid, reduce and restore potential negative impacts and to ensure that positive impact materials are maximised and inherent to the impact assessment. To date, all mitigation and management measures recommended by the EIA have been accepted by Tethys Oil.

Exploration & Appraisal

Source of environmental impact

During Tethys Oil's exploration activities as identified by the (EIA), potential impact to air quality and (GHG) emissions may occur due to:

Site Preparation and

Construction:

- Land preparation and earthworks activities
- Transportation of staff, materials and waste
- Energy use and power supply

Drilling Operations:

- Rig mobilization to site
- Drilling and casing activities
- Transportation of staff, materials and waste
- Energy use and power supply

Testing/Well Abandonment:

- Flaring
- Well testing

Tethys Oil's Operated Blocks

Block 49

The Block 49 license is in the Dhofar Governorate in the south of Oman. The Block covers an area of 15,439 km². The Block's environment is sparsely populated, with most of the territory surrounded by gravel desert. The desert is largely consisting of dunes and the biodiversity is typically poor within Block 49 given its proximity to the Rub Al-Khali, one of the world's largest continuous sand bodies, also known as the Empty Quarter. The eco-region holds sparse biodiversity and the extent of the ecology of Block 49 is determined by the availability of near-surface groundwater flows and by ground-fogs. The Block 49 does not fall within any formally protected area and these areas are sparsely vegetated, although flushes of vegetation are present in shallow depressions and drainage lines that bisect the plains.

At the end of 2017, Tethys Oil entered the license as operator in the Block with 100 percent interest holder. In 2020, Tethys Oil reached an agreement with EOG Resources Inc. ("EOG") to farm out

Air Pollutant and (GHG) emissions during site preparation activities, combustion products will be released from vehicles transporting personnel, equipment and construction machinery.

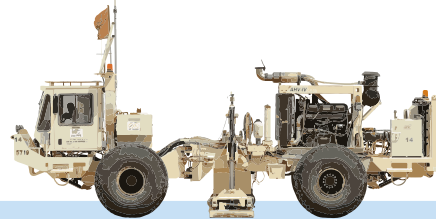
Site preparation and construction activities will include building the well site, grading the logistics base, constructing and upgrading access roads.

The impact on air quality during construction and site preparation is considered to be short-term. The activity takes place over a short period of time (approximately 3-4 months), and air quality will return to existing condition after the site preparation and construction activities are finalised. Overall, both GHG and non-GHG air pollutants from the use of vehicles and construction equipment during the site

preparation and construction phase are unlikely to cause a significant impact to ambient air quality or (GHG) levels due to the relatively small amounts of these gases to be released over a large, distributed area and relatively short duration.

Principles for responsible exploration

- Adopt responsible governance and management
- Apply ethical business practices
- Respect human rights
- Commit to project due diligence and risk assessment
- Engage host communities and other affected and interested parties
- Contribute to community development and social well-being
- Protect the environment
- Safeguard the health and safety of staff and the local population



Seismic is performed using vibrator trucks driving offroad – this can disrupt the surface environment and habitats. **Exploration drilling** presents risks to both surface and subsurface environment with the risk of spills, water pollution, noise pollution and disruption to the surface environment and animal's natural habitats. From the human perspective the increase in traffic and the use of potential grazing and agricultural land can present a risk to the local community's livelihood.

50 percent of the working interest in the EPSA. The transaction was finalised and completed in March 2021. By the end of the year, EOG informed Tethys Oil of their intention to leave the Block. Tethys Oil is, as of the publication of this report, in the formal process to receive final government approval to take over EOG's 50 percent share and again be the sole shareholder of Block 49.

Operations and field studies have been conducted since entering the license of Block 49. Tethys Oil's G&G team has been planning and performing seismic acquisitions. In 2020 preparations were made of spudding the Thameen-1 well. By 2021 the exploration well Thameen-1 reached its final depth. The result confirmed a good

porosity but a low permeability. In 2021 Tethys Oil performed a reservoir study of the sandstone reservoir in the Thameen-1. The development of the study will form the baseline for how the work on Block 49 will continue.

During the exploration phase, the main ESG challenge is related to the risks and disruptions caused by the seismic acquisition and drilling operations. Based on EIA recommendations, Tethys Oil strives to minimise the potential impact by identifying and implementing suitable measures at all stages of the Company's activities.

The main activities in the 2021 work programme on Block 49 involved testing, drilling and evaluating the Thameen-1

exploration well in the northeastern part of the Block. The Company has also developed community relations on both local and regional levels. Tethys Oil is engaged in and funds CSR activities to endeavour the local communities to benefit from the presence of Tethys Oil in their region.

Block 56

Block 56 covers an area of 5,808 km² in the south-eastern part of Oman, 200 km south of the Blocks 3&4. The Block lies at the intersection of different spread over Al Wusta and Dhofar Governorates geological provinces including the prolific South Oman Salt Basin. The high acidity of the area water is considered a valuable resource, as the groundwater resources are highly saline and are the primary water source. The environment and biodiversity are poor, but the particular plant and animal species are regionally endemic. It is estimated that only about 200 floral species, approximately 20 percent of the total species in Oman, occur within the central region.

Tethys Oil entered the licence at the end of 2019 as a non-operator with a 20 percent interest. In 2021, Tethys Oil concluded an agreement with Medco Arabia Ltd, that increased Tethys Oil's interest share by an additional 45 percent and also made the Company the operator of Block 56.

The work programme on Block 56 has been on construction work, drilling of water wells and the procurement of services and equipment for a potential long-term production test. During the year preparations for the subsequent three wells for the Al Jumd trend in the northwestern part of Block 56 intensified. The 3D seismic acquisition campaign had begun by year-end of 2021 and it will together with the drilling campaign, be the main focus of 2022 on Block 56.

Block 58

Block 58 covers an area of 4,557 km² and is adjacent to Tethys Oil's operated exploration licence in Block 49 located in the

Dhofar Governorate in the southern part of Oman. The South Oman Salt Basin and the Western Deformation Front area is characterised as gravel and rocky plain desert landscape, rural setting, with minor, small industrial activity and agricultural activities scattered across the area. Situated on the Nejd plateau the Project area is characterized by gravel plains, low hills, and wadis. A relatively diverse plant and animal community is associated mainly with the wadi areas, while the gravel plains are less varied.

In 2020, Tethys Oil was awarded the licence as the operator with a 100 percent interest share in the Block. In 2021, the work consisted of reviewing and processing the legacy 3D seismic data and conducting new 3D seismic acquisition. Over 450 km² of 3D seismic was collected in the South Lahan area. Processed 3D data is expected to be available in 2022, which will be used to identify drilling prospects by early 2023.

Production

Non-operated interest

Blocks 3&4

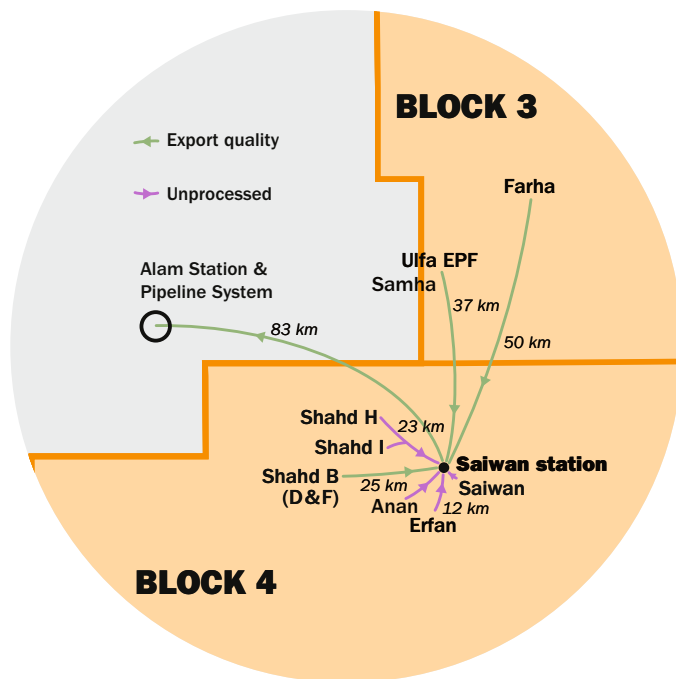
The production operation in Blocks 3&4 has been ongoing since 2010. Tethys Oil holds a 30 percent non-operated interest and has maintained an interest in Blocks 3&4 since 2007. The Blocks 3&4 production is produced in several fields; Farha South, Saiwan East, Shahd, Ulfa, Samha, Erfan and Anan.

Complete production facilities have been constructed on Farha South field and on Saiwan East field. At these facilities, reservoir fluids are processed in separators and heater treaters to remove water, gas and impurities to make the oil ready for export. The facilities also include large storage tanks, pumps and other necessary infrastructure, including field camps for the oil field staff.

Blocks 3&4 have an active Health, Safety and Environment (HSE) programme man-

aged by the operator focused on health and safety issues and emission reduction and spill prevention plans. One of the primary environmental challenges for Blocks 3&4

is the reduction of emissions resulting from the flaring of associated gas and the consumption of diesel for power generation.



The focus on reducing emission by gas utilization projects with the partner group is well underway. A Front-End Engineering Design (FEED) study, including the hazard and operability study (HAZOP) is ongoing and is expected to be completed during the initial months of 2022, after which an Engineering, Procurement and Construction (EPC) contract can be procured. To improve the operational reliabil-

ity of the facilities, long-term projects have been initiated. During the year, work and priorities on Blocks 3&4 have consisted of production security initiatives, projects for 3D seismic collection, and drilling of the first exploration well Hamdah-1, which was also spudded to prove a Khufai extension and open a potential Abu Mahara play in the area.

Tethys Oil's activities strive to create shared prosperity between stakeholders. It seeks to respect and gain the respect of the people and governments of the countries in which it operates. In 2021 Tethys Oil and the partners for Blocks 3&4 sponsored several community activities.

Water usage (Blocks 3&4)

Groundwater resources are scarce in Oman, particularly in the concession area. The groundwater resources are primarily high-level salinity water, making it unsuit-

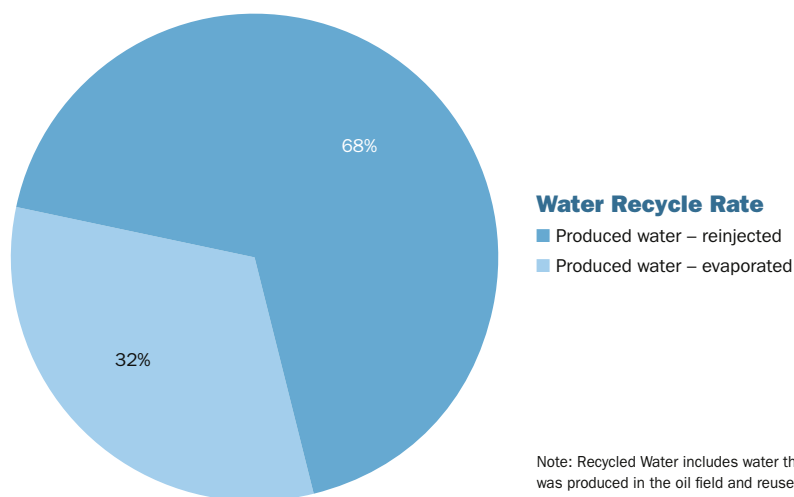
able for agricultural purposes. All water used in the operations is non-fresh water. However, the produced water is handled under environmental authority (EA) permits through:

- Discharged to lined evaporation ponds permitted by EA; or
- Treated and reinject into the ground reservoir to enhance the oil field production.

Total water usage on Blocks 3&4:

(cubic metre)	2021	2020	2019	2018
Total Produced Water	2,497,044	2,219,280	2,690,881	2,182,474
Produced Water – re-injected	1,693,306	1,864,280	2,304,675	1,900,904
Produced Water – evaporated	803,738	346,219	343,451	303,008

Regular lab sample analysis is conducted on the produced water from the discharge end of disposal pumps. The produced water contains, on average, within the concession area roughly 250 times more Total Dissolved Solids than what is considered by the U.S. Geological Survey or IPIECA defines as "Fresh Water". Due to the extremely high salinity levels of the brine water, the treatment for other application areas is limited. Therefore, the main volume of the produced water is re-injected into the reservoir via injection wells to maintain reservoir pressure and thereby stimulate oil well production. However, the Group is further exploring if there are advancements in water treatment and desalination technology to find other applicable usages.



Fresh Water	Non-fresh Water	Produced Water	Recycled Water
Water sources with a total dissolved solids concentration of up to 2,000 milligrams per litre.* These sources can include drinking water, potable water and water used in agriculture.	Water sources not meeting the definition of fresh water. These sources could include produced water and saline groundwater.	Non-fresh water found in hydrocarbon formations that is brought to the surface during the oil and gas production process.	Produced water that has been treated for reuse in subsequent operations, including well completions or secondary recovery.

* Based on IPIECA's Oil and Gas Industry Guidance on Voluntary Sustainability Reporting (2015).

Land Use & Biodiversity





Goals:

- No Net Loss (NNL) of Biodiversity and prevention of operations in critical habitats
- Sponsor Biodiversity in active Blocks

Performance:

- Number of significant environmental incidents: Zero
- % sites in/adjacent to protected areas & high biodiversity value areas: <1%

Why is this important?

Biodiversity is the basis of effective ecosystems and, therefore a key component to the benefits that people derive from those systems. The benefits are flood control and climate regulation, water access and food supply. During the exploration phase when activity levels are sporadic, the Company’s operations that may have the most significant impact is the potential disruption of biodiversity and interference of land use. As most Tethys Oil’s operations constitute exploration, biodiversity and land use are highly prioritized topics.

Tethys Oil’s approach

Tethys Oil operates in the Sultanate of Oman, arid areas where land use opportunities are limited, and biodiversity is generally poor. Hence, the strategic geographical focus mitigates risks of impacts to some extent. Nevertheless, Tethys Oil is committed to minimising any potential impact on natural habitats, in the surroundings above and sub the surface. Protection of biodiversity is included in planning and executing all the Groups projects.

Tethys Oil monitoring through third party environmental service agency in EIA the wildlife populations listed in the IUCN Red list for vulnerable species. In Blocks 49, 56 and 58 gazelles and lizards are the most probable red list species that may be present within The Company’s area of interest. It is also likely that birds will

be attending and migrating through the project area. To identify and mitigate for the presence of these, feasibility scoping reports are performed before each new exploration, seismic or development project. The report is conducted in conjunc-

tion with environmental services agencies, which gives an external assurance of the environmental assessments. Risks are assessed and mitigated prior to any planned activity.

IUCN Red List species with habitats in operating areas	Block 56	Block 49	Block 58
Critically endangered	0	1	2
Endangered	0	4	4
Vulnerable	4	5	5
Near threatened	1	7	7

While environmental assessments are performed before any activities are initiated within licenses under exploration phases, the effects are already analysed and reported to authorities in the Sultanate of Oman for approval. However, Tethys Oil is committed to minimising the impact throughout the production phase. On Blocks 3&4, which are in the production phase, liquid hydrocarbon spills are closely monitored, documented, and mitigated.

Activities and results 2021

During the projects to minimise any potential impact on natural habitats, scoping reports are made to determine the presence or absence of individual species, topographical constraints, soil types, and historical or archaeological features. The Company adopts the activities to the recommendations made from the scoping reports. Tethys Oil holds meetings with local stakeholders to listen to their opinions and knowledge. The subcontractors are also educated and have representatives at the meetings and participate in the investigations. Tethys Oil continuously explores and actively seeks biodiversity projects in southern Oman to promote and maintain existing diversity.

Spill Prevention

While most recorded incidents of unplanned hydrocarbon releases in 2021 are considered minor. The number of Tier 1 hydrocarbon releases (more than 1 barrel of oil spilled) were two recorded incidents. The minor releases have been identified concerning the facility plants in terms of leaks. All oil spills are recorded, and regular site surveys are conducted by third party environmental service agency that provides recommendations on how these issues might be mitigated.

Metric 3: Blocks 3&4	2021	2020
Liquid hydrocarbon spills		
Number of Spills > 1 Barrel	2	8
Spill Intensity* (Produced Liquids Spilled (bbl)/Total Produced Liquids (Mbbbl)), %	0.02	0.02

* Calculation: Produced Liquid Spilled (bbls) / Total Produced Liquid (1,000 bbls)
 Produced Liquid Spilled (bbls): crude oil, condensate and/or produced water spills ≥ 1 bbl which are not confined to impermeable secondary containment
 Total Produced Liquid (1,000 bbls): crude oil, condensate and produced water generated from exploration and production activities (does not include gas).

The Group’s HSE policy ensures procedures where spills are urgently detected, and timely action can be taken to minimise the impacts of the spill. In the event of a spill, the fluids are removed by suction technique, soil or sand is removed and replaced if necessary.

Emissions Management





Goals:

- Integrate climate risk into business decisions and organisational strategy
- Support operator’s emissions reduction initiatives

Performance:

- Scope 1 GHG emissions: 1,813 metric tons CO₂e
- Scope 2 GHG emissions: 49 metric tons CO₂e
- GHG Emissions per square kilometre 3D seismic survey: 1.2 Tonnes CO₂e/km²

Why is this important?

Emissions from the oil and gas industry may contribute to local or regional impacts that can affect human health, flora and fauna. On a global level, emissions are the main contributing factor to global warming and climate change. Continuous emissions at historical levels will probably have serious consequences such as disrupted ecosystems, sea acidification, human safety, food production, access to water and increased risk of environmental disasters.

Climate change is a global responsibility and is increasing in importance to the Group’s stakeholders. As a part of an industry that is likely to continue to have a global role in supplying reliable energy, Tethys Oil has a responsibility to support the transition to a lower carbon future. To meet future global energy demands, the world will need various energy sources combined with energy efficiency. Resilience in the industry will be determined by energy efficiency and emissions reduction.

Tethys Oil’s approach

Tethys Oil has a stated ambition to explore for and produce oil and gas with minimal environmental impacts. This ambition is intermeshed with the Company’s operations on exploration licenses Blocks 49, 56 and 58. With respect to its non-operated licence for Blocks 3&4, Tethys Oil has supported the operators efforts in improving its environmental focus in operations and proactive work to minimise environmental impact, not least the risks for spills and damage.

In 2021, in total most of the Group’s material atmospheric emissions were generated by its interest in the production operations on Blocks 3&4. The Blocks primary sources of emissions arise from the flaring of associated gas produced in conjunction with the recovery of oil and the use of diesel-run power generators used to power production facilities, camps, downhole pumps, and drilling rigs. In addition to flaring the associated gas, gas has been, on a smaller scale, used for power generation within the facility camps replacing some diesel generated power.

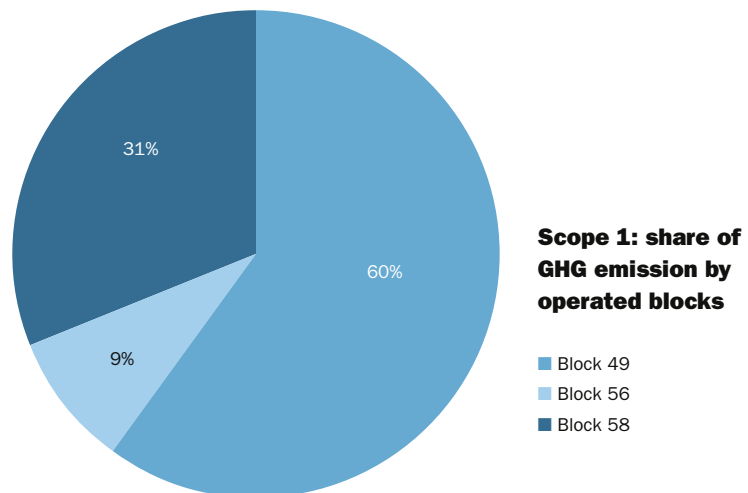
Tethys Oil proactively engages with the operator of its production assets in Blocks 3&4 to reduce emissions.

Although the Group is not an operator in Blocks 3&4, monitoring of emissions is performed with quarterly reporting from the operator CCED, and followed up by management regularly. The data is recorded by third party Environmental Monitoring & Auditing Agency for Environmental Performance. Site visits are conducted monthly, including an environmental specialist, and all non-compliant or environmental issues are reported. According to the code of conduct, Tethys Oil shall actively apply its HSE standards in all business operations, including joint ventures. In practice, this means to conduct active dialogue, maintain transparency, and influence business partners to strive at the same goals.

Activities and results 2021

In 2021, Tethys Oil’s operational field activities increased, resulting in which direct emissions increased. In Block 49, the primary source of emissions was the rig’s diesel consumption for power generation of the Thameen-1 exploration well, which was drilled to a depth of close to 4,000 meters to evaluate three potential reservoir targets. Block 56 intensified preparations for the three-well drilling campaign on the Al Jumd trend in the northwestern part of the block. The main activity and emission focus areas included drilling water supply wells for a potential long-term production test. The emissions from Block 58 were mainly generated from the 450 km² 3D seismic survey campaign over the South Lahan area, completed during the fourth quarter of 2021. The primary source of emissions comes from seismic trucks, which generated 1.2 tonnes of CO₂e greenhouse gas emissions per square kilometre of 3D total seismic survey.

Our Scope 2 emission arises from purchased electricity and heating for our office in Stockholm and purchased electricity and cooling for our office in Muscat. As part of Tethys Oils’ commitment to reducing emissions from its operations, actions have been taken in projects to reduce the GHG emissions and the operational footprint for health and safety and the transparency of reporting.

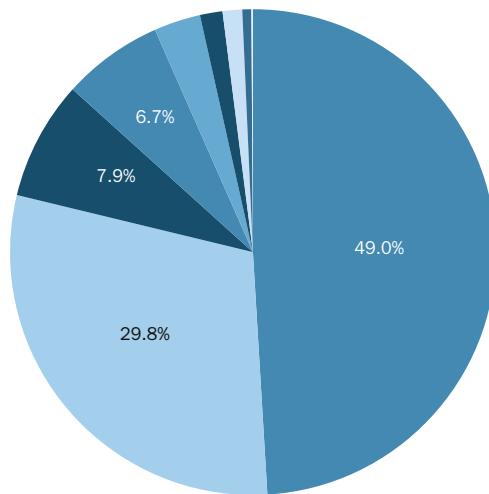


Tethys Oil's share of Global warming potential (GWP) emissions

Scope, GWP (t CO ₂ e)	2021	2020	2019
Scope 1	1,813	32	13
Scope 2	49	40	50
Scope 3	467,684	465,148	545,957
TOTAL Emissions	469,546	465,220	546,020

Scope 3 breakdown

- Use of sold products 49.0%
- Process emissions 29.8%
- Waste generated in operations 7.9%
- Power generation 6.7%
- Processing of sold products 3.1%
- Purchased fuels & energy 1.5%
- Downstream transport and distribution 1.3%
- Capital goods 0.6%
- Purchased goods and services 0.1%

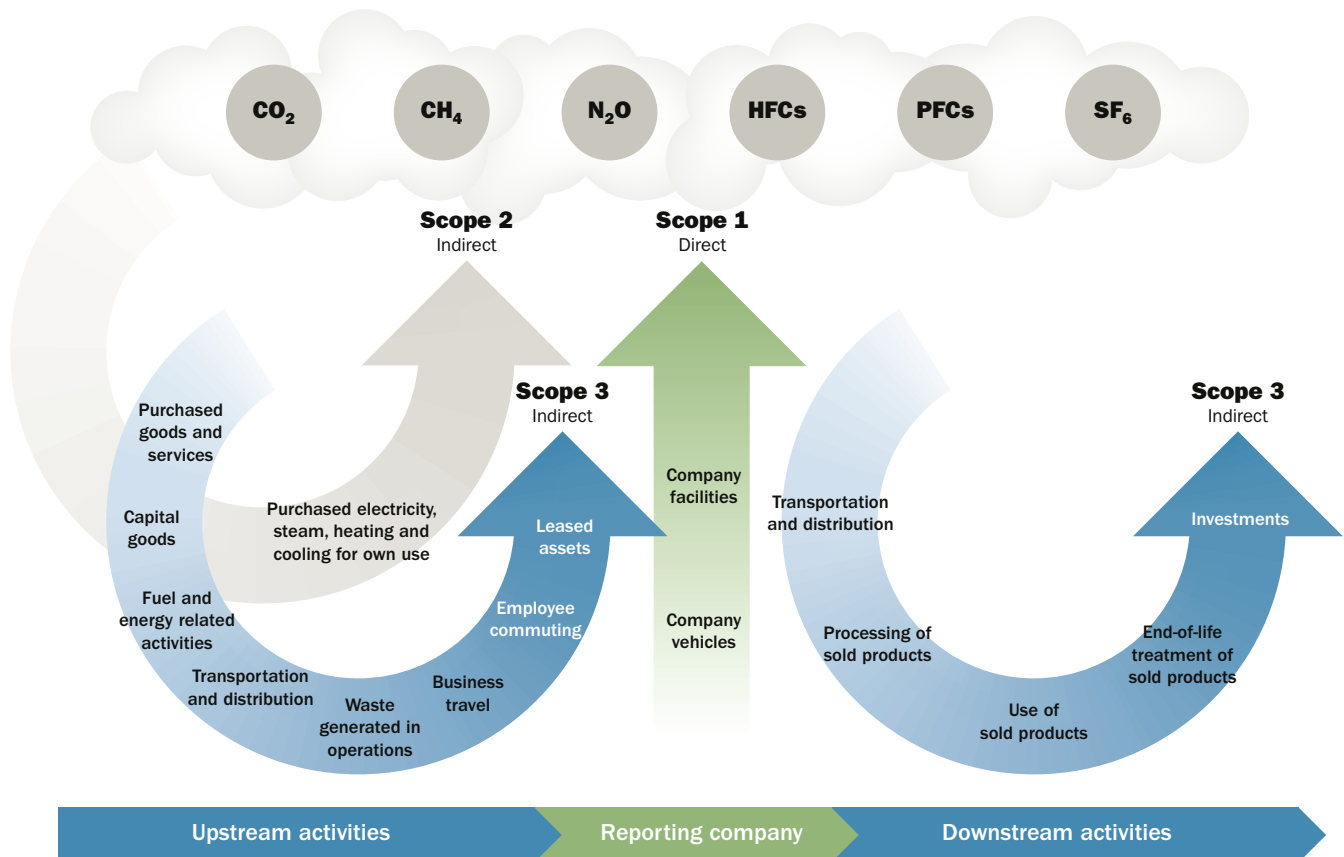


Most of the emissions originate from 30 percent of the shares in Blocks 3&4, which are reported as Tethys Oil Scope 3 emissions, classified according to the operational control method.

To further explain the emission distribution, the diagram shows about half of the emissions generated by end users fuel combustion. The other large proportion of the upstream process emissions as the largest part of the emissions originate from flaring and cold ventilation of gas. Other major contributors are emissions from power generation from stationary electricity production in the facilities and waste generated in upstream activities.

Flaring refers to disposal of associated gas produced during extraction through burning. Venting refers to intentional gas releases, including the amount of gas unburned in flaring. Reducing flaring is therefore a focus area when it comes to reducing emissions.

Scopes of emissions





Gas Flaring Mitigation Technology and Solutions

The Sultanate of Oman is committed to the World Bank initiative Global Gas Flaring Reduction Partnership (GGFR) and its goal of “Zero routine flaring by 2030”. As part of this effort the Ministry of Energy and Minerals (MEM) hosts the Oman Gas Flaring Reduction Task Force in which operators coordinate their efforts in finding solutions to reduce flaring. Tethys Oil has been a participant in the task force since its inception in 2018.

In the past few years, the Blocks 3&4 partnership has been studying several alternatives for reducing routine flaring and related emissions. One of the alternatives considered has included monetizing the gas by exporting it to the Omani gas

network. However, considering the volumes available, current market prices and the significant investments involved this is not a viable option. A more cost-efficient option would be to utilize the gas for local power generation with permanent facilities and thus reducing the dependence on diesel generators and decreasing the related emissions.

Flare to power

Instead of flaring gas, a small-scale gas-to-power project was set up in one of the fields to generate electricity for the camps, the electric submersible pumps of some wells, and other facilities. This initiative is making a significant environmental contribution, and a financial impact owing to the reduction in diesel consumption for power generation.

Another project has been to reduce the use of diesel-powered generators to drive drilling rigs, which can be a significant source of emissions. Actions have been taken in a pilot project to cut those emissions, reduce related noise and reduce the operational footprint by replacing diesel-only engines with dual-fuel motors that run on diesel or gas. By assessing each oil field’s asset integrity, the Company strives to find solutions that aim to reduce its environmental footprint.

The result is expected to be an overall reduction in emissions and lower operating costs. “Front-end Engineering Design (FEED)” study, including the Function and Risk Study (“HAZOP”) has continued during the year and is expected to be completed in early 2022.

The challenge

The biggest technical challenge would be the treatment of the gas. The flare held condensates and was too hot to be fed directly into a gas engine, so a bespoke engineered solution was required.

The Solution

Diesel decentralised power that was replaced with centralised power with bespoke gas treatment and custom designed central control system.

The Impact

Significant cost savings, reduced environmental impact.

Community Engagement





Goals:

- Make a positive impact in the communities where we operate

Performance:

- Community engagement projects: 14
- Scholarships offered to local communities' members/students: 5

Why is this important?

Access to reliable and affordable energy can improve quality of life, create economic wealth and lift people out of poverty. However, extracting oil and gas can stress communities and interfere with their resources. The support of communities in the host country is crucial for operating a resilient business, therefore good relations with host countries and local communities are prerequisites to Tethys Oil's business.

Tethys Oil's approach

Tethys Oil's activities shall strive to create shared prosperity between stakeholders. It seeks to respect and gain the respect of the people and governments of the countries in which it operates. Wherever operations are conducted, the state's sovereignty is respected, and the rule of law is to be observed and promoted.

The Group is committed to positively impacting its host communities by engaging in a dialogue with the Group's stakeholders, whether these are local communities or relevant interest groups, such as local governments and civil society. Tethys Oil engages in an active relationship with stakeholders to understand the concerns surrounding the Group's operations and to set mutually beneficial goals. This is to ensure local stakeholders needs and priorities are considered and avoid that the Group's operations disrupt the livelihood of the local population and negatively affect their quality of life.

Local people and their traditions are respected. Tethys Oil strives to encourage local employment and, where appropriate, work with local communities to improve their health, skills and welfare. Tethys Oil endeavours, where applicable, to engage in capacity building through the transfer of skills and technologies. Tethys Oil shall refrain from any implications in tribal,

internal, or other armed conflicts or acts of violence.

Tethys Oil's Corporate Social Responsibility (CSR) activities are focused and conducted In-Country Value. In Oman, they are headed by the Director of Corporate Affairs and followed up continuously.

In addition to non-profit partnerships, Tethys Oil has dedicated local team members focused on listening and responding to community concerns in the operating areas.

Activities and results 2021

In 2021, Tethys Oil provided support in the communities associated with our operations. Due to the Covid-19 pandemic and its related restrictions on meetings and movement, community engagement was more limited than planned and unfortunately, some of the scheduled activities had to be postponed.

The Company has been included in a continuous dialogue with all key stakeholders relating to Block 49 on a national, regional and local level. This contains several ministries, the Royal Omani Police, the military, the governate of Dhofar and the Wilayats of Maqshin and Thumrait.

The Block 49 CSR program was developed and established with focus areas on providing education and training opportunities for the local population through scholarships. The program contributes to the sustainable development of the local economy, encouraging local employment opportunities and minimising any potential adverse effects of Tethys Oil's operations. It is vital to maintain support from the local community for Tethys Oil and its subcontractors to operate efficiently and safely. If Tethys Oil is to operate with the support of the local community, the community must also perceive to benefit from Tethys Oil's investments.

During the year following initiatives have taken place:

- Supported Families under Social Security in Wilate Thumriate with "Iftar Saem"-initiative during the holy month of Ramadan.

- Provided Al Kihil school in Wilate Al Jazir in Al Wusta Governorate with 10 screen projectors.
- Supported 2021 Empty Quarter Festival in the Wilayat of Thumrait in Dhofar Rejoin.
- Sponsored Photography Competition organised by Directorate of Water Resources in Dhofar.
- Sponsored Dhofar University to hold Literary Competition in writing short stories and poetic recitation to discover the literary talents of young students.

The following details of some of the community engagement projects collectively undertaken with or by the partners in Blocks 3&4:

- Supported to build an integrated cultural, science and innovation complex that serves the local community in Musandam.
- Sponsored project to promote healthy active lifestyles and positive work cultures in Muscat.

Community Development projects contributions:

- Atta Ramadhan, is a yearly project that distributes food to families in concession areas.
- Sponsored together with the Omani Organization for Charitable Works the stricken areas in Oman to rebuild and restore what was destroyed by Tropical Cyclone Shaheen.
- Sponsored Youth Vision with the project Job Seekers Program.

Other national HSE-related contributions:

- Ministry of health – Engage in building a Dialysis Unit in Adam.
- SQU hospital – Sponsorship for hospital device, there was an urgent need for laser device in the hospital.
- Sponsored the Oman Cancer association with programs for patients and employees in hospitals in Bahla/Oman.
- Sponsored Al Wafa Center in Mahout to purchase necessary equipment for the centre.
- Sponsored Al Wafa Center with a Multipurpose Sports Field. The field will be a good step for the center as it will serve the student with disabilities and enhance them to be healthier.

Diversification, Culture of Inclusion and Human Rights





Goals:

- Diversity and inclusion are defined and integrated into the Company's strategy and beliefs

Performance:

- 100 percent of the staff have participated in Tethys Oil's policy in human rights and anti-discrimination
- Local employment: 85 percent

Why is this important?

No matter where they were born or who they are, every human is entitled to the same rights and freedoms as anyone else. Based on the Company's Scandinavian roots, it is a core value to act ethically and respectfully towards all individuals related to the Company. A successful business is dependent upon its employees as individuals. A fair, respectful, and safe working environment based on equal opportunities and treatment is vital to support a company's strategy on all levels.

Tethys Oil's approach

Tethys Oil's employees are the primary asset. From this perspective, it comes naturally to aim to achieve high employee satisfaction and high-performance standards. Tethys Oil shall respect and promote its employee's rights, including freedom of association and the right to collective bargaining. Tethys Oil shall offer rewarding working conditions and realize each employee's individual potential through training and job promotion. Tethys Oil prohibits the use of all forms of child and forced labour, both directly or indirect and should never occur. Tethys Oil has implemented a diversity and non-discrimination policy to ensure that the diversity of its staff is respected and that all forms of discrimination are prevented.

Tethys Oil's Position on Diversity and Discrimination

- Tethys Oil seeks to recruit and retain the best possible candidates for all positions based on merit regardless of gender, sexual orientation, age, disability, nationality, race or religion.
- The cultural diversity of the Group's employees is an asset and shall be respected. Furthermore, Tethys Oil will not accept any form of harassment or

Diversity – A wide range of experiences and voices which fully represent the communities in which we operate.

Inclusion – Policies and actions that provide a community where everyone belongs and has a voice.

discrimination of its employees for any reason.

- Tethys Oil's staff shall always act with the utmost integrity and respect when dealing with colleagues, partners and society.
- Tethys Oil's employees, partners and contractors should feel free to voice concerns or report instances of discrimination without fear of recrimination or harassment.
- Tethys Oil's employees shall always act with the utmost integrity and respect when dealing with colleagues, partners and society.

Tethys Oil's Position on Human Rights

Tethys Oil has committed firmly to the United Nations Global Compact (stated further in the Code of Conduct) and adheres to the United Nations Guiding Principles on Business and Human Rights.

The Group has committed to supporting internationally recognized human rights wherever it operates. Human Rights are to be understood as those referred to in the Universal Declaration of Human Rights (UDHR), the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights and in the International Labour Organisation's (ILO) Conventions, and relations to business activities, in the Global Compact, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles.

The Group recognizes the importance of respecting the rights of local communities, and thus before any new investment or operational activity, it analyses potential impacts on human rights. While the Group respects all human rights, it focuses primarily on those human rights that potentially may be most impacted by its operations. Typically, those most impacted are the populations and communities in the countries where Tethys Oil is active or within its license areas where it operates.

The Group furthermore expects all its affiliated partners to respect human rights and observe the highest professional integrity standards. The Group is committed to investigating, addressing, responding and to taking appropriate corrective action in response to any violation.

The nature of Tethys Oil's operations as a highly skilled upstream oil and gas operator in Oman means that the risk for child labour or bonded and forced labour is limited. There are potential risks in the use of subcontractors in some cases but Tethys Oil's stringent policies and the transparent process for procurement minimises any such risks.

From a wider perspective, Tethys Oil seeks to minimise the risk of Human Rights violations because of its business by strictly implementing its code of conduct in all aspects of its dealings.

Activities and results 2021

At the end of the year, Tethys Oil had the equivalent of 26 full-time employees (23). Of which 8 (8) were women. Most of the staff have graduated from universities and colleges, primarily with geosciences, engineering or business administration.

No human rights-related grievances were filed against the Company in 2021. There were no recorded incidents of discrimination at Tethys Oil's operations during the reporting period.

Tethys Oil sponsored an MSc thesis in Geoscience for three students at Sultan Qaboos University. Two students successfully graduated during the year. The third student will continue her MSc thesis in Geoscience throughout the year.

Additionally, a two-year scholarship program was created for two students from the Wilayets of Maqshin and Thumraite in the Governate of Dhofar who belong to families on Social Security or Low-income schemes to obtain a diploma in Business from the University of Dhofar.

Health and Safety



Goals:

- Zero fatality
- Occupational risk reduction

Performance:

- Number of total reported accidents & incidents: Zero*
- Number of injuries and fatalities as a result of work-related injury: Zero*
- Lost time injury frequency rate (LTIFR): 0.35**

Why is this important?

Tethys Oil's activities are subject to the health, safety and environmental (HSE) risks inherent in the oil industry. Prevention of accidents and ill health is critical to the efficient operation of its business. Prevention of illness and promoting of healthy lifestyles provide lasting benefits for the workforce, their families, and the public. Loss of control of safety issues at facilities can potentially result in serious harm to people as well as the environment.

* Operated ** Non-operated

Tethys Oil's approach

The Group has established an HSE policy with accompanying corporate procedures. The ultimate responsibility for HSE lies with the managing director. However, it is the responsibility of all Tethys Oil staff to ensure compliance with the Group's standards for safe operations.

Tethys Oil has responsibility for all activities that are a consequence of its operations. At a minimum, Tethys Oil must comply with all relevant laws and governmental regulations and directions concerning HSE.

The genuine care for HSE is a core value for the Group and transparent throughout all Tethys Oil's plans and actions. The Group's objective is to provide a healthy and safe working environment for employees, contract personnel and members of the general public who might be affected by its activities. The Group is implementing a systematic approach to HSE management to achieve continuous improvement toward no harm to people, no accidents,

no spills and to strive for minimum impact on the environment, thereby contributing to sustainable development.

Tethys Oil is committed to ensuring that all operations the Group conducts are done safely with genuine regard for the wellbeing of the staff, contractors and third parties. Tethys Oil strives to create a safe, accident-free environment by fostering a culture of transparent decision-making, responsibility and planning. This applies not only to Tethys Oil's operations, but the Group representatives should work to ensure that the same standards are applied in all projects and joint ventures where the Group has an interest.

Activities and results 2021

In 2021, Tethys Oil continued to strengthen its HSE capabilities and preparedness by executing risk assessments and mitigation plans for the ongoing activities in Block 49, 56 and 58. In preparation for the exploration drilling, an emergency response plan was prepared in case of acci-

dents. One Tethys Oil HSE staff member has been seconded to CCED during the year to both learn from and follow the operator's HSE work, both in the office and in the field. General HSE training and awareness sessions have been conducted during the year for all staff in Oman.

In 2021 the operated Blocks 49, 56 and 58 safety records and the number of Total Recordable Cases (TRC) and Road Traffic Accidents (RTA) has been zero.

Safety records for 2021	Operated (Blocks 49, 56, 58)*
Fatalities	0
Lost Time Incidents	0
Traffic Accidents	0
Total Recordable Cases	0
Total Recordable Cases Frequency (#/mm Hrs)	0
Lost Time Incidents Frequency (#/ mm Hrs)	0
Road Traffic Accidents Frequency (#/mm km)	0

* Man Hours 168,185 & Total km 213,772

During the year Tethys Oil has sponsored several HSE projects. The following initiative has taken place:

- Ministry of health – Engage in building a Dialysis Unit in Adam.

- SQU hospital – Sponsorship for hospital device, there was an urgent need for laser device in the hospital.
- Sponsored the Oman Cancer association with programs for patients and employees in hospitals in Bahla/Oman.
- Sponsored Al Wafa Center in Mahout in the purchase of necessary equipment for the centre.
- Sponsored Al Wafa Center with a Multipurpose Sports Field. The field will be a good step for the Center as it will serve the student with disabilities and enhance them to be healthier.

To reduce the risk of the contagious Covid-19 virus, Tethys Oil has encouraged employees to work from home when possible and implemented virtual meetings. This minimised unnecessary physical meetings and contacts as well as limited exposure from public transport travel.

Blocks 3&4 Health and Safety

In 2021 the number of Total Recordable Cases (TRC) and Road Traffic Accidents (RTA) decreased. This positive development trend has continued over the years since reporting of these figures began. Road safety performance has shown improvement since 2020, primarily through road campaigns and implementation of consequence management to drivers.

With the continued focus to reduce risk on operations and increase awareness across the field, the Company launched a safety

program and educated employees and contractors in risk management and their responsibility toward maintaining the risk controls in our operations.

The Company works with behavioural-based safety concepts to improve attitudes and encourage hazard recognition and incident reporting. This has been achieved by increased training, monitoring, reviews and enhanced incentives. This form of training development is a top priority to further improve the health and safety culture and awareness beyond the Company's operations.

Due to the Covid-19 social restriction and physical interaction recommendations, there were limited safety training courses this year. As the impact of the pandemic diminishes and restrictions are removed, Tethys Oil will seek to maintain an overriding focus on occupational health and safety.

Presented below are the key HSE focus areas for 2022 as per the HSE strategy, which are to be monitored monthly:

- Contractors Management – Score card
- Contractors Performance Reviews meetings
- Behavioural change program
- Stop Work Authority drills (intervention)
- Safety Leadership Program
- Occupational Health Improvement (CPR, Manual Handling & Mental Health Awareness)

Blocks 3&4

Unit of measure		2021	2020	2019	2018	2017
Fatalities	(Number)	0	0	0	0	1
Lost Time Incidents	(Number)	2	3	2	2	5
Lost Time Incident Frequency	(#/mm Hrs)	0.35	0.47	0.24	0.28	0.94
Total Recordable Cases	(Number)	2	4	4	10	8
Total Recordable Cases Frequency	(#/mm Hrs)	0.35	0.63	0.49	1.42	1.51
Total Traffic Accidents	(Number)	1	1	3	4	4
Total Traffic Accidents Frequency	(#/mm km)	0.08	0.07	0.15	0.25	0.34

#/mm Hrs – number of cases/incidents per million worked hours

#/mm Km – number of accidents per million kilometres driven

Lost time incidents – The sum of fatalities and injuries where the impacted person is unable to return to work the day (or days) after the injury.

Total Recordable Cases – The Total number of incidents reported including Lost Time Incidents and more minor incidents which include restricted work capacity and medical treatment.

Business Ethics and Transparency



Goals:

- ☛ Zero-tolerance on bribery and other forms of corruption
- ☛ Continue to strengthen and uphold the highest standard of integrity and ethical business conduct

Performance:

- ☛ 100 percent of the staff have participated in Tethys Oil’s Code of Conduct policy
- ☛ Total number of unethical or corruption cases reported to Whistleblower helpline: Zero

Why is this important?

Failure to conduct a business in an ethical and transparent way can threaten the Company’s resilience or license to operate. Legal violations, operational negligence or corruption can have severe consequences for a Company’s reputation or financial stability. The consequences are material and affect the Company and employees, shareholders, communities, families, suppliers, and customers.

Tethys Oil’s approach

Tethys Oil has zero tolerance for corruption. It is strictly prohibited for Tethys Oil staff or contractors to give, authorise, offer, promise, request, agree or receive gifts, hospitality and entertainment to improperly influence or reward acts or decisions or as an actual or intended compensation for any improper benefit. More information about payments to authorities can be found in the annual report for 2021.

To prevent the abuse of public office or company position or power for private gain, or the misuse of private power in relation to business, Tethys Oil has adopted an anti-corruption policy and transpar-

ent procedures for employees to report suspected corruption cases. Transparency International’s Business Principles have drawn up the policy and procedures for Countering Bribery.

Tethys Oil recognises that accepting or offering gifts or hospitality of moderate value is customary and in accordance with local business practice in the region that it operates. As a result of this, Tethys Oil has implemented a policy requiring all staff or contractors who receive or offer gifts on behalf of Tethys Oil to seek approval from their supervising manager and keep a record of the donor, recipient as well as value.

Tethys Oil has strict anti-fraud policies aimed to safeguarding the Group and its staff from fraud and dishonest behaviour. For the policy Tethys Oil has defined 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.”

The implementation of the policy is aimed at improving all Tethys Oil staff’s knowledge and understanding of what constitutes fraud, how to prevent, detect and report suspected fraud and where the responsibility for investigation lies. The policy also aims to assist in creating an atmosphere of openness and trust where staff feels comfortable and able to raise concerns openly and without the risk of repercussions.

Employees are encouraged to report suspected or known cases they believe may be

illegal or a violation of the Group’s Code of Conduct or any Group policies and as a result, Tethys Oil has implemented a WhistleBlower Policy. The function aims to provide an avenue for staff to raise concerns about improper, unethical or illegal conduct and to obtain reassurance that they will be protected from reprisals or victimisation for Whistleblower in good faith.

Activities and results 2021

In 2021 Tethys Oil developed The Crisis Management Plan (CMP). The (CMP) is a part of the Group’s commitment to achieve continuous improvement toward no harm to people, no accidents, and no spills. The Company strives for minimum impact on the environment and for managing the Company’s reputation and for protecting its legal and social license to operate and fulfilling its obligation as a listed company.

A Crisis Management Team (CMT) will be set up and run from the Stockholm corporate office, with contributing members from Muscat operations office. CMT will be responsible for assemble and coordinate information, coordinate non-emergency related contacts with external stakeholders and provide accurate and timely information reviewed from a legal point of view to all concerned stakeholders and news media. Exercises are held regularly to make sure the plan will work both ahead of significant new operations and during operations.

To date, Tethys Oil has not had any reports of involvement in corruption or suspected corrupt activity. There have been no incidents or activities reported through the Whistleblower function during 2021.

Business Resilience & In-Country Value Creation



Goals:

- Resilience to a low-carbon future
- Support local employment, education and community development
- Support local business entities by ensuring maximum possible business opportunities are provided

Performance:

- Share of procurement spend locally: 100 percent
- Free cashflow : 29.7 MUSD
- Local employment: 85 percent

Why is this important?

There are long-term challenges ahead. Energy demands are shifting, resulting in a long-term change of the energy supply landscape. The need for renewable energy is growing fast. Hydrocarbons are expected to still be the dominant energy source in the upcoming years but is expected to decline in the perspicuous future. Survival in the industry will most likely depend on the ability to operate in an energy-efficient way and create value in the area operated.

Tethys Oil’s approach

Tethys Oil strategic decision to operate onshore in the geographic area of Oman provides certain resilience benefits. The environmental impacts have the potential to be kept at a minimum, at the same time as the oil quality and overall operations give an energy-efficient product.

The Company continues to seek opportunities to create value chains in drilling and exploration and beyond to deliver sustained In-Country Value creation (ICV) for the communities the Company operates with and the Sultanate in general.

Tethys Oil contributes to sustainable economic growth for the Energy sector by

encouraging local businesses to develop and broaden local sources to enhance the supply chain resilience and business endurance. In addition, the Company is committed to using local goods and services and developing the local, national workforce.

Activities and results 2021

In 2021 Tethys Oil issued 51 subcontractor agreements for a total value of approximately MUSD 39, all of which went to locally based contractors and suppliers. The Company support local employment and has over 80 percent of Omani professionals, including engineers and senior management.

Tethys Oil sponsored several projects for the community during 2021, including a partnership with Outward Bound Oman. The project’s main focus was for the In-country value and satisfying the main objective of Vision 2040, which empowers young Omani to lead the future and develop an appreciation for and a greater awareness of the natural environment cultural heritage and learn to work with limited resources.



Key Sustainability Risks



Tethys Oil focuses on the future to prepare for the changing business landscape and mitigate potential risks. Understanding and managing the non-financial risks and opportunities associated with the business is an integral part of managing the business. Several group functions are involved in identifying and managing non-financial risks

in their area of responsibility. Risks are considered at the corporate, asset and project levels, ensuring that risks are identified and assessed from the bottom-up. These risks are regularly conveyed to Group management and fed into the materiality process.

Emissions

Risk

- ❖ With increasing awareness and concern regarding climate change and the role played by the use of fossil fuels in driving these changes there is an increased risk of increased regulation, decreased demand for oil and gas as well as divestment of the sector from major financial investors.

Response

- ◆ Tethys Oil aims to produce oil and gas in an environmentally responsible way with a minimum of environmental impact. By reporting its environmental impact in a transparent way and joining in industry initiatives to reduce its emissions, the Group looks to mitigate the risks as much as possible.

Biodiversity and Land Management

Risk

- ❖ Environmental impact through disruption of the natural environment through drilling, environmental damage by leaks and spill.
- ❖ The release of atmospheric emissions through the use of diesel or the flaring of associated gas.

Response

- ◆ Tethys Oil and its partners commit significant resources to ensure a minimal environmental impact from its operations, be it on the environment around the area of operations, from spills and releases as well as emissions from the oil production, thereby contributing to sustainable development.
- ◆ The Company uses a third-party specialist company to monitor and measure the environmental impact of the operations.
- ◆ Use of Environmental Impact Assessment (EIA) to define existing biodiversity, environmental and other conditions near the Company activities and providing data for assessing the potential impacts on habitats and helping to develop mitigation plans.
- ◆ Work is progressing on developing a broad and long-term solution for handling the associated gas that is produced together with the oil. A concept has been selected that includes utilising some of the gas for power generation in the field and thus replacing the diesel-powered generators.

Health and Safety

Risk

- ❖ Serious injury, fatality or health deterioration.
- ❖ Accidents resulting in damage to facilities, the environment and personal injury.

Response

- ◆ Tethys Oil has implemented a strict Health, Safety and Environment (HSE) policy framework to be adhered to by all employees, partners and contractors. By creating a culture of risk awareness including high level training and information the Company seeks to minimise the frequency and impact of accidents.
- ◆ The Group has implemented a systematic approach to Health and Safety management to achieve continuous improvement towards the goal of no harm to people and no accidents in respect of facilities are operated by one of the Company's partners, Tethys Oil aims to be actively involved in reviewing and contributing to HSE policies, initiatives and actions taken within areas in which the Company has an interest. The genuine care for HSE is a core value for the whole Group and shall be transparent through all of Tethys Oil's plans and actions. It is the Group's objective to provide a healthy and safe working environment for employees, contract personnel and members of the general public who might be affected by the activities of its operations.

Community Engagement

Risk

- ❖ Local community tensions and grievances.
- ❖ Impact of operations on local community's quality of life.
- ❖ Negative external perception of the industry by investors and stakeholders, and increased activism.
- ❖ Damage to Archaeology and Cultural Heritage sites.

Response

- ◆ The Group has a commitment to have a beneficial impact on the community through engaging in a dialogue with the Group's stakeholders, whether these are local communities or relevant interest groups, such as local governments and civil society.
- ◆ Tethys Oil engages in an active relationship with local stakeholders in order to understand the concerns surrounding the Group's operations and to set mutually beneficial goals. This is to ensure local stakeholders needs and priorities are considered and avoid that the Group's operations disrupt the livelihood of the local population and has a detrimental effect on their quality of life.
- ◆ Tethys Oil endeavours to promote a framework of stakeholders relations, building relationships of trust on an ongoing basis.
- ◆ Through an EIA, field survey is carried out to understand the Project's cultural heritage and archaeological context. Information is used to inform sample locations for field investigation. Cultural heritage / archaeology management – identification, classification and protection of cultural / archaeological sites in accordance with the country's laws/ international standards and conventions.

Diversification, Inclusion & Human Rights

Risk

- ❖ Risk for child labour or bonded and forced labour in the use of subcontractors.
- ❖ Increasing stakeholder focus on diversity and gender equality.

Response

- ◆ Tethys Oil has committed firmly to the United Nations Global Compact and adheres to the United Nations Guiding Principles on Business and Human Rights.
- ◆ Tethys Oil Human Rights Policy applies to all companies in the Tethys Oil Group and any ventures that are controlled or operated by Tethys Oil. This Policy should be followed by all employees, the Board, consultants and subcontractors employed or retained by the Group.
- ◆ Tethys Oil has implemented a diversity and non-discrimination policy to ensure that the diversity of its staff is respected and that all forms of discrimination are prevented.

Ethical Governance

Risk

- ❖ Ethical misconduct in operations or supply chain, impacting license to operate.
- ❖ Non-compliance with Code of Conduct and Policies.
- ❖ Non-compliance with current or emerging HSE related regulation.

Response

- ◆ Tethys Oil has adopted an "zero tolerance" anti-corruption policy in accordance with Transparency International's Business Principles for Countering Bribery and clear procedure for employees to report suspected cases of corruption. Tethys Oil is publishing an annual report of all the Group's payments to authorities. The reported amounts refer to direct payments in excess of the threshold amount of SEK 800,000 and production sharing.
- ◆ Tethys Oil has implemented a Whistleblower Policy. The aim of the function is to provide an avenue for staff to raise concerns about improper, unethical or illegal conduct and to obtain reassurance that they will be protected from reprisals or victimisation for Whistleblowing in good faith.
- ◆ Tethys Oil has responsibility for all activities that are a consequence of the Group's operations. At a minimum, it is Tethys Oil's duty to ensure compliance with all relevant laws and governmental instructions concerning HSE. As well as continued roll out of sustainability policies and procedures across the business with ongoing monitoring of regulatory landscape.

Performance data

Performance data for non-operated Blocks 3&4

Metric 1: Greenhouse Gas Emissions	Year 2021	Year 2020	Year 2019
GHG Emissions (metrics tons CO ₂ e)	169,773	154,987	177,188
GHG Intensity – (GHG Emissions / Gross Annual Production (boe)) kg per bbl produce	41.8	37.5	37.8
Methane Emissions (Metric tons CH ₄)	666	150	4.3
Methane Intensity – (Methane Emissions (Metric tons CH ₄)/Gross Annual Production (Mboe)) kg per bbl produced	0.16	0.04	0
Nitrous Oxide (Metric tons N ₂ O)	0.25	0.48	0.4
Metric 2: Flaring			
Gross Annual Volume of Flared or Vented Gas (Mcf)	2,534,910	2,260,944	2,721,274
Volume of gas flared per barrel of oil equivalent produced (Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Production (boe))	0.62	0.50	0.53
Metric 3: Liquid Hydrocarbon Spills			
Number of Spills > 1 Barrel	2	8	4
Spill Intensity (Produced Liquids Spilled (bbl)/Total Produced Liquids (Mbb))	0.02%	0.02%	0.06%
Metric 4: Water Use			
Utility Water Use (m ³)	1,482	2,156	1,152
Non-Fresh Water consumption intensity bbl/boe	1.29	0.93	0.99
Fresh Water Intensity (bbl/boe)	0.2%	0.3%	0.3%
Total Produced Water (m ³)	803,738	665,784	807,264
Water Recycle Rate (Recycled Water (bbl)/Total Produced Water (bbl))	68%	84%	86%
Metric 5: Safety			
Fatalities	0	0	0
Lost time Incidents	2	3	2
Traffic Accidents	1	1	3
Total Recordable cases	2	4	4
Total recordable cases frequency (#/mm Hrs)	0.35	0.63	0.49
Lost Time Incident Frequency (#/mm Hrs)	0.35	0.47	0.24
Road Traffic Accident Frequency (#/mm km)	0.08	0.07	0.15

GRI references

Standard disclosure	Description	Reference	Comments
GRI 102: General Disclosures			
<i>1. Organizational profile</i>			
102-1	Name of the organization	SR front cover	A) Applicable
102-2	Activities, brands, products and services	SR 4–6	A-b) Applicable
102-3	Location of headquarters	SR back cover	A) Applicable
102-4	Location of operations	SR 6	A) Applicable
102-5	Ownership and legal form	AR 25	A) Applicable
102-6	Markets served	SR 6, AR 8–10	A) Applicable i. Applicable ii. Applicable iii. Applicable
102-7	Scale of the organization	SR 27, AR 4–5	A) Applicable
102-8	Information on employees and other workers	SR 27, 33	A-c) Applicable
102-9	Supply chain	SR 5–6	A) Applicable
102-10	Significant changes	SR 6–8	A) i. Applicable ii. Applicable
102-11	Precautionary Principle	SR 11, 14–15, 18–23	A) Applicable
102-12	External initiatives	SR 9	A) Applicable
<i>2. Strategy</i>			
102-14	Statement from senior decision-maker	SR 3	A) Applicable
102-15	Key impacts, risks, and opportunities	SR 9–13, 35–36	A) Applicable partially
<i>3. Ethics and integrity</i>			
102-16	Values, principles, standards, and norms of behavior	SR 9–12, 31	A) Applicable
<i>4. Governance</i>			
102-18	Governance structure	AR 27–33	A-b) Applicable partially
102-21	Consulting stakeholders on ESG topics	SR 11–13	A-b) Applicable partially
<i>5. Stakeholder engagement</i>			
102-40	List of stakeholder groups	SR 12	A) Applicable
102-42	Identifying and selecting stakeholders	SR 12	A) Applicable
102-43	Approach to stakeholder engagement	SR 12	A) Applicable
102-44	Key topics and concerns raised	SR 12	A) Applicable partially
<i>6. Reporting practice</i>			
102-45	Entities included in the consolidated financial statements	AR 55–56	A-b) Applicable
102-46	Defining report content and topic Boundaries	SR 8–9	A-b) Applicable
102-47	List of material topics	SR 13	A) Applicable
102-50	Reporting period		A) Applicable 1 January–31 December
102-51	Date of most recent report		A) Applicable Previous sustainability reports are available at: www.tethysoil.com
102-52	Reporting cycle		A) Applicable Annual
102-53	Contact point for questions regarding the report		Daniel Mokari, Head of Sustainability, Daniel.Mokari@tethysoil.com
102-55	GRI content index	SR 38–39	A) Applicable b) i. Applicable ii. Applicable B)
GRI 103 Management Approach 2016			
103-1	Explanation of the material topic and its boundaries	SR 8–9, 12–13	A-c) Applicable
103-2	The management approach and its components	SR 8–9, 12–13	A-c) Applicable
103-3	Evaluation of the management approach	SR 8–9, 12–13, 18–21, 24–27, 30–33	A) Applicable
GRI 201 Economic performance 2016			
201-1	Direct economic value generated and distributed	SR 7, AR 4–5, 12–13	A) i. Applicable
GRI 205 Anti-corruption 2016			
205-3	Confirmed incidents of corruption and actions taken	SR 31, 36	A-d) Applicable
GRI 303 Water and effluents 2018			
303-1	Interactions with water as a shared resource	SR 8, 17	A) Applicable
303-3	Water withdrawal	SR 17, 37	A-d) Applicable
303-5	Water consumption	SR 17, 37	A) Applicable
GRI 304 Biodiversity 2016			
304-1	Operational sited owned, leased managed in, or adjacent to, protected area and areas of high biodiversity value outside protected areas	SR 19	A) i. Applicable iii. Applicable iv. Applicable v. Applicable vi. Applicable
304-2	Significant impacts of activities, products, and services on biodiversity	SR 19	A) Applicable
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	SR 19	A) i. Applicable ii. Applicable iii. Applicable iv. Applicable
GRI 305 Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	SR 21–22, 37	A) Applicable b) Applicable e) Applicable f) Applicable
305-2	Energy indirect (Scope 2) GHG emissions	SR 22	A) Applicable
305-3	Other indirect (Scope 3) GHG emissions	SR 22	A) Applicable
305-4	GHG emissions intensity	SR 37	A) Applicable c) Applicable d) Applicable
GRI 403 Occupational health and safety 2018			
403-1	Occupational health and safety management system	SR 28–29	A) Applicable partially
403-2	Hazard identification, risk assessment, and incident investigation	SR 28–29	A) Applicable
403-9	Work-related injuries	SR 28–29	A) Applicable e) Applicable
GRI 405 Diversity and equal opportunity 2016			
405-1	Diversity of governance bodies and employees	SR 27	B) i. Applicable iii. Applicable
GRI 406 Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	SR 27	A) Applicable
GRI 412 Human rights assessment (2016)			
412-1	Operations that have been subject to human rights reviews or impact assessments	SR 9, 15, 26–27	A) Applicable
GRI 413 Local communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	SR 25	A) Applicable

Auditor's report

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Tethys Oil Ab (publ), corporate identity number 556615-8266.

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2021 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of

the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Gothenburg, 8 April 2022

PricewaterhouseCoopers AB

Johan Malmqvist
Authorised Public Accountant
Lead Partner

Sophie Damborg
Authorised Public Accountant



TETHYS OIL

Corporate Head Office

Tethys Oil AB (publ)
Hovslagargatan 5B
SE-111 48 Stockholm
Sweden

Telephone: +46 8 505 947 00

Fax: +46 8 505 947 99

E-mail: info@tethysoil.com

www.tethysoil.com