

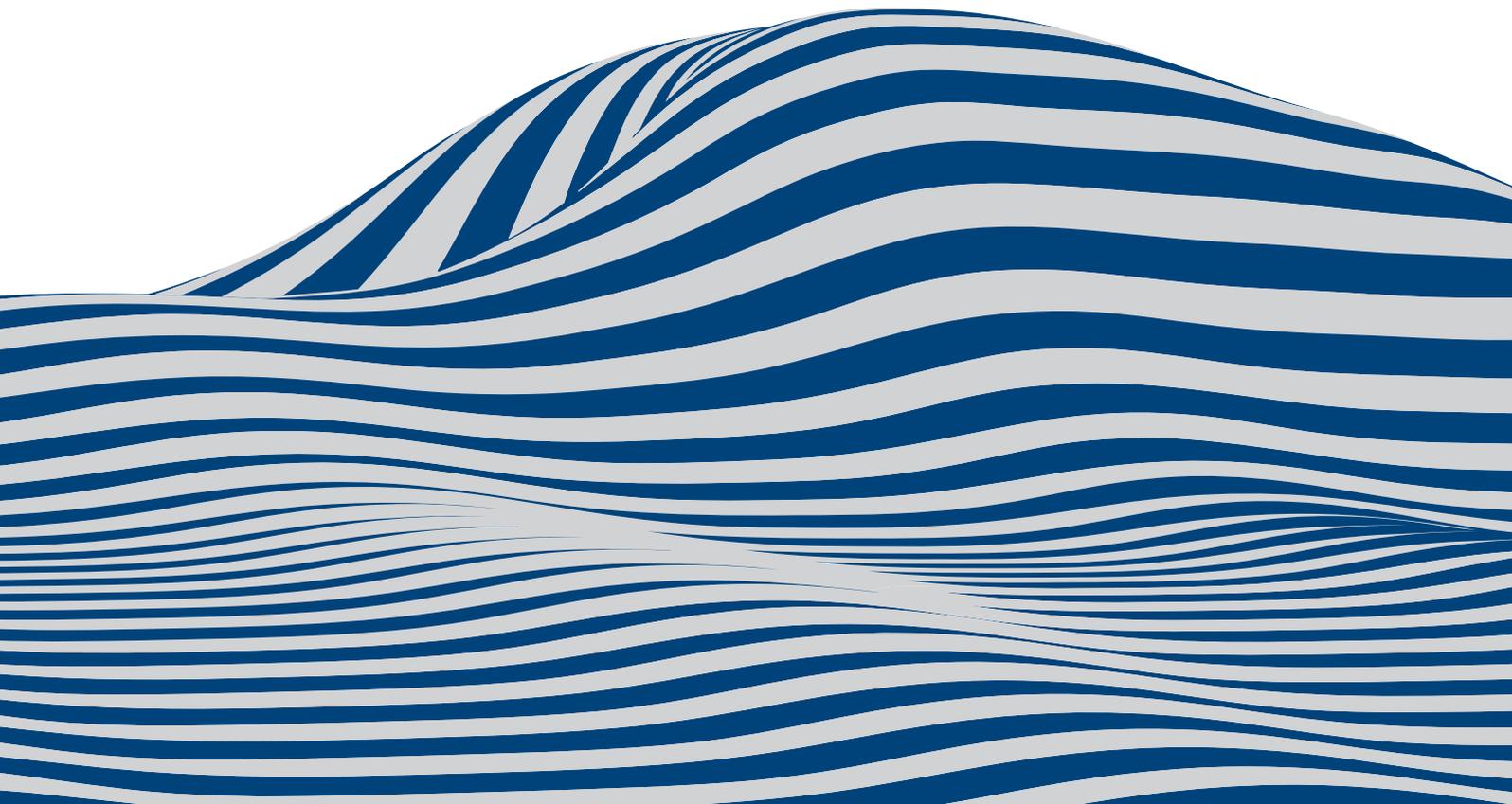
Sustainability Report 2019

Objective of the Report

We are pleased to share our 2019 Sustainability Report. Svenska continues to provide this statutory report according to the Swedish Companies Act . A single document which sets out our approach to corporate sustainability – a consolidated report on sustainability. Much of the content has already been reported by the Company in the Annual Report where you find all the relevant operating and financial information related to 2019. This report however provides a more comprehensive overview of Svenska Petroleum Exploration AB and its subsidiaries’ (“Svenska”) work towards sustainability. The report has been approved by the Board of Directors.

Preventing harm to life, assets and the environment as well as supporting the local communities where we operate are core values for Svenska and are key to Svenska’s way of working. We always strive to be the partner of choice for our stakeholders and adapt to the highest standards of safety and working conditions while committing to minimise the environmental impact in what we do.

Given these premises, this report is organised to allow Svenska to describe transparently how we conduct our business in an environmental and socially sustainable way.



Statement from President and CEO

Our overall vision is one of growth. We are working hard to increase production from our non-operated Baobab field and to develop our discoveries and prospects into producing fields. To balance such organic growth, we are intensifying our search for new, high-quality assets to complement our portfolio. In order to achieve these aims, Svenska relies on the enthusiasm and professionalism of our staff as well as our strong corporate values.

This report aims to describe how we at Svenska are trying, while driving efficiencies and seeking a greater return on investment, to maintain a healthy corporate culture by regularly reviewing our business practices and the effectiveness of our policies. Over the past years we have strengthened our framework in terms of our Svenska Management System content, which helps us improve how we capture, track and report our sustainability risk.

Our ambition is to continually improve our ways of operating in manner that eliminates any harmful practices in business as well as to the environment.

OUR COMPANY

Svenska Petroleum Exploration AB is a privately held Swedish full cycle oil and gas company. Our business is finding and producing oil and gas. Our activities are focused on the hydrocarbon-rich basins of West Africa where we operate as a joint venture partner with other parties. By being an active operator and co-venturer in West Africa, Svenska strives to add value for all our stakeholders. We

believe our reputation as an active co-venturer adds value to our assets and helps the Company grow. Our goal is to achieve and then maintain a balance between exploration and production.

Value is created through the conversion of our resource portfolio into producing assets. We are continuing our efforts to grow the Company through material discoveries as well as our portfolio of prospects.

THE FUTURE

Our ambition is to broaden our production base by increasing production from existing producing assets as well as through acquiring additional producing assets. We intend to continue to be an exploration company and are looking for attractive oil exploration assets in our core areas of interest. We aim to use our expertise, adding our knowledge and experience to that of our stakeholders and partners. As a hard-working and respected partner, Svenska is well positioned to build value organically and through acquisitions. Svenska will focus on finding and developing high-value assets where our local knowledge, commercial strength and technical expertise can add and protect value. Svenska's vision is to become a leading international black oil exploration and production company with a strong presence in West Africa.

The environmental, social and political challenges facing our industry obliges us to grow and shift to manage and adapt to those challenges in order to create value and improve lives through sustainable and responsible operations.



Governance Structure

The Company and its Swedish subsidiaries are administered out of the Stockholm office. Certain overseas subsidiaries of the Company and branch establishments are administered by renowned service providers under service contracts. The Board of Directors of the Company (the Board) has adopted a set of 'Rules of Procedure and Written Instructions', which are reviewed annually and subsequently approved by the Board. These rules authorise the President and CEO of the Company to undertake the day-to-day management of the Company and pass responsibility to the President and CEO for the implementation of the Board's strategy. The President and CEO has the mandate to delegate certain of those responsibilities to the

Management Group.

Svenska has a dynamic and flat corporate structure which efficiently connects expertise in London, Stockholm and Bissau via modern communication systems, frequent dialogue and up to-date tools. A management group providing decades of international experience guides our teams working in several of the world's richest petroleum basins. Table 1 below shows the immediate reporting structure beneath the President and CEO. All positions are members of the Management Group.

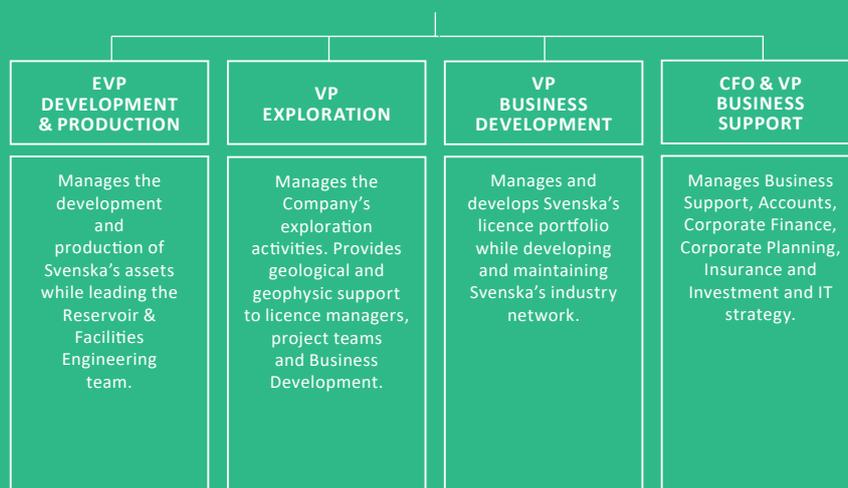
JOINT VENTURE OPERATIONS

The Group engages in oil and gas operations as a joint venture partner with other parties. It is normal upstream oil and gas business practice for one party to take on the role

of operator and conduct the daily operations on behalf of the co-venturers.

The parties' obligations and entitlements to the local government entity are regulated through joint operating agreements (JOAs). The co-venturers are independent parties, who control the actions of the operator through committees. Each co-venturer has voting rights in proportion to its working interest in the licence. The partners contribute with assets, capital, unique expertise or labour to access diverse advantages e.g. scale, risk sharing, optimisation and access to the other parties' unique capabilities. Costs and revenue are distributed between the partners and each co-venturer remains liable for its percentage share of the obligations.

Table 1 - Executive Management Structure
PRESIDENT AND CEO



The Company

MANAGEMENT SYSTEM

The Company has an online Svenska Management System (SMS) where all operational instructions, policies, principles and guidelines are to be found. Such work processes must be complied with throughout the Svenska Group and for all projects. The purpose of the SMS is to protect and retain our corporate memory and to ensure the corporate health and safety by defining:

- What we do,
- How do we do it, and
- Who does it

The contents of the Svenska Management System are reviewed annually to reflect current practice, evolution of the group and external factors. During 2019 there has been significant effort put into improving and streamlining the management system and processes within Svenska. Some of the key policies and processes which govern the way we and our wider stakeholder group do business are as follows:

- HSEQ Policy
- Svenska Risk Assessment Process
- Code of Conduct
- Anti-Bribery Policy and Procedure
- Sanctions Policy
- Know Your Supplier Policy
- Anti-Money Laundering Policy

Considerable time has been put into reviewing and updating the Svenska Code of Conduct and the Anti-Bribery Policy and Procedure during the year. The Sanctions Policy, Know Your Supplier Policy and the Anti-Money Laundering Policy are all new policies adopted by the Board from the beginning of 2020. These policies work together and will strengthen and enhance the due diligence we carry out prior to commencing a new business relationship. The intention is that these new procedures will mitigate the risk of Svenska being used to further crime or being in breach of sanctions.

ASSESSING, MONITORING AND CONTROLLING RISK

Svenska assesses, monitors and controls its risks and behaviours by creating mandates and commitments throughout the organisation. These mandates include maintaining the highest standards of safety and working conditions while committing to minimise the environmental impact of our operations and a zero tolerance for bribery and corruption. The Svenska Risk Assessment Process is applied to all Svenska's projects. The use of the Svenska Risk Assessment Matrix defines a ranking for identified risks in order to ensure that risk assessment procedures are consistent. Risk assessments may, depending on the scope and nature of the assessment, take different forms during the asset lifecycle. The process followed might, for instance, be more comprehensive in exploration and drilling projects.

HEALTH, SAFETY, ENVIRONMENT AND QUALITY (HSEQ)

Wherever we operate, our responsibility for people and the environment is the top priority. HSEQ is an essential element in all our activities and implementation of our HSEQ processes is the responsibility of each line manager and employee. In our work we comply with all the relevant statutory and regulatory requirements and aim to exceed them. As a responsible co-venturer in our exploration licences, Svenska uses its competence to assist the operator to improve project execution and secure operations. Svenska actively engages in dialogue with industry networks, with the guiding principle of applying recognised HSEQ practices within our operations.

The build-up of health and safety oversight and practices are core to Svenska's strategy of increasing our operating capability. HSEQ considerations remain a top priority in our own organisation and in the licences where we are a co-venturer. During 2019 there has been significant progress on the design and preparation for the Svenska operated Atum 1X well to be

drilled in the Sinapa licence, offshore Guinea Bissau. This has included giving the utmost attention to the development of our Environmental & Social Impact Assessment (ESIA), Oil Spill Contingency Planning (OSCP) and the safety aspects of this exploration drilling.

In the non-operated joint venture licence CI-40 offshore Ivory Coast, activity levels remained high during the year requiring increased HSE engagement and support to oversee the project.

Svenska's objectives, as set out in our HSEQ Policy, are to:

- Provide a safe and healthy working environment for those involved in Svenska's activities;
- Ensure we select competent contractors, sub-contractors, consultants and vendors that will positively contribute towards our HSE objectives and goals;
- Operate in compliance with relevant regulations and requirements, striving to exceed these wherever practicable;
- Demonstrate leadership by encouraging open and honest communication on all HSE related matters and proactively raising the HSE awareness of our employees and service providers;
- Continually improve our HSEQ performance and management system through reporting, monitoring, lessons-learned programme and auditing;
- Identify and manage risks in all our activities to eliminate or minimise harm to people, environment and assets;
- Minimise waste, emissions and discharges from our operations and ensure the efficient use of resources and energy;
- Ensure our operating partners place the appropriate emphasis on activities that could have a negative impact on the health and safety of personnel and the environment.

All employees have the right and duty to stop activities that they believe are in breach of the Svenska HSE Policy.

Social Responsibility

SOCIAL RESPONSIBILITY PROJECTS AND LOCAL EMPLOYMENT

Svenska strives to be a part of the development of our host countries, not only through the discovery and development of oil assets, but also by delivering social commitments to our host communities. These commitments are either part of our licence obligations or our own corporate undertakings. Svenska strives to support local communities where we are present by participating in sustainable projects that are politically and religiously independent.

In an effort to give back to the communities close to our operations Svenska has cooperated with SOS Children's Villages for more than ten years. SOS Children's Villages is an international non-governmental and non-denominational organisation working to ensure that the rights of all children, in every society, are fulfilled. The villages Svenska are supporting are located across Guinea-Bissau, Ivory Coast and Nigeria. The organisation is focused on family-based, long-term care for children who are unable to grow up with their biological families or stand the risk of losing them, in order to provide a much-needed sense of safety and stability.

Svenska also continues with its support of Tostan with a three year extension of the current partner agreement until 2022 to support Tostan's work in empowering African communities to bring sustainable development and positive social transformation based on a respect for human rights.

Apart from our direct support for organisations such as SOS Children's Villages and Tostan, Svenska continues to work closely with our licence co-venturers to support various social projects relating to education, healthcare and sustainable growth. At the end of 2019 we initiated a project to provide new school desks to the school for disabled children that we arranged

to be built in 2018. In the past we have also had the opportunity to re-open schools that have been refurbished, as well as construct a new recreation/ cafeteria hall for the paediatric ward and refurbish the Emergency Care Unit and operating facilities at Simão Mendes hospital in Bissau.

For Svenska it is not only important to be part of the development in our host countries through our commitments, there is also a value of being present in these projects. When travelling in the countries where we support social projects, we always make an effort to visit the villages or projects.

During 2019 Svenska contributed a total of KUSD 217 (KUSD 309) to social responsibility projects.

Our licences also include commitments to fund the education of local government partners in our host countries such as Petroguin in Guinea-Bissau and Petroci in the Ivory Coast. During 2019 we spent a total of KUSD 37 (KUSD 248) on training programmes. Table 2 shows the amounts that Svenska has expensed to such programmes. The amount spent may vary from year to year depending on how our partners choose to take part of these funds.

MOTIVATED EMPLOYEES

Education, healthcare and sustainable growth in our host countries has always been a vital part of Svenska's social culture and that is only achievable with committed employees. As an international company it is inevitable not to impact the environment and communities. Hence, Svenska strives

to broaden its environmental focus by encouraging our staff to work more systematically in a circular economy aspect.

We try to reduce our CO2 emissions related to travel by using modern communication technology, encouraging our staff to use public transport or other means of transport, but in an international company it is impossible to completely avoid air travel. That is why we have chosen to climate offset all of our air travel. In 2019 it amounted to 173 (148) tonnes of CO2, which has been climate compensated for in a tree planting project in Panama.

To reduce our waste, we promote using less and re-using and recycling materials whenever possible as well as securing our offices have the required re-cycling facilities.

In the end of 2019 we started knowledge sharing sessions where employees are able to present relevant company related topics. Not only will this grow our corporate culture it will also strengthen the internal network and reduce the loss of know-how. Engaged and dedicated staff is vital for Svenska to realise its growth and success. As an accountable and responsible employer Svenska believe that investing in its staff is the foundation for development i.e. with attractive health packages with including check-ups and health insurance, encourage training and workout initiatives and subsidised lunch meals.

Svenska's average number of full time employees during 2019 was 25 (27), ranging in the age from early thirties to late sixties, whereof 32 per cent female and 68 per cent male. The decrease in employees is explained by fixed positions being replaced by interim positions. We only had short-term sick leave reported during 2019 at 1.3 (3.1) per cent. In 2018 we had cases of reported long-term sick leave, which explains the decrease this year.

Table 2 - per licence KUSD

Contributions (KUSD)	2019	2018
Licence obligations (training) GB	12	200
Licence obligations (training) IC	25	48
Total Contributed	37	248

RESPECT FOR HUMAN RIGHTS

Svenska appreciates that its assets are situated in countries which at times have complex internal political situations.

Through a strict adherence with our corporate Code of Conduct and Anti-Bribery Policy and Procedures, as well as our work with our chosen social responsibility projects, Svenska ensures that we take a firm stance against abuses of human rights.

Due to the fact that Svenska has an office in London, we are obliged under UK Law to publish a Modern Slavery Act Statement. This statement is published on our website.

Before an investment decision is taken to invest in assets in a new country, Svenska undertakes an above ground risk assessment by following the Svenska New Country Entry Checklist. In 2019 we had no recorded breaches of Human Rights related to our operations.

ANTI-BRIBERY AND CORRUPTION AND CODE OF CONDUCT

Svenska's Anti-Bribery Policy and Procedure and our Code of Conduct set out the values and principles approved by the board to give overall guidance to the Company, its employees, agents and contractors as to how the Company aims to conduct its activities.

Svenska is committed to complying with all applicable anti-bribery laws, including but not limited to the relevant Swedish and UK laws as well as local laws in the countries where we have interests in licences or otherwise do business. In addition to Svenska's legal obligations, Svenska is also subject to contractual requirements from our partners and other counterparties, obliging Svenska to comply with such laws. Svenska requires the same from anyone with whom we do business.

The latter is implemented by having all Svenska's contractors signing a template service agreement that includes an undertaking to follow Svenska's Anti-Bribery Policy and Procedure and our Code of Conduct.

We recognise the importance of the performance of our contractors and other business partners when undertaking work with us. Svenska ensures that in our contractual arrangements all such business partners follow the same high ethical standards. Prior to entering into such arrangements Svenska undertakes due

diligence on potential counter-parties. This assessment is undertaken by following the Company's Third Party Due Diligence – Compliance Process. It is an essential part of our contracting strategy as we recognise that Svenska operates and has assets in potentially high risk jurisdictions.

Our staff is regularly trained on the content and to understand Svenska's Code of Conduct as well as the Anti-Bribery Policy and Procedure in order to recognise the risks. A Risk Register is maintained to record invitations and offers of gifts and entertainment and staff are regularly required to keep this up to date. In 2019 we had no recorded breaches to our Anti-Bribery policy or to our Code of Conduct.

STAKEHOLDER ENGAGEMENT

We strive to engage with all stakeholders and the context of each of our projects in the wider community. An important aspect of Svenska's aims is to understand the expectations and points of view of the stakeholders. Our key stakeholders include joint venture partners, host governments, local communities and employees. For each group, the requirement varies from case to case, and includes both formal and informal channels that are used with varying degrees of regularity.

Svenska maintains an open dialogue with its staff on a one-to-one basis, within teams and also by holding regular information meetings with the whole company. This approach engenders a sense of trust in the management group and a real understanding of the projects we undertake and each person's role.

In particular, in Guinea-Bissau, where we are the operator of the licences, we have forged an excellent working relationship with the government and its staff and as described elsewhere

in this report Svenska has made many commitments to the local communities and charitable groups. Early in 2019 a farm-out of equity to CNOOK West Africa Petroleum E&P was agreed (still pending a decree by the President of the Republic of Guinea-Bissau) as a part of moving the work program in Guinea Bissau forward. Apart from the strategic movement farming out equity our Sinapa and Esperanca licence all of our joint venture groups have remained stable for several years which is testament, in part, to the good relationships that Svenska has established.

PAYMENTS TO AUTHORITIES

Table 3 below shows tax payments per country in KUSD during 2019.

FRAMEWORKS USED

- European Commission Guidelines on non-financial reporting (methodology for reporting non-financial information) (2017/C 215/01)
- European Commission Guidelines on non-financial reporting: Supplement on reporting climate-related information (2019/C 209/01)
- EU Environmental Reporting Handbook published by the Climate Disclosure Standards Board and CDP (formerly Carbon Disclosure Project)
- GRI Oil and Gas Sector Supplement (Summary Guide)

Table 3 - Payments to Authorities KUSD

Country	Tax according to PSA	Income tax	Other Tax	Reimbursement according to PSA	Total
Cl_40, the Ivory Coast	16,173	-	-	-	16,173
Block 2,4 & 5A Guinea-Bissau	-	-	-	200	200
HM Revenue & Customs, England	-	30	-	-	30
Westminster City, England	-	-	340	-	340
Revenue Commissioners, Ireland	-	-	-	-	0
Total	16,173	30	340	200	16,743

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