

Introduction

Carnarvon Petroleum (“Carnarvon”) recognises that climate change is an important global challenge that requires action to transition to a lower carbon environment.

Carnarvon has an important role to play in this transition, which offers unique challenges and opportunities for the Company.

Carnarvon believes that a variety of energy sources are going to be required to meet an increasing global demand from a growing population. The challenge is to meet this demand in a manner that is within the UN Sustainable Development Scenario and achieves the Paris Agreement commitments.

Carnarvon recognises the challenges associated with reducing and offsetting emissions from oil and gas operations as well as the opportunities that the transition presents in alternative technologies and materials.

Carnarvon supports the commitments of the Paris Agreement and the need to reduce and offset greenhouse gas emissions.

Position

Carnarvon commits to achieving net zero emissions by 2050, if not earlier.

Carnarvon will aim to do this by:

- Reducing emissions from its operated assets through integrating climate considerations into facility design and optimising operations;
- Working with its partners on its non-operated assets to also integrate climate considerations into facility design and optimising operations;
- Implementing internal carbon pricing and scenario modelling (that includes costs for implementing emissions reduction options) into its decision making;
- Diversifying our portfolio over time into low carbon assets and technologies that also provide appropriate returns to its shareholders;
- Investigating options for reducing emissions associated with the end use of its products;
- Developing emissions offset programs;
- Measuring and reporting carbon emissions as required by the regulatory requirements within the regions within which Carnarvon operates;
- Aligning reporting with TCFD recommendations; and
- Setting targets within the business, including within remuneration practices, to achieve the above aims.

Scope

Carnarvon executives are responsible for leading the implementation of this policy and the Risk, Governance and Sustainability Committee is responsible for overseeing the effectiveness of this policy.