

Corporate Social Responsibility

1. INTRODUCTION

Norwegian Energy Company ASA (the “Company” and including its subsidiaries, the “Group”) defines corporate social responsibility (“CSR”) as achieving commercial profitability in a way that is consistent with fundamental ethical values and with respect for people, the environment and society.

The Group shall respect human and labour rights, establish good HSE (health, safety and the environment) standards, facilitate good dialogue with stakeholders and generally operate in accordance with applicable regulatory frameworks and good business practice.

At the core of the Company’s CSR policy is the group’s five corporate values: collaborative, responsible, ambitious, vigorous and entrepreneurial. The values define who we are, how we act and what employees of the Company and Group stand for.

Each Group company has an independent responsibility for exercising corporate social responsibility in accordance with the Group’s principles, but is free to design its own additional activities and instruments. In addition, each Group company has developed, adopted and is operating according to a Compliance Manual that provides detailed information and a series of policies regarding the professional and ethical standards and compliance requirements of all Group companies.

2. PURPOSE

The purpose of this policy is to define clear areas of focus for the Company’s approach to CSR and clarify the responsibilities and expectations with regard to the Company’s stakeholders.

3. MAIN CSR PRINCIPLES

The Company has identified seven main CSR topics. The Group’s general approach to these topics is described below. Continuous improvement is emphasized, and priority shall be

given to areas where the need for improvement and the potential for making an impact are greatest.

3.1. Professional and ethical standards

It is the Group’s policy to maintain the highest level of professional and ethical standards in the conduct of its business affairs. The Group places the highest importance upon its reputation for honesty, integrity and high ethical standards. These standards can only be attained and maintained through the actions and conduct of all personnel in the Group. It is the obligation of the Group’s employees to conduct themselves in a manner to ensure the maintenance of these standards. Such actions and conduct will be important factors in evaluating an employee’s judgment and competence, and an important element in the evaluation of an employee for promotion. Correspondingly, insensitivity to or disregard for the principles of the Group’s professional and ethical standards will be grounds for appropriate disciplinary actions.

The Group’s ethical and professional standard are further detailed in the Group’s compliance manuals.

3.2. Compliance with local culture and regulations

In promoting the Group’s principles for good business operations, we shall always respect local values and norms, and achieve success by bridging the divide between different cultures. Group companies shall always comply with local regulatory requirements in the countries in which we operate.

3.3. Respect for human and labour rights

Group companies are committed to respecting fundamental human and labour rights, both in our own operations and in our relations with business partners. Our employees shall be treated with respect and given orderly working conditions. The Group companies shall work continuously with issues such as non-discrimination, the right to privacy, the right to collective bargaining, employment contracts and protection

CORPORATE SOCIAL RESPONSIBILITY CONT.

against harassment. Forced labour, child labour and all forms of discrimination are strictly forbidden.

3.4. Equal opportunities

It is the Group's position that equal treatment of all employees is applied, and that different treatment or discrimination based on a person's gender, race, colour, national origin, age, religion, sexual orientation or any other characteristic protected by applicable law is unacceptable. Furthermore, the Group is committed to equal opportunity for all qualified employees and job applicants. All employment decisions (such as hiring, discipline, terminations, promotions and job assignments) are to be based on the Group's needs and an employee's performance and potential. At the end of 2019 the Group had 25 employees. Approximately 40 percent of the employees were women.

At the end of 2019 the Company's board of directors consists of three women and four men, all elected by shareholders, hence more than 40 per cent of the board members were women.

3.5. Anti-corruption and bribery

The Group has zero tolerance regarding corruption and bribery. Corruption undermines all sorts of business activities and free competition, and it is prohibited by law in all the countries in which we operate. Corruption is destructive for the countries involved and would erode our reputation, exposing the Group and the individual employee to considerable risk. The Company expects that local management of each Group subsidiary promotes a strong anti-corruption culture. Each company shall make active efforts to prevent undesirable conduct and ensure that their employees are capable of dealing with difficult situations.

3.6. Health, safety and the working environment

A healthy work environment contributes to a better health, greater engagement and increased job satisfaction. The goal is to create a safe and healthy work environment that contributes to motivated and committed employees, which ultimately is important for the Group's continued success. This requires continuous effort and is a natural part of the Group's daily operations. The Group has no records of work-related accidents or injuries in 2019.

During 2019, Noreco was, through its ownership in the DUC in which Total E&P Denmark A/S is the operator, involved in production of oil and gas on the Danish Continental Shelf.

The Danish Offshore Safety Act is the legal framework for promotion of a high level for health and safety offshore and for creating a framework enabling the companies to solve offshore health and safety issues themselves. The Danish Offshore Safety Act generally applies to all offshore activities related to hydrocarbon facilities, infrastructure and pipelines connected hereto.

Licensees under the Danish Subsoil Act are required to identify, assess and reduce health and safety risks as much as reasonably practicable, as well as be compliant with the ALARP (As Low As Reasonably Practicable) principle. Furthermore, the licensee shall ensure that operators are able to fulfil the safety and health obligations pursuant to the Danish Offshore Safety Act.

3.7. Environmental issues

The Group's business in the oil and gas market has an environmental impact. All phases of the oil business present environmental risks and hazards and are subject to strict environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. All activities are subject to the receipt of necessary approvals or licences. The Group aims to protect the environment to the greatest extent possible, both in its own operations, and through the Group's partnership in the DUC. In 2019 Noreco further enhanced its work towards identifying tangible solutions that will improve the long-term position of oil and gas as a key part of the global energy mix. Through cooperation with external experts and development of internal specialised competencies, the Company aims to develop sustainable solutions that will reduce greenhouse gas emissions on the Danish Continental Shelf.

4. WHISTLEBLOWING

It is important that someone who discovers wrongdoing and non-compliance with the Company's CSR policy and other policies is able to report it without risk of retaliation or discrimination. The Company established a Whistleblowing Procedure in 2019 which purpose is to encourage everyone to raise concerns about matters occurring within or related to the Group so that the problem can be resolved promptly

CORPORATE SOCIAL RESPONSIBILITY CONT.

and efficiently using internal company resources, rather than overlooking a problem or seeking a resolution of the problem outside the Company which may delay the elimination of the problem and cause harm to the Group and its employees. The Whistleblowing Procedure applies to all officers, directors and employees of the Company, whether temporary or permanent, full-time or part-time, and regardless of their location.

Anyone doing business for or on the Company's behalf, including the Company's advisors, agents, consultants, contractors, distributors, lawyers, partners, sales representatives, suppliers and other third parties with whom the Company enters into a joint venture, partnership, investment, teaming arrangement or other business combination must comply with the Group's Whistleblowing Policy. Further details of the Whistleblowing Policy can be found in the Group's compliance manuals.

5. ROLES AND RESPONSIBILITIES

The Group's CSR policy is adopted by the Company's board of directors and shall be evaluated at least every second year.

The managing director of the Company is responsible for ensuring the follow up of and compliance with the content of the policy.

All Group subsidiaries are responsible for the day-to-day practice of this policy.

The Company's Corporate Social Responsibility Guidelines can be found on The Company's web site, www.noreco.com/csr