



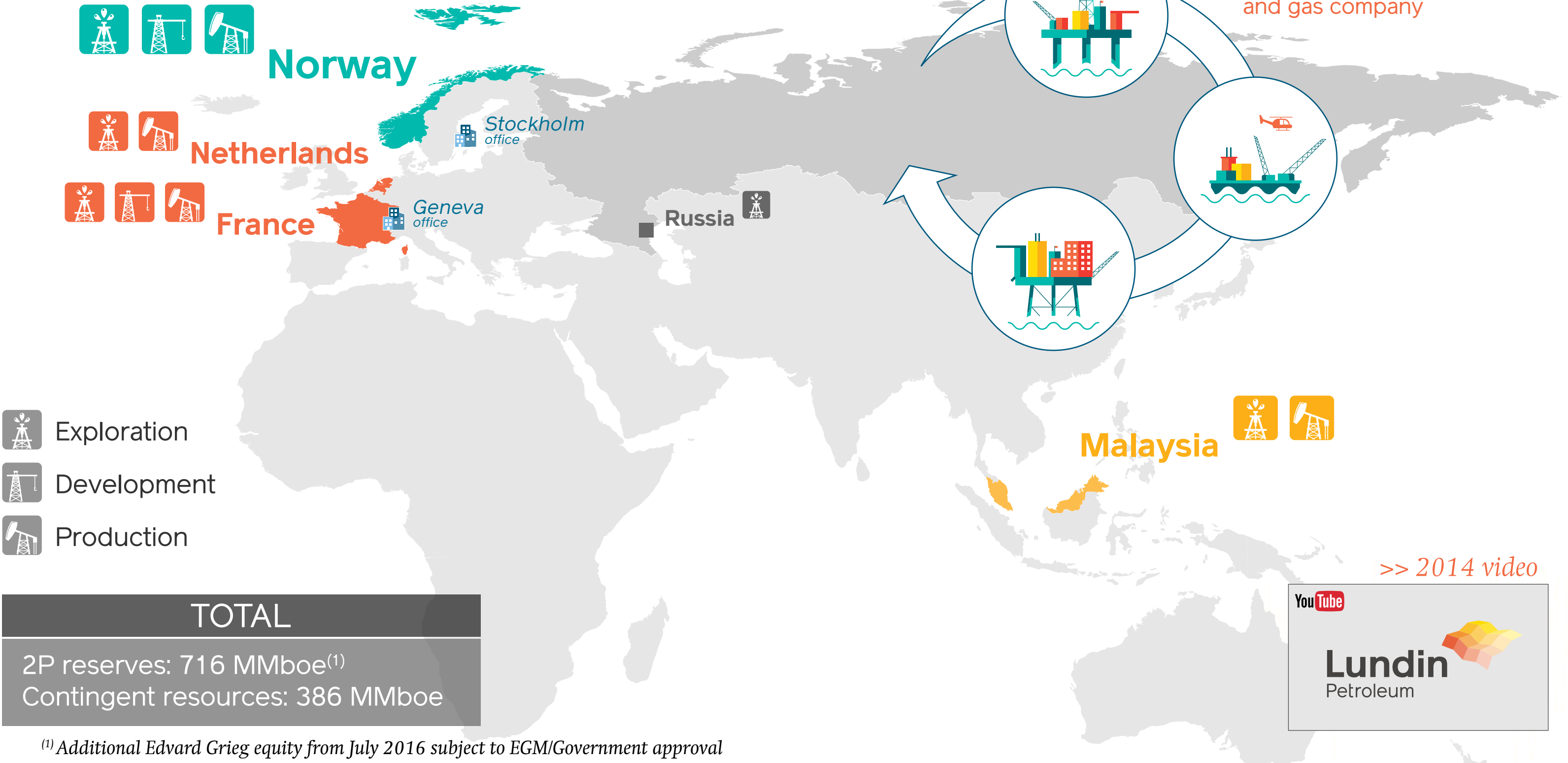
Corporate Responsibility at Lundin Petroleum

Christine Batruch
Vice President Corporate Responsibility

Stockholm School of Economics
11 May 2016

Lundin Petroleum

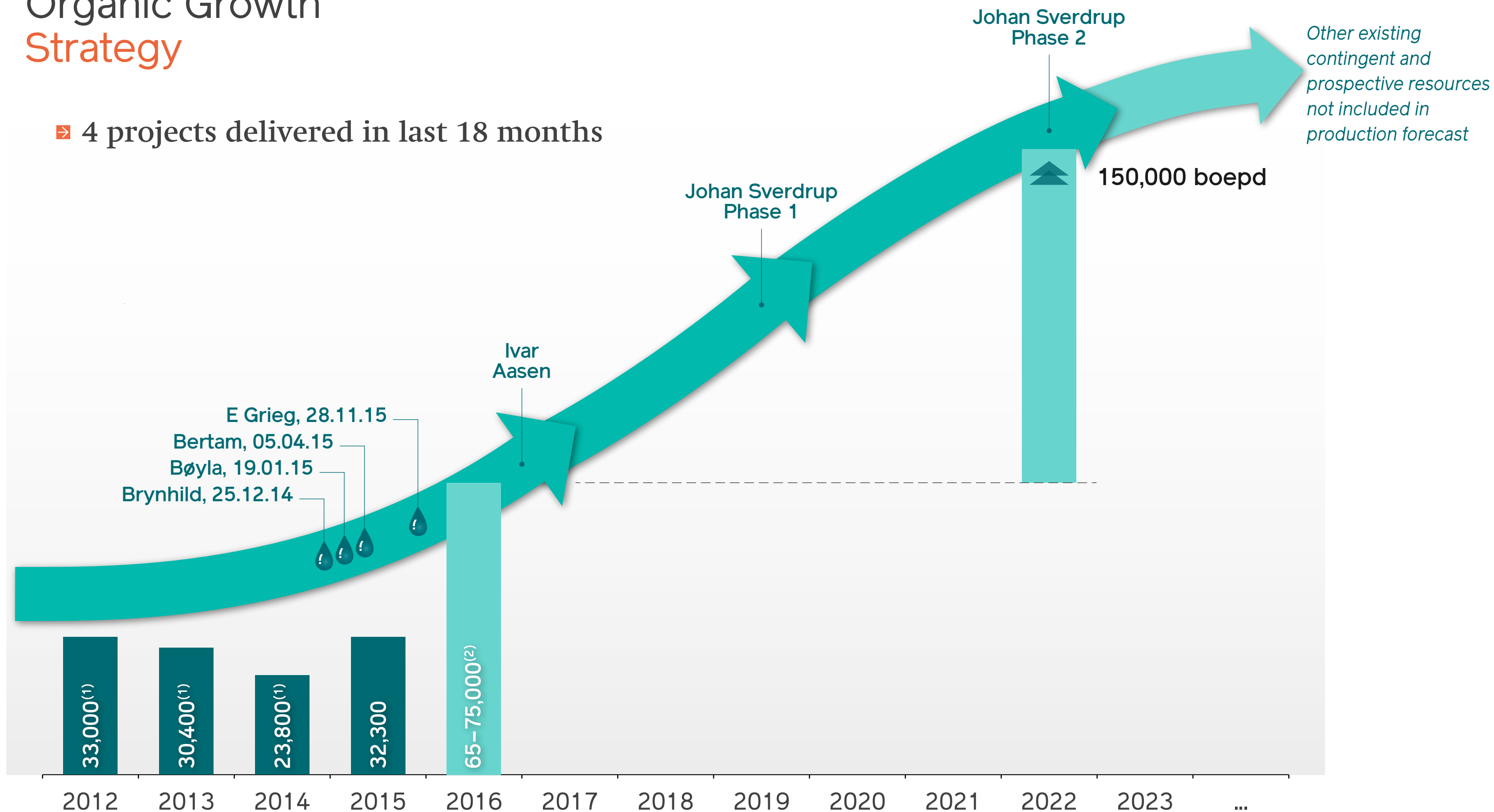
Lundin Petroleum is active in all stages of the life cycle of an upstream oil and gas company



⁽¹⁾ Additional Edvard Grieg equity from July 2016 subject to EGM/Government approval

Organic Growth Strategy

➔ 4 projects delivered in last 18 months



⁽¹⁾ Excluding divested assets (Russia) ⁽¹⁾ Additional Edvard Grieg equity from July 2016 subject to EGM/Government approval

Corporate Responsibility

➤ Vision

To explore for and produce oil & gas in the most

- ➔ economically efficient
- ➔ socially responsible
- ➔ environmentally responsible way

➤ Commitment

To apply same standards to its activities worldwide

- ➔ strive to continuously improve our performance
- ➔ act in accordance with good oilfield practice
- ➔ achieve high standards of corporate citizenship

➤ International Initiatives

To align with international best practice

- ➔ human rights
- ➔ labour standards
- ➔ environment
- ➔ anti-corruption



Code of Conduct

➔ Values

- Ethical business conduct

➔ Responsibilities

- Shareholders
- Employees
- Host countries
- Local communities
- Society

➔ Principles

- High standards of performance
- Maximum employee satisfaction
- Good relations with host countries
- Benefits to host communities
- Sustainable development

The image shows the cover and content pages of the Lundin Petroleum Code of Conduct. The cover features the Lundin Petroleum logo and the title 'Lundin Petroleum AB Code of Conduct'. The content pages are divided into sections: Message, Vision, Principles, and Compliance. The Message section includes a message from the Chairman, Ian H. Lundin, dated March 2014. The Vision section states the company's commitment to ethical and responsible operations. The Principles section outlines the company's guiding principles, including high standards of performance, maximum employee satisfaction, good relations with host countries, and sustainable development. The Compliance section details the company's commitment to the highest standards of conduct and its policies on bribery, corruption, and environmental protection. The document also includes contact information for the Vice President of Corporate Responsibility and a date of March 2014.

Lundin Petroleum

Message

Message from the Chairman

For the past ten years, our Code of Conduct has served as guidance for all our operations and we remain fully committed to its values and principles.

At every stage of our operations and wherever we are present, we actively seek to promote the interests and wellbeing of our stakeholders.

In 2016, we decided to further reinforce the corporate responsibility commitment we made in our Code of Conduct by adhering to the United Nations Global Compact, and committed to uphold and promote its ten principles covering human rights, labour standards, the environment and anti-corruption.

We shall maintain our commitment to carry out our activities in an efficient and responsible way, as we firmly believe that it contributes to our company's ongoing success.

Ian H. Lundin

Ian H. Lundin, Chairman

Vision

As an international oil and gas exploration and production company operating globally, we aim to explore for and produce oil and gas in an economically, socially and environmentally responsible way, for the benefit of all stakeholders, including shareholders, employees, business partners, host and home governments and local communities.

We apply the same standards to our activities worldwide to satisfy both our commercial and ethical requirements. We strive to continuously improve our performance and to act in accordance with good oilfield practice and high standards of corporate citizenship.

Values

We are committed:

- To act in a fair, honest and equitable way
- To observe local laws and regulations
- To respect local customs and traditions
- To observe applicable international laws and standards
- To uphold the ten principles of the United Nations Global Compact on human rights, labour standards, environment and anti-corruption

Responsibilities

We are responsible:

- Towards our shareholders, to realise and sustain a good return on investment and a continuing growth of the assets
- Towards our employees, to provide a safe and rewarding working environment
- Towards host countries, owners of the resources, to find and produce oil & gas professionally, efficiently and responsibly
- Towards local communities, to contribute to local development and higher living standards
- Towards society, to contribute to wealth generation while limiting possible adverse impacts on the environment

Principles

Principles

We are guided by:

Attitude towards Business

We seek to achieve high standards of performance, while being attentive and sensitive to the way our business is conducted. We are committed to:

- Continuously seek growth opportunities
- Promote innovation throughout our operations
- Be flexible and take measured risks
- Practice free and fair competition
- Uphold internationally proclaimed human rights
- Maintain transparency in the way we conduct operations
- Honor our commitments
- Use appropriate and adequate means to protect our staff and operations
- Refrain from accepting / offering improper payments, gifts or engaging in bribery or any form of corrupt business practices
- Seek similar standards from our partners and contractors

Attitude towards Employees

Our performance as a corporate entity is dependent upon the performance of our employees as individuals. We therefore aim to achieve maximum employee satisfaction and ultimate standards of performance. To that end we are committed to:

- Respect and promote employees' rights, including freedom of association and the right to collective bargaining
- Offer rewarding working conditions
- Provide a safe and healthy working environment
- Realise each employee's individual potential through training and job promotion
- Respect the cultural diversity of our employees
- Ensure equal opportunity without discrimination on the basis of age, culture, disability, gender, race, religion, etc.
- Avoid the direct or indirect use of child or forced labor

Attitude towards Host Countries

We seek to respect and gain the respect of the countries in which we operate. Good relations with host countries are prerequisites to our business. Wherever we operate we are committed to:

- Observe local laws and rules
- Respect the sovereignty of the state
- Observe and, through our example, promote the rule of law

Attitude towards Local Communities

Local communities may be affected by our operations. To ensure that communities benefit from our presence, we are committed to:

- Encourage local employment
- Where appropriate, engage in capacity building, through the transfer of skills and technologies

Compliance

Compliance

This Code constitutes the commitment of the company and its employees to aspire to the highest standards of conduct. It is an integral part of employment contracts.

Any violation of this Code by anyone within our company will be the subject of an inquiry and appropriate remedial measures.

We will promote compliance under this Code throughout our operations, by way of training, reporting or other appropriate actions.

We will assess performance under this Code on a yearly basis.

The Code of Conduct was revised and approved by the Board of Directors on May 5, 2011.

Where appropriate, work with local communities to improve their health, education and welfare

- Respect local people and their traditions
- Minimise disturbances that may be caused by our operations
- Assess the potential impact of our security arrangements
- Refrain from any implications in tribal, internal or other armed conflicts or acts of violence

Attitude towards the Environment

We strive to limit adverse impacts on the environment, thereby contributing to sustainable development, and are committed to:

- Comply with applicable environmental laws and regulations, and international standards
- Adhere to our environmental policy and sound management practices
- Use appropriate products, equipment and processes
- Cooperate with industry, government and the public on programs to protect the environment
- Minimise and mitigate the effects of pollution within the scope of our operations
- Assess and monitor our environmental performance, including its relation to climate change

For further information, contact:

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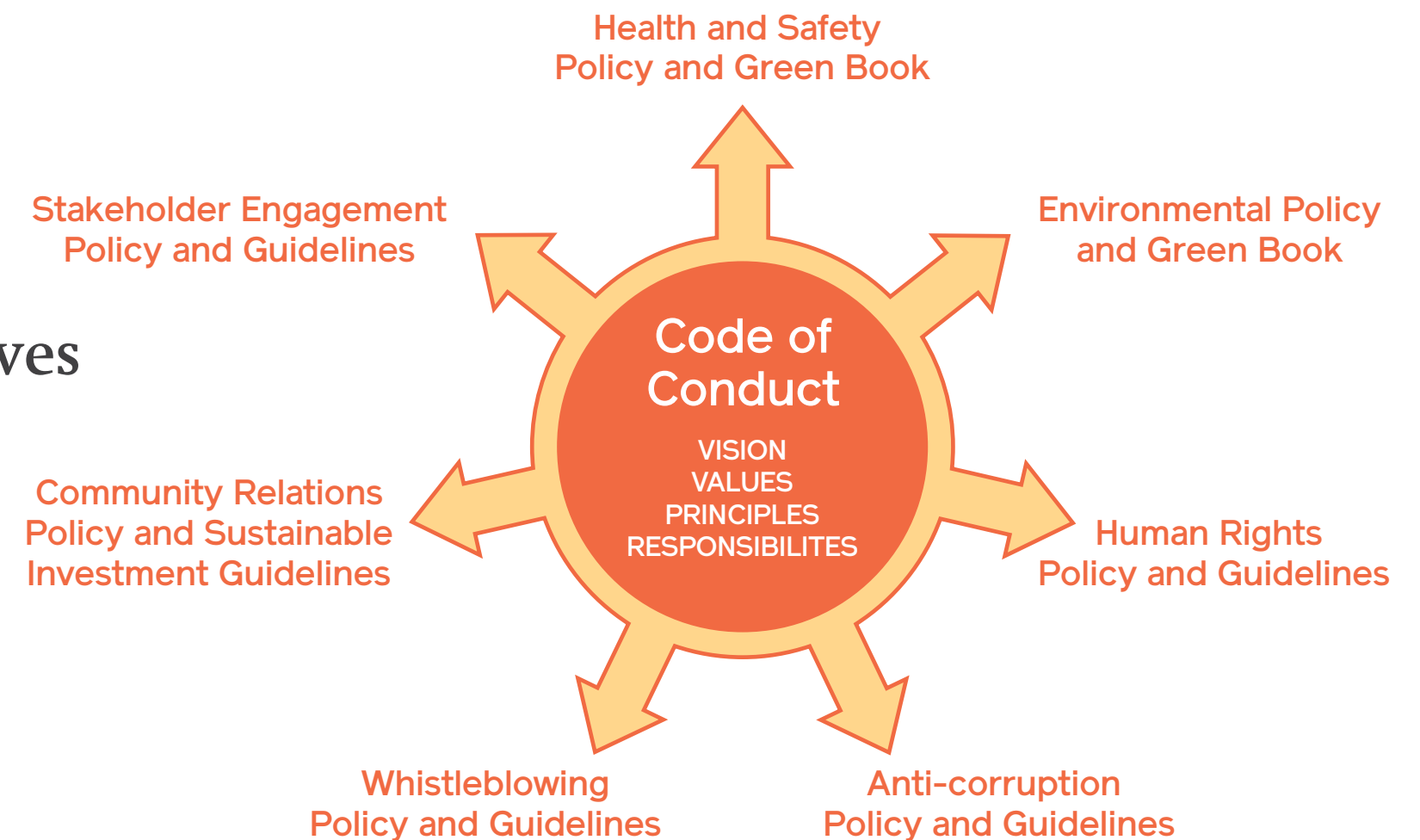
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March 2014

Corporate Responsibility Framework

➤ Lundin Petroleum's Corporate Responsibility Approach

- ➔ Guided by Code of Conduct
- ➔ Managed by policies and guidelines
- ➔ In line with international CSR initiatives
- ➔ Validated by stakeholder dialogue and third party audit
- ➔ Overseen by Board of Directors

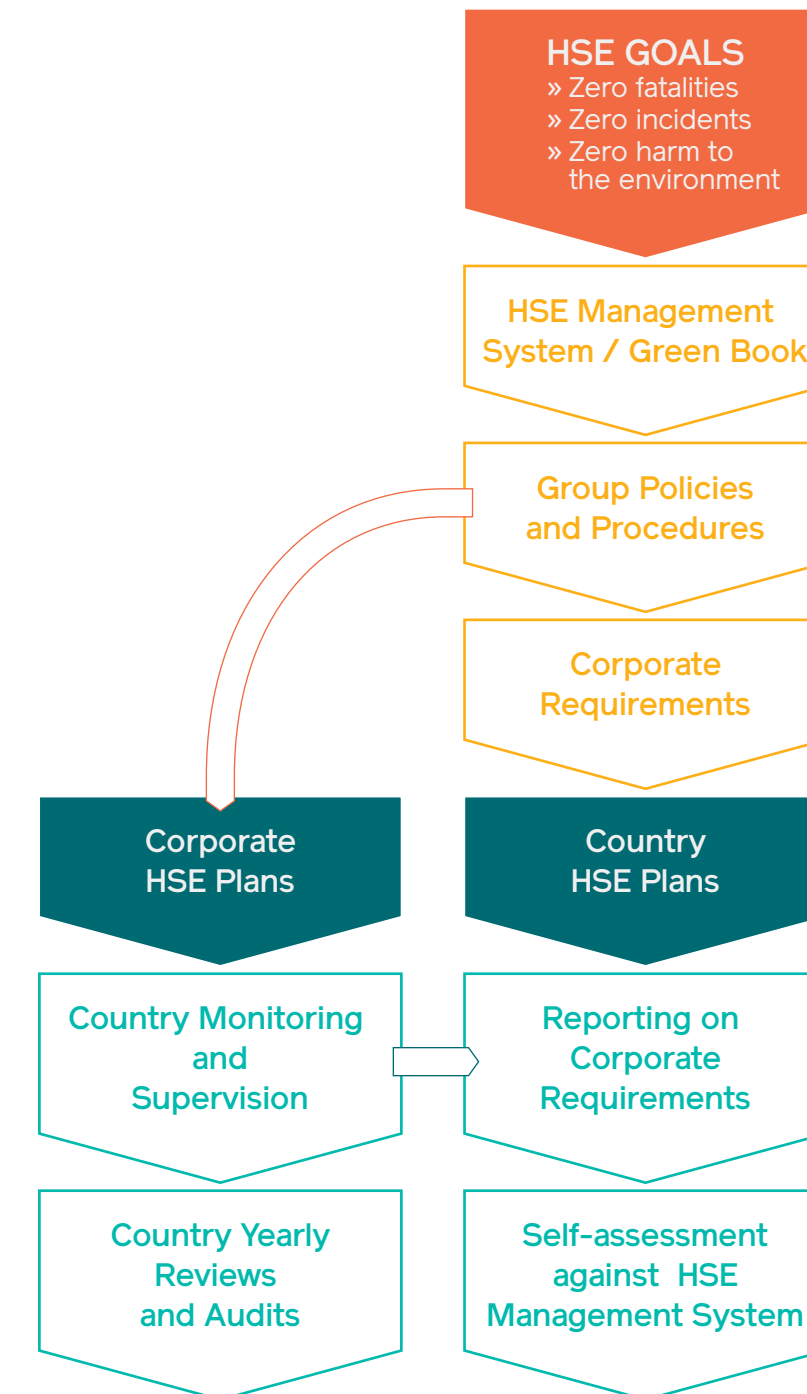


Health and Safety

- ➔ To protect people and assets
 - ➔ Provide a safe working environment
- ➔ Key success factors
 - ➔ Leadership commitment
 - ➔ Competent people
 - ➔ Efficient system and processes
 - ➔ Integration of lessons learned
- ➔ Track and assess performance through Key Performance Indicators (KPI)

Health & Safety Incidents 2015 (employees and contractors)	
Fatalities	0
Lost time incidents	9
Restricted work incidents	0
Medical treatment incidents	10
Near miss with high potential	6

HSE framework



Environment

- To protect the environment and minimise impacts
 - Conduct operations according to sound environmental practices
 - Environmental baseline / impact studies
 - Environmental permits
 - Monitoring environmental parameters during production activities
 - Emergency response and oil spill preparedness
 - Assessing performance



Environment

➤ Climate Change

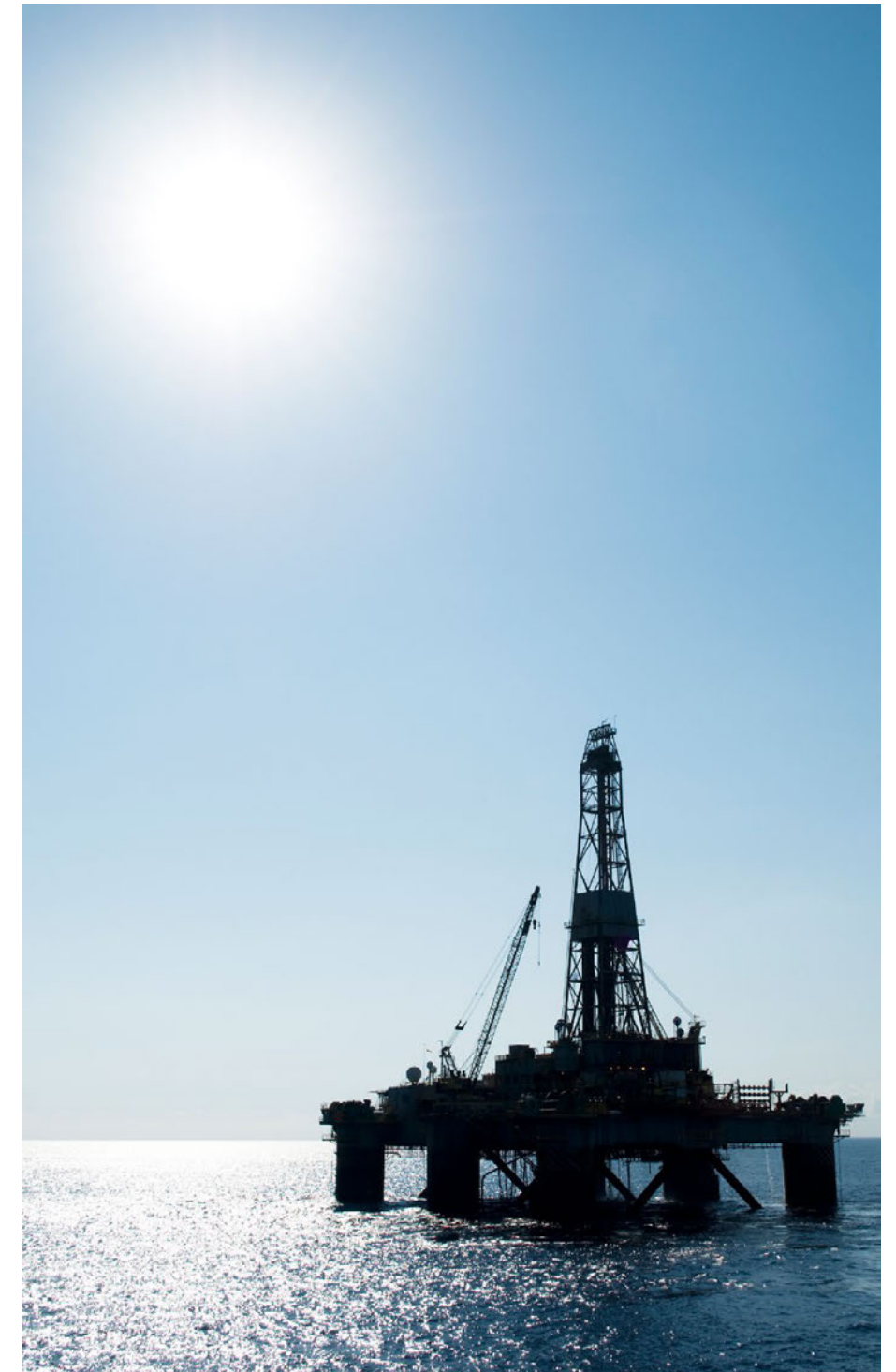
Need for concerted action

- ➔ Increase energy efficiency
- ➔ Reduce GHG emissions
- ➔ Apply Best Available Technique principle

➤ Biodiversity

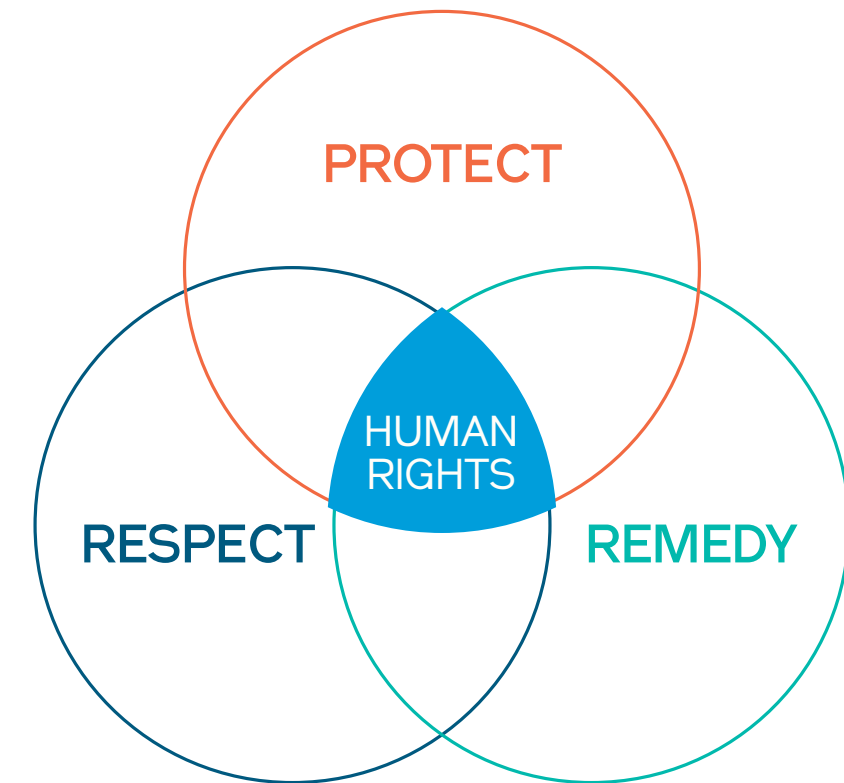
Need to conserve ecosystems and living organisms

- ➔ Assess if area of operations in or near protected area
- ➔ Conduct environmental studies to establish biodiversity sensitivity and risks to species
- ➔ Implement programmes to prevent or mitigate potential impacts
- ➔ Support conservation projects



Human Rights

- ➔ Human Rights as business concern
- ➔ Respect rights of employees, contractors, local communities
- ➔ Human Rights due diligence
 - ➔ Assess human rights impacts
 - ➔ Integrate assessment results in internal process
 - ➔ Remediate harm
 - ➔ Track human rights performance
 - ➔ Communicate performance



➔ *UN Guiding Principles on Business & Human Rights*

- ➔ *State: Duty to Protect Human Rights*
- ➔ *Company: Responsibility to Respect Human Rights*
- ➔ *State & Company: Access to Remedy*

Anti-Corruption

- Corruption as business risk and global issue
- Conduct activities in an honest and ethical way
 - Systematic rejection of corrupt practices
- Contribute to best practice within the industry
 - Extractive Industries Transparency Initiative (EITI)



Stakeholder Engagement

Stakeholders

People or organisations which may be affected by or influence Lundin Petroleum's activities

Engagement

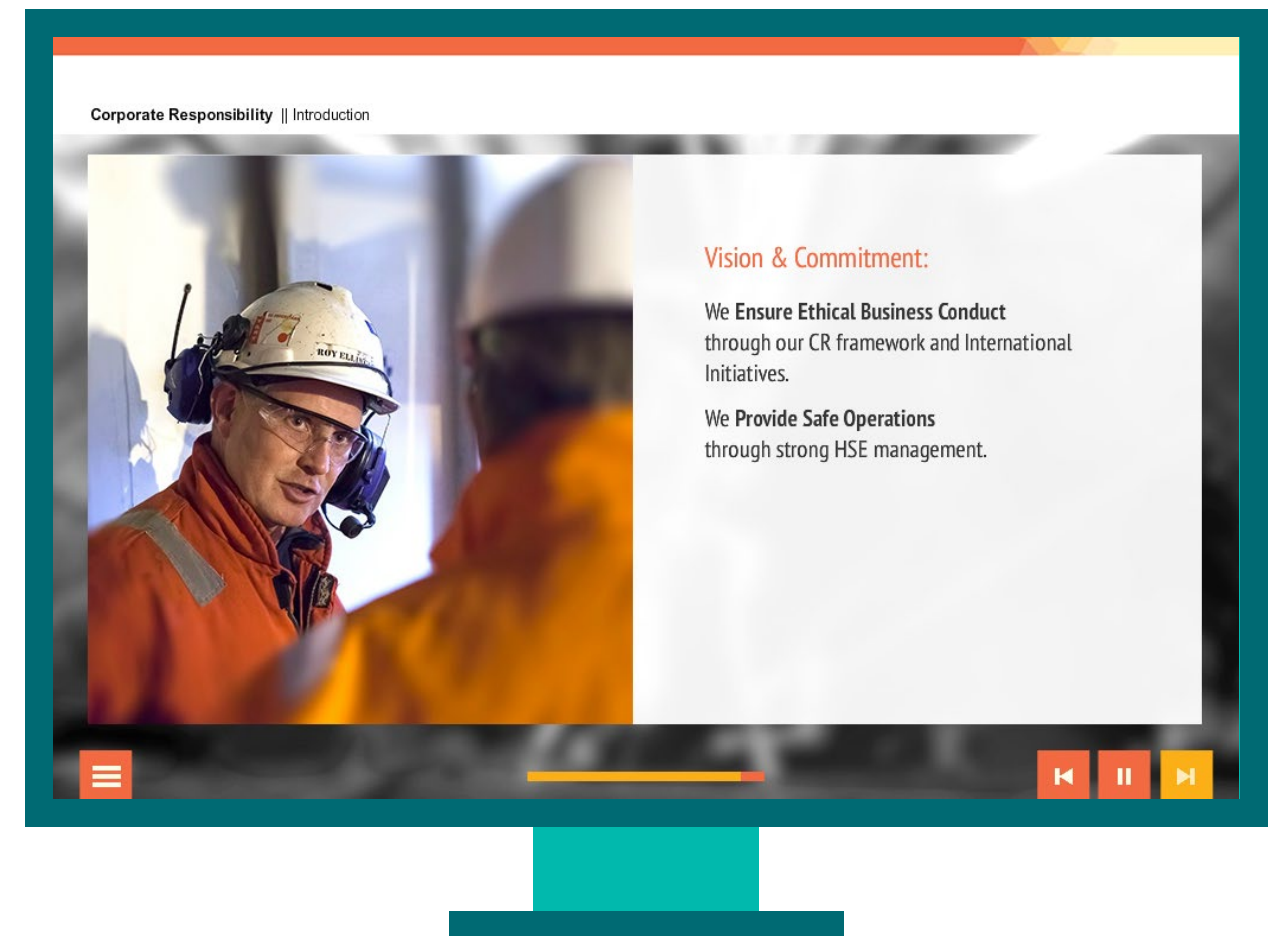
Consult, communicate and inform

- Perception
- Understanding
- Social licence to operate



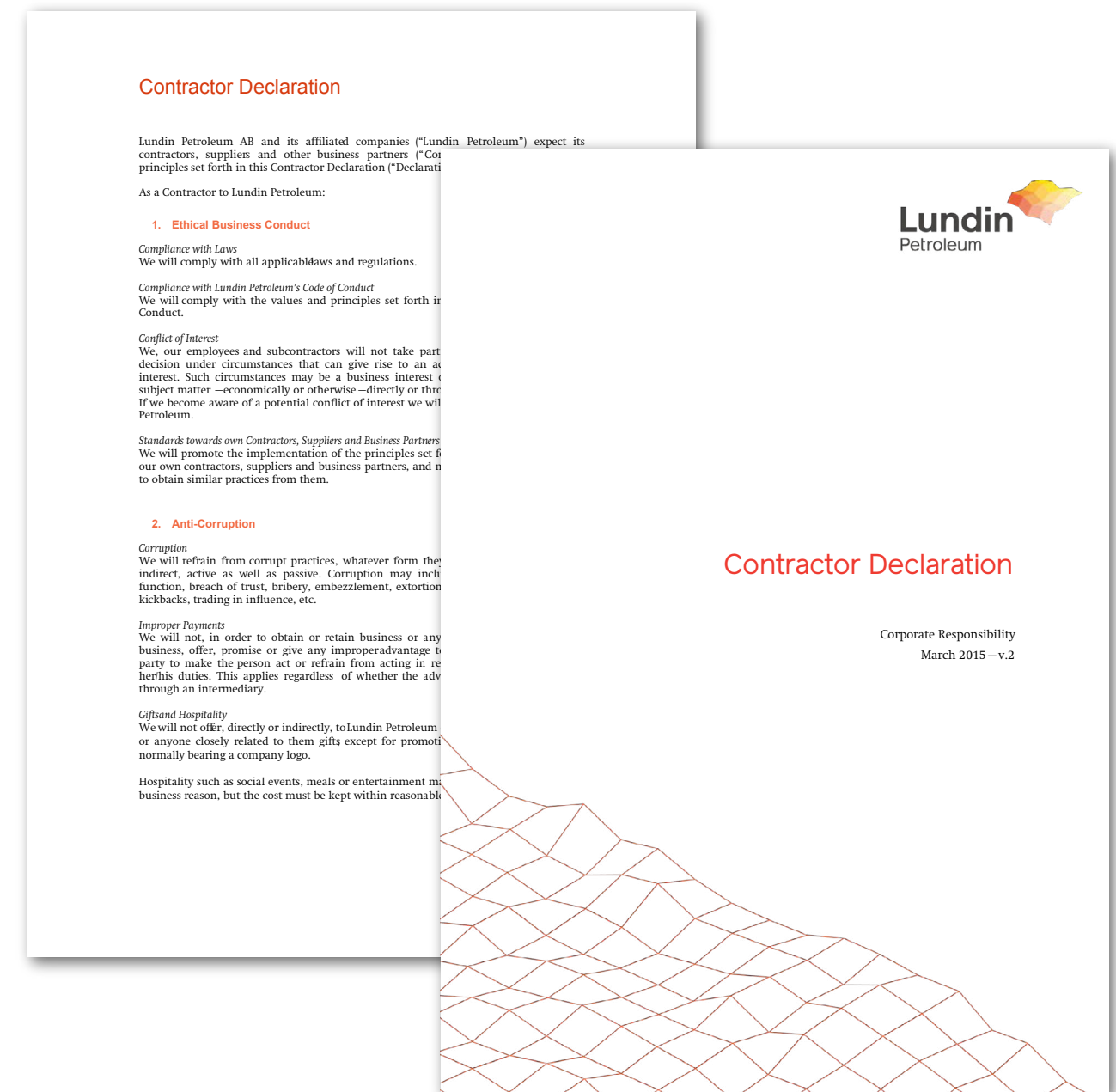
Employee Training On Corporate Responsibility

- ➔ Communication on Corporate Responsibility
 - Induction sessions
 - Corporate presentations
 - Training
- ➔ First Group-wide e-learning course launched in 2015
 - Lundin Petroleum's ethical commitments
 - Ethical standards in relation to own role & responsibilities



Contractor Management

- ➔ Responsible conduct is required of anyone working for Lundin Petroleum
- ➔ Contractor's performance is also Lundin Petroleum's performance
- ➔ Requirements established through
 - ➔ Contractor evaluations
 - ➔ Contractual clauses
 - ➔ Contractor Declaration
- ➔ Performance assessed through
 - ➔ Site inspections
 - ➔ Audits



Sustainability Report Launch

➔ Sustainability Report 2015

- ➔ First stand-alone Sustainability Report
- ➔ In accordance with an international sustainability standard (GRI G4)
- ➔ Following structured process
- ➔ Involving new method of reporting

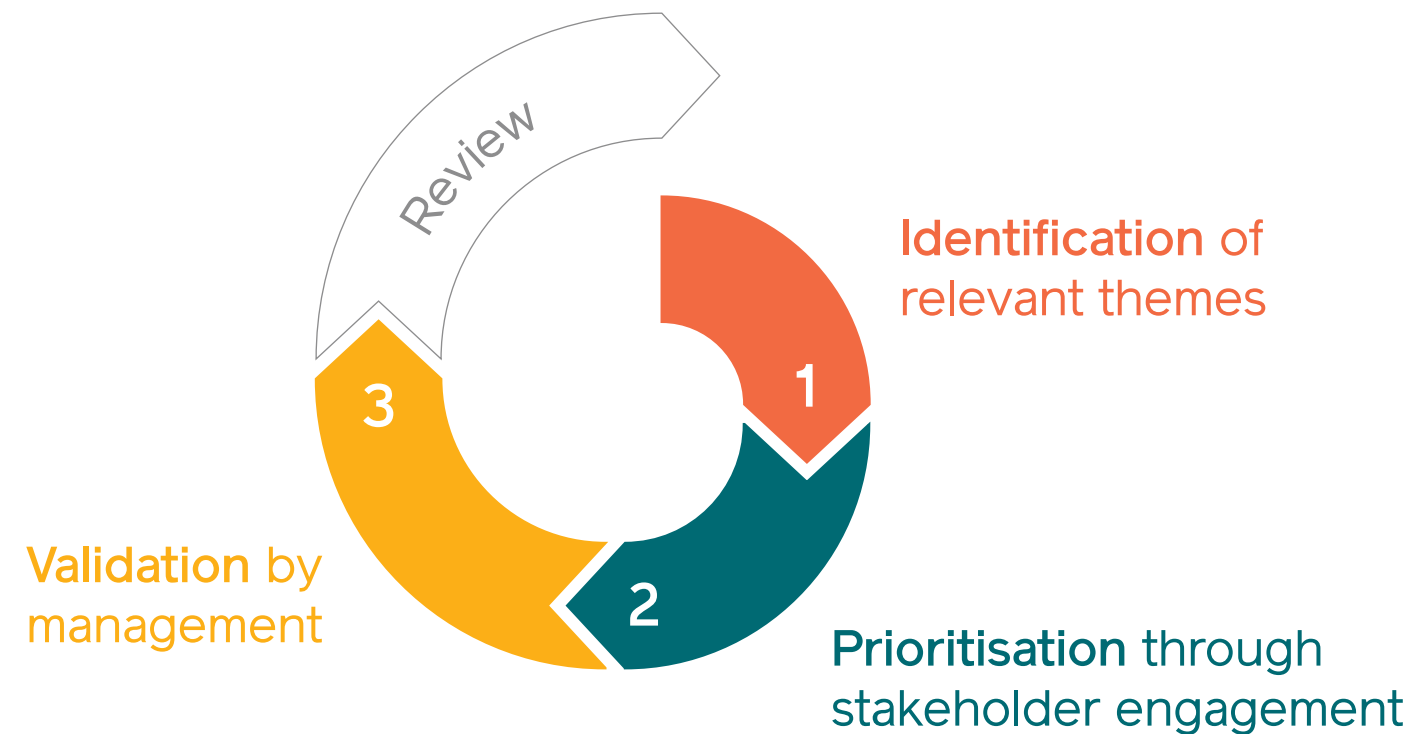


Available for downloading at
www.lundin-petroleum.com

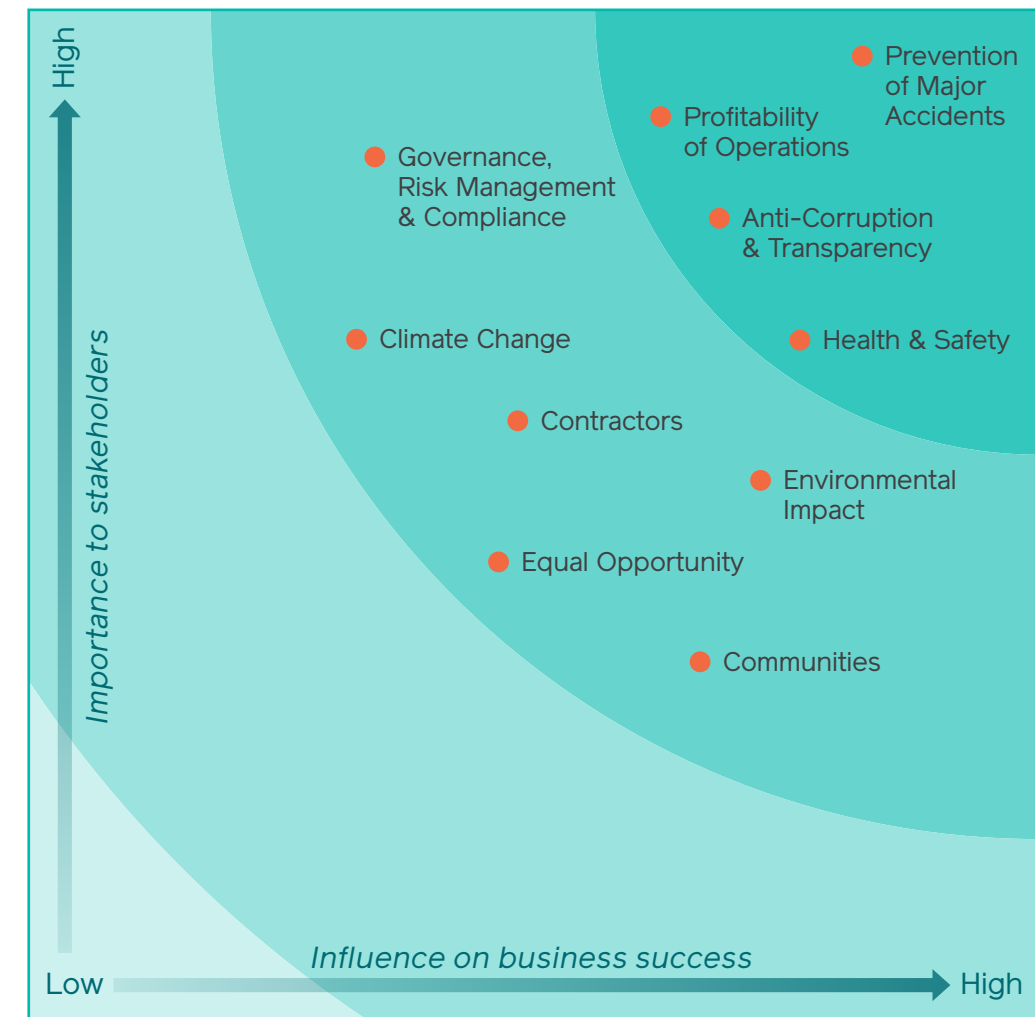
Reporting Process

- ➔ Engage with internal and external stakeholders
- ➔ Define material issues
- ➔ Management participation

Reporting Process



Materiality Matrix



Report Content

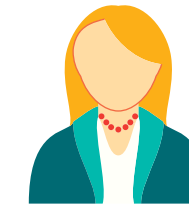
⇒ New method of reporting

- Our vision in practice
- Our management approach on economic, social and environmental issues
- Additional qualitative and quantitative sustainability data
- Our sustainability benchmark



Workforce

589 employees
worldwide



Diversity

38% of women on
Board of Directors



Training

87% of employees
completed the e-learning
course on Corporate
Responsibility



Community benefit

1,350 people were
provided with access to
renewable energy through
Lundin Foundation projects



Contribution to society

TUSD 818.5
donations

Integrating Corporate Responsibility An Ongoing Journey



Disclaimer

This information has been made public in accordance with the Securities Market Act (SFS 2007:528) and/or the Financial Instruments Trading Act (SFS 1991:980).

Forward-Looking Statements

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including the Company's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be relied upon. These statements speak only as on the date of the information and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational risks (including exploration and development risks), production costs, availability of drilling equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading "Risks and Risk Management" and elsewhere in the Company's annual report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are expressly qualified by this cautionary statement.

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