

Sustainable foundations, a resilient future



Introduction

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Referenced reporting frameworks

The information incorporated within this Environmental, Social, Governance (ESG) review is the result of the Company's continued engagement with internal and external stakeholders and is informed by the reporting guidelines of the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), International Petroleum Industry Environmental Conservation Association (IPIECA), Sustainability Accounting Standards Board (SASB), International Energy Agency (IEA) and Euronext.

Reporting scope

The scope of this report comprises Panoro's activity and performance for the period from 1 January 2022 to 31 December 2022, unless otherwise stated.

Our values and principles

We strive to act with professionalism, respect, honesty, transparency, loyalty and trust. We maintain high ethical standards throughout all levels of the organisation.

Disclaimer This report does not constitute an offer or any recommendation whether or not to buy or sell shares or other financial instruments of Panoro Energy ASA ("Company"). This report contains certain statements that are, or may be deemed to be, "forward-looking statements", which include all statements other than statements of historical fact. Forward-looking statements involve making certain assumptions based on the Company's experience and perception of historical trends, current conditions, expected future developments and other factors that we believe are appropriate under the circumstances. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual events or results may differ materially from those projected or implied in such forward-looking statements due to known or unknown risks, uncertainties and other factors. These risks and uncertainties include, among others, uncertainties in the exploration for and development and production of oil and gas, uncertainties inherent in estimating oil and gas reserves and projecting future rates of production, uncertainties as to the amount and timing of future capital expenditures, unpredictable changes in general economic conditions, volatility of oil and gas prices, competitive risks, counterparty risks including partner funding, regulatory changes and other risks and uncertainties discussed in the Company's periodic reports. Forward-looking statements are often identified by the words "believe", "budget", "potential", "expect", "anticipate", "intend", "plan" and other similar terms and phrases. We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this report, and we undertake no obligation to update or revise any of this information.



Panoro at a glance

Panoro Energy ASA (Panoro) is an independent exploration and production (E&P) company headquartered in London and listed on the Oslo Stock Exchange with the ticker PEN.

Together with our partners and host governments, it is our duty to produce hydrocarbons responsibly for the foreseeable future in support of a just energy transition.

Assets

Tunisia

Panoro holds a 52.5% interest and is the operator of the Sfax offshore exploration permit and holds a 29.4% interest in the Thyna Petroleum Services (TPS) assets. Panoro Tunisia Production AS indirectly owns a 49% interest in the TPS fields and a 50% interest in the TPS operating company. The remaining interests are held by the Tunisian State Oil Company L'Entreprise Tunisienne d'Activités Pétrolières (ETAP).

The Sfax Offshore Exploration Permit, containing the Ras El Besh Concession, lies in the prolific oil and gas Cretaceous and Eocene carbonate platforms of the Pelagian Basin, offshore Tunisia.

Our permit area sits amongst numerous existing producing fields with access to all our midstream infrastructure requirements.

The TPS Assets are comprised of five mid-life producing oil field concessions; Cercina, Cercina

Sud, Rhemoura, El Ain/Gremda and El Hajeb/Guebiba, located onshore within and surrounding the city of Sfax, and in the shallow waters offshore Tunisia. During 2022, gross production from the TPS fields amounted to 1.5 MMbbls.

Equatorial Guinea

Panoro holds a 14.25% interest in the Block G fields, alongside operator Trident Energy and non-operating partners Kosmos Energy and GE Petrol. It has also recently farmed into a 12% non-operating interest in Block S alongside operator Kosmos Energy and non-operating partners Trident Energy and GEPetrol, and was awarded a 56% operating interest in Block EG-01 alongside JV partners Kosmos Energy and GEPetrol, these blocks are both located offshore Equatorial Guinea adjacent to the Block G acreage.

The Block G fields consist of the Ceiba Field and Okume Complex fields a series of mid-life oil production assets which started production in 2000. The Ceiba Field is located in 600-800m of water depth on the slope of the southern Rio Muni Basin approximately 35km offshore. The Okume Complex consists of five separate oil fields: Okume; Ebano; Oveng; Akom North; and Elon. During 2022, gross production from the Block G fields amounted to 11.3 MMbbls.

Gabon

Panoro holds a 17.5% interest in the Dussafu license, a development and exploitation license in southern Gabon, alongside operator BW Energy Gabon and non-operating partner Gabon Oil Company. The Dussafu Marin Permit is a license with multiple discoveries and prospects lying within a proven oil and gas play fairway within the Southern Gabon Basin.

The Permit lies at the southern end of the South Gabon sub-basin in water depths ranging from 100 to 500 m, there are seven oil fields; Moubenga, Walt Whitman, Ruche, Ruche North East, Tortue, Hibiscus and Hibiscus North.

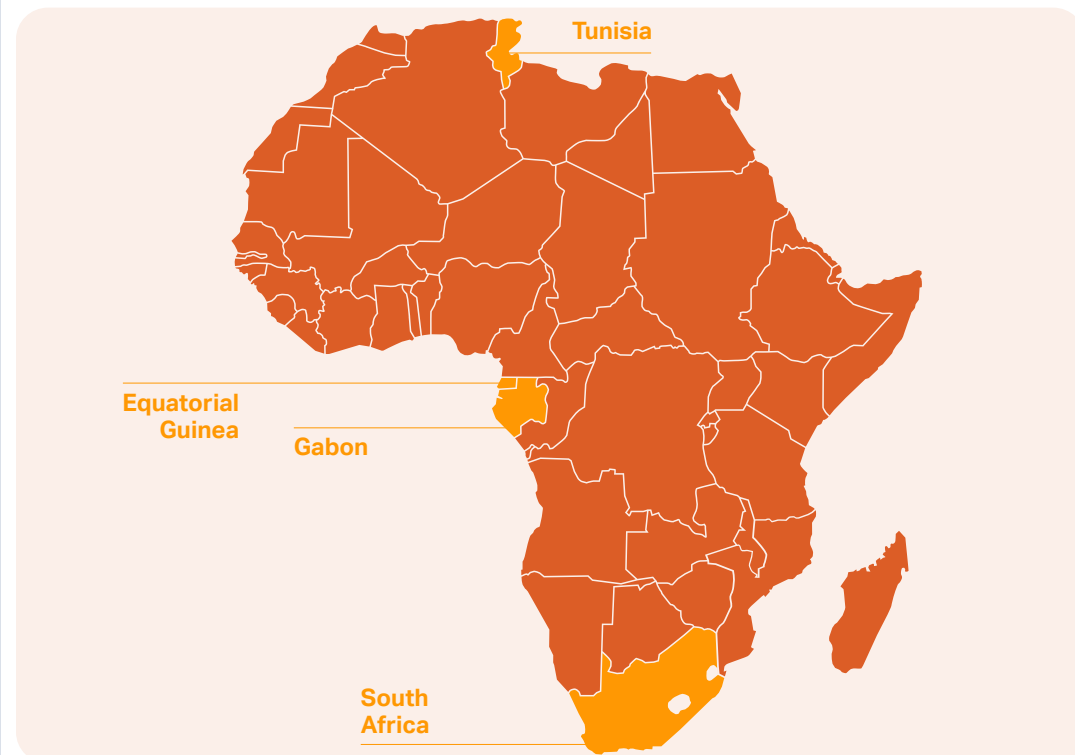
During 2022, gross production from the Tortue field amounted to 3.9 MMbbls.

South Africa

Panoro holds a 100% interest in Technical Co-operation Permit ("TCP") 218 onshore northern Free State Province, South Africa. Panoro has commenced a 12-month study to evaluate the Helium and natural gas

prospectivity of the TCP area, after which it has the option to apply for an Exploration Right.

Panoro Energy ASA has a 12.5% interest in Block 2B which is operated by Eco Atlantic Oil & Gas and is located in the Orange Basin. An exploration well, Gazania-1, was drilled in Block 2B in Q4 2022 and showed no evidence of commercial hydrocarbons. An application for a Production Right for Block 2B was submitted by JV Partners in November 2022 based on the existing AJ-1 oil discovery and potential future operations.





2022 Highlights

Operational

Panoro	2022	2021
Working interest production average (bopd)	7,498	7,582*
2P reserves (MMBOE)	35.6	35.8

Financial

Panoro	2022	2021
Revenue (USD million)	188.6	119.7
EBITDA (USD million)	127.2	63.7

*2021 production expressed on a pro-forma basis of 14.25% interest in Block G and 10% interest in Dussafu Marin acquired from Tullow held from 1 January 2021

Environmental and Social

Panoro	2022	2021
Employees (number) Context: Panoro employees in London, Tunis and secondees in TPS.	25	30
Recordable safety incidents (number) Context: Any work-related injury or illness requiring medical treatment beyond first aid.	0	0
Social investment (USD) Context: The use of finance for a positive or beneficial social outcome.	222,478	110,238
Scope 1 emissions (metric tons CO₂e) Context: Consists of global Panoro data based on working interest share of each asset.	158,881	127,967
TPS ¹	2022	2021
Employees (number) Context: Number of employees in Tunisia saw a slight fall due to retirements.	175	183
Lost time incident (LTI) Context: An accident that results in time off from work, or loss of productive work.	1	1
Hours of HSSE training Context: Supports our commitment to create a safe and responsible working environment.	675	379
Social investment (USD) Context: The use of finance for a positive or beneficial social outcome.	267,347	0
Volume of hydrocarbon spills (bbls) Context: The total volume of oil lost to the environment. All these volumes were recovered.	0.6	0.3

¹TPS is reported since Panoro has a 50% ownership of the TPS operating company and are consequently joint operators with ETAP



An introduction from our CEO



"Panoro: a safe pair of hands for the management of oil and gas assets in transition"

Dear fellow stakeholder,

It is a pleasure to introduce this maiden sustainability report. In line with good industry practice, and in response to increasing stakeholder expectations to communicate progress against our sustainability commitments, the board approved a multi-faceted programme in early 2022 which has led to the publication of this report. This programme and our ongoing activities are addressed below and throughout this report.

We're maturing as a business

We broadened our leadership base by welcoming country managers Antonino Ondo for Equatorial Guinea in 2021 and Ghislain Boukoubi for Gabon in 2022, joining Sofiane Gaied who has been managing our Tunisian business for the past 5 years. Their arrival has established a permanent presence in these jurisdictions, not only in support of our current investments and to support our operating partners, but to demonstrate the longer-term commitments to the countries in which we operate.

We are building a more resilient business

As a business, we recognise the need for the industry to act responsibly and decarbonise as global energy systems recalibrate on a pathway to net zero. At the same time, we believe this transition will take time and require careful management to ensure that traditional energy sources remain accessible and affordable to developing and developed economies alike.

We recognise that larger oil and gas companies including majors will continue to divest assets

globally including in Africa. Panoro believes it has a role to play in becoming a conscientious buyer of these assets, seeking where possible to improve performance and provide responsible custodianship. These businesses are critical to the host countries and Panoro positions itself as a high quality and responsible successor.

We are an oil and gas business and our board and leadership team possess extensive expertise in finding, developing and operating of such assets. To that end, we took our first step in our contribution to the energy transition by leveraging this expertise, pursuing a natural gas and associated Helium project in South Africa.

Wherever we work we hold the highest regard for the rights of the individuals we employ, those who work on our behalf and members of the communities in which we operate. This extends to ensuring good working conditions, a healthy and safe working environment, inclusion and diversity, and full respect for human rights. For the communities where our operations are located, our approach is to engage with our neighbours, community leaders, non-governmental organisations and charities with respect and dignity to understand the implications of our activities and changes in industry and wider society so that we can adjust our strategy in the context of the energy transition.

Together with our JV partner ETAP in TPS, we have been assessing various capital projects across our operations to improve emissions monitoring and to identify opportunities to target emissions reductions at various points through



An introduction from our CEO

the production system. We have now completed concept engineering studies that have detailed steps required to significantly reduce flaring and venting in this asset and are now starting work on the highest priority opportunities.

Our operating partners in Gabon and Equatorial Guinea continue to progress their emissions management and target commitments. Through participation in the joint venture committee meetings, we have discussed various projects and assessed the technical, operational and commercial parameters required to deliver them.

Trident Energy is working on a project to significantly reduce flared gas volumes in Equatorial Guinea with the expectation that absolute emissions associated with flaring can be reduced by up to 85% by 2030. The first phase of this project is being executed in the year ahead, funded by the joint venture partnership.

HSSE performance across our portfolio

Across our TPS and non-operated positions in Equatorial Guinea and Gabon, we closely monitor HSSE performance.

TPS experienced an uptick in HSSE related incidents during the second half of the year. In conjunction with a previously scheduled environmental audit, we conducted a separate health and safety assessment. Both the environmental audit report and safety assessment identified actions, system and procedural changes, that have been discussed by the board and with ETAP, our Joint Venture (JV) partner. A number of actions have been and are being implemented to enhance the asset's performance.

As prudent international production operators, both Trident Energy and BW Energy have well-developed Health, Safety and Environmental management systems and performance reporting aligned with the guidelines of the International Oil and Gas Producers (IOGP) and the IPIECA. As part of very significant work programmes across both assets both operators continue to focus intently on performance improvements with notable results.

Strengthening Board oversight of ESG matters

I am very pleased to announce the formation of the Sustainability Committee, which is chaired by our non-executive director, Ms. Grace Reksten Skaugen.

Grace brings broad industry experience and has already provided a significant contribution to the Company's ESG strategy, not least supporting our Projects Director with the company's developing TCFD programme and enhancing our oversight of ESG matters related to our investments.

Returning value to shareholders

While increasing capital value for shareholders remains a key part of our strategy, the company has also committed to a sustainable shareholder returns policy. Taking a disciplined approach to financial management, the Company has commenced dividend payments in 2023 with its inaugural cash dividend paid in March 2023.

Advancing our approach to ESG

Panoro has undergone an important transformation in recent years, with the objective of building a more sustainable business.

The active management of our portfolio and investment into partnerships with highly credible industry operators have reinforced the long-term financial stability of the business.

Great progress has been made over the past couple of years in identifying and capturing data now presented in this report. As a result of this process, we appreciate that there is room for improvement and steps are now being taken to enhance the quality and accuracy of this data. We do believe that we are making headway in this respect and that this will improve our ability to deliver on our ambitions and lead to better informed management decisions. Ultimately, some of our assets have considerable history with associated constraints, nevertheless we are making significant progress to improve performance.

We have invested to better understand the operating and strategic ESG risks facing the business, both at a corporate and operational level, and will continue to enhance the way these matters are managed. In the same spirit, we are having to think longer term about the risks facing the business and how to navigate these, as well as seek transitional opportunities with ventures such as our South Africa helium project.

Our governance systems and oversight continue to mature, which will be essential in the execution of our strategy.

Thank you for reading this report and we welcome any feedback that you may have.

John Hamilton
CEO





Supporting a just and responsible energy transition

We acknowledge the global threat posed by climate change and recognise the need to reduce greenhouse gas (GHG) emissions.

A Just Transition in Africa

Oil and gas companies play a vital role in the socio-economic development of countries where they operate, and as an energy company, we have a duty to play our role in transitioning to a more sustainable world.

In 2022, Africa represented one of the destinations most affected by climate change as well as the continent with the highest rates of energy poverty worldwide. While global stakeholders call for an immediate end to fossil fuel utilisation and the rapid adoption of renewable energies, Africa's capacity to achieve universal access to reliable electricity is centred around a differentiated and country-specific approach.

The African Development Bank (AfDB) considers a just transition to be "Africa's right to development and industrialisation based on the Paris Agreement-negotiated language of equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances".

While some countries boast significant coal deposits, others have a better potential for oil and natural gas, each deserving to use their resources for sustainable development.

A just transition, therefore, ensures each country adopts its own approach to the energy transition, one which prioritises the development of economies through the monetisation of resources. For the next decades as renewable energy sources are developed, fossil fuels will play a necessary role in Africa.

A need for action on emissions

The oil and gas industry faces increasing pressure to clarify the implications of energy transitions for their operations and business models and to explain how they can reduce greenhouse gas emissions and achieve the goals of the Paris Agreement.

To reduce emissions from operations, the oil and gas industry has focused on improving energy efficiency, reducing flaring, and managing methane emissions, as well as increasing the use of low-carbon or renewable energy sources to power their operations.

A new energy security paradigm is necessary to maintain reliability and affordability while also reducing emissions.



To view our TCFD disclosures click [here](#).





Supporting a just and responsible energy transition

We seek to deliver consistent, coordinated and meaningful stakeholder relations.

Effective stakeholder management is a critical component to the successful delivery of our strategy. Each of these priority areas is addressed within this report, with the most material highlighted within our key activities for 2022.

Stakeholder	Why we engage	Priorities / areas of focus	Relevant 2022 activities
Employees	We recognise the importance of retaining our highly skilled employees, it is therefore key that we engage our workforce regularly and offer opportunities to develop their skillsets.	Occupational health and safety Non-discrimination and equal opportunity Freedom of association and collective bargaining Conflict and security Employment practices Training and development	Comprehensive HSSE training in addition to specific senior leadership training on emergency response, risk and ESG-related matters Review of Risk Management and inclusion of additional ESG-related risks at corporate and country level Increased focus and raised levels of H&S site visits at TPS operations following poor safety performance Extensive dialogue with the TPS unions culminating in revised employment terms
Investors and financial institutions	Panoro will seek to minimise shareholder risk and maximise value creation by adhering to the highest ethical standards in terms of environmental, legal and other risks based on the above principles.	Economic performance Financial obligations to host countries Climate adaption, resilience and transition Asset integrity and critical incident management	Commenced detailed understanding of TCFD recommendations with Board and Senior Management Team engagement. In the process of setting up asset integrity management systems in TPS
Local communities	We seek to maintain positive relationships with communities at each asset.	Economic performance and contributions Biodiversity and environmental management Employment opportunities Rights of indigenous peoples Conflict and security Ethics and transparency	Corporate social responsibility initiatives at TPS including proposal for seed funding local job creation Community Needs Assessment leading to Social Investment Programme in Equatorial Guinea Extensive engagement with the local community and the Sfax Governorate associated with protests that led to several TPS site shutdowns
JV partners	Panoro will seek to have a positive influence on partners to enable the seamless running of operations.	Asset performance Asset integrity and critical incident management Employment practices HSSE and security practices	Technical and Operational Committee meetings held for all assets to provide oversight of operational progress and to devise forward work programmes and budgets
Host Governments	Developing and sustaining positive and transparent relationships with governments and regulators is crucial.	Economic performance and contributions Climate change-related activity Biodiversity and environmental management Labour and security practices Local community engagement programmes Business ethics and transparency	Extensive ongoing dialogue with ETAP at all levels to ensure smooth and aligned progress of TPS operations Ministry interactions in all four host countries as part of the effective management of the ongoing business priorities



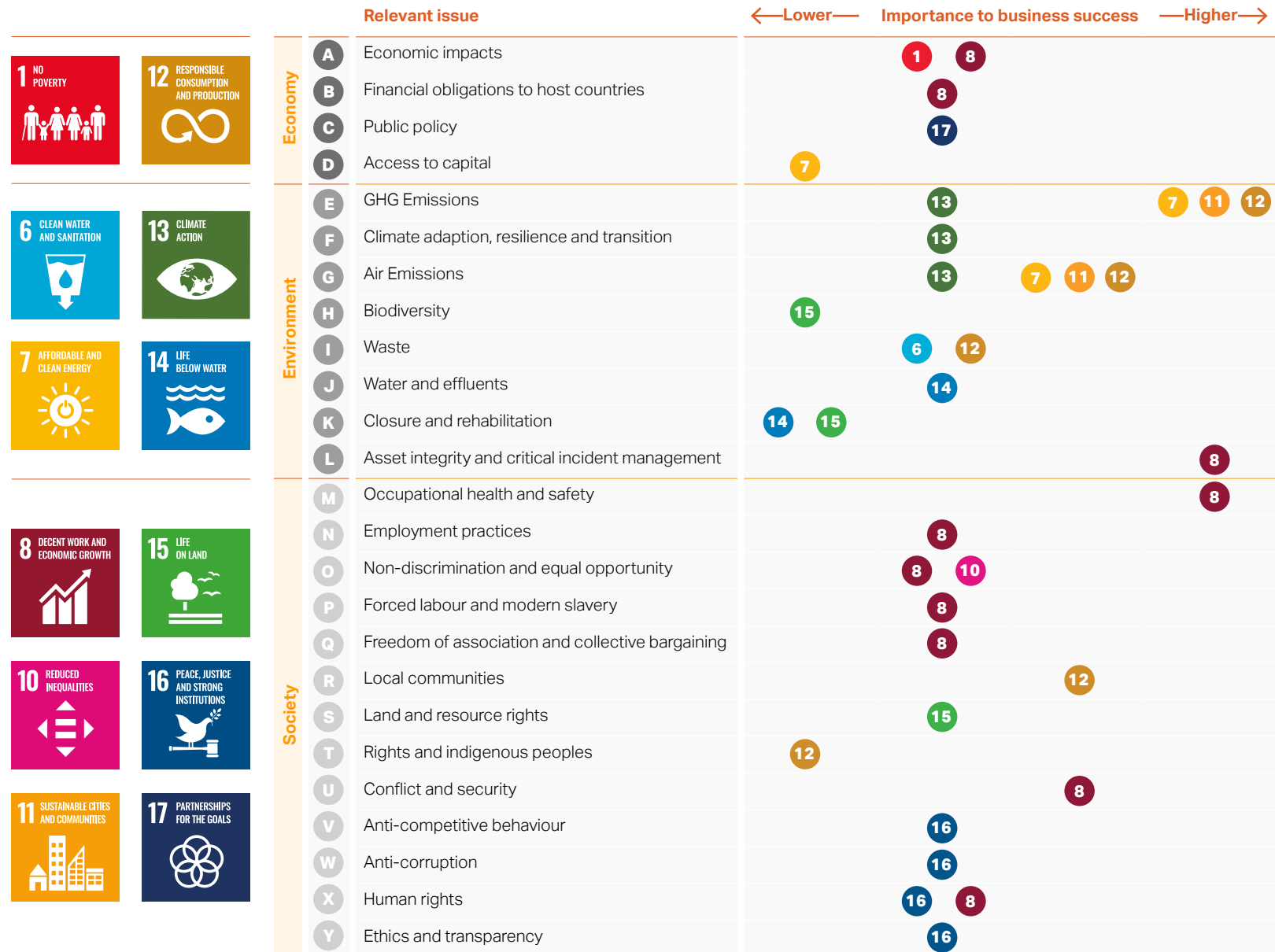
Managing material issues

In 2022, we conducted a review of our material issues against our corporate risk register.

This process was enhanced to capture newly defined ESG issues and informed us of new or emerging issues that may affect the business and its strategy. Additionally, we now have the ability to understand the relevance of existing issues based on their evolution in recent years. The review was informed by the GRI O&G sector guidelines and IPIECA's sustainability reporting guidance.

We ranked each topic based on its perceived impact on Panoro's strategy from low to very high and aligned the level of impact to highlight its relevance to the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda.

The issues set out are classified into three categories: economic, environmental and society-related topics. Panoro's management of these relevant issues is captured throughout this report and within the company's annual report.





Managing material issues

We consider the issues that fall within the 'very high' risk category to be areas where we must act. These are the areas that now have very decisive action plans in place:

M Occupational health and safety

Panoro considers the health and safety of employees to be among the company's main priorities. Due to unsatisfactory performance in 2022 with a TRIR of 5.9, we conducted a deep review of health, safety and operational practices in order to identify the areas in which we can have the most positive impact and improve our performance.

L Asset integrity and critical incident management

Asset integrity has always been an area of focus for us. In 2022 we successfully completed the pigging of five lines and addressed signs of corrosion through our newly enhanced corrosion management programme. In 2023 the offshore line pigging operations will be completed and the production and operations team will be concentrating on implementing a formal well integrity management system.

E GHG emissions

A gas valorisation feasibility study commenced in 2021 to assess the use of microturbines or gas engines to power infrastructure across our operations, thereby reducing flared gas volumes. In 2022, we completed an engineering concept study and concluded that the initial focus should be on the operation of micro-turbine units at the Guebiba and Tank Battery facilities.

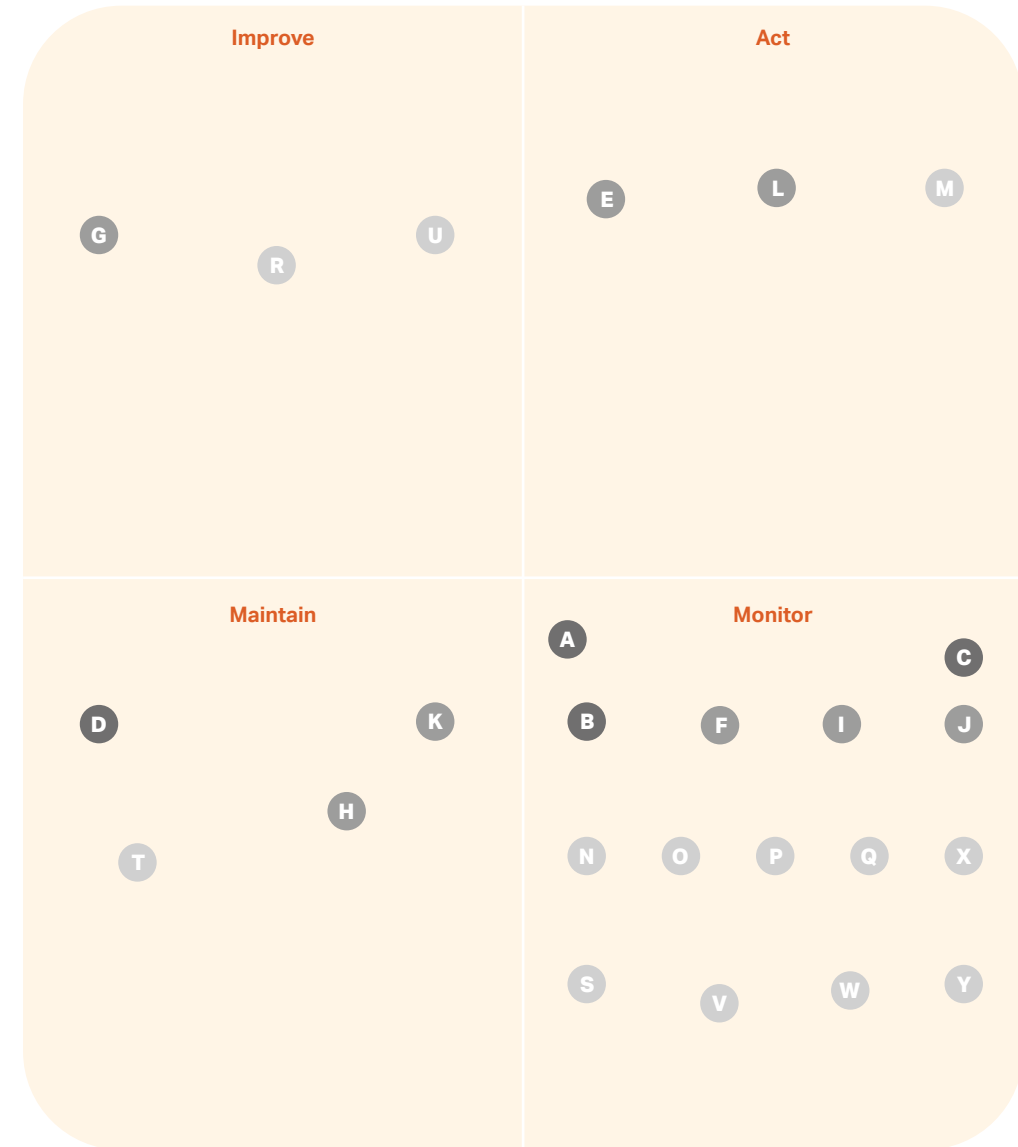
 See page 21 for more detail

In line with these three topics, we consider SDGs 7, 8, 11 and 12 to be the areas where we have a material impact.

 More information on our alignment with the SDGs can be found in the appendix on page 44.

Most of the issues identified fall within the 'medium' risk category, meaning that we continue to monitor them, anticipate any significant changes and regularly evaluate our performance in these areas.

Risk level



Management level



Strategic framework

In 2022, we conducted a formal audit of environmental reporting and an in-depth review of health, safety and operational practices.

As a joint venture operator and non-operating partner in oil and gas assets across Africa, our ability to influence and execute operational matters varies. As such, we have designed our ESG strategy to comprise three elements all in support of our corporate objectives: that of sustainable operations; acting as an influential partner; and being a responsible corporate citizen.

The following table outlines our key commitments in our approach to ESG management and neatly maps our alignment to our three identified pillars which we believe encapsulate the interests of our stakeholders. Further discussion of these areas can be found throughout this Report.

	Sustainable Operations	Influential Partner	Responsible Corporate Citizen
Commitment	Alongside our partner ETAP, we are committed to excellent standards of health, safety and environmental management and we actively engage the communities surrounding the operations to understand the implications of our activities on wider society	Leveraging our industry expertise, we will work closely with our partners to safely and responsibly operate our assets and support a just and sustainable energy transition for the continent of Africa	We continue to work towards mitigating our social and environmental impacts and are now focused on working with our JV partners to develop and implement projects that support and enable/provide livelihoods
2022 activity	Updated Safety and Sustainability Policy Management system framework audit and enhancements Comprehensive risk management systems and register update and review Elevated climate-related risk assessment at Board and amongst operating businesses Established non-executive Sustainability Committee Conducted environmental and safety audits of TPS assets Activated Performance Enhancement Plan at TPS, focused predominantly on improving operational safety culture	Appointed country managers in Gabon and Equatorial Guinea Implemented Panoro Energy Equatorial Guinea 2022 Action Plan Office set up in Gabon and Equatorial Guinea	Completed a Human Rights risk assessment for own business, TPS supply chain and business partners Conducted Community Needs Assessment in Equatorial Guinea
2023 activity	Routine flaring reduction projects at TPS and Block G Methane emissions reduction feasibility work Establish hazardous material management system Progress TPS performance enhancement plan Focus on HSSE performance and management	Block G 2023 Corporate Social Responsibility (CSR) strategy formed around: education, health & sanitation, livelihoods and biodiversity & conservation Instil Biodiversity Protection Programme Ensure alignment with Panoro policies in country organisations	Progress mitigation actions arising from the Human Rights risk assessment Block G CSR four pillar programme



Sustainable Operations

Alongside our partners, we are committed to excellent standards of health, safety and environmental management and actively strive to understand the implications of our activities on wider society.

At Panoro, our approach to sustainability is embedded in how we work. This includes our management systems, performance, risk management and how we work with suppliers and partners.



Approach to ESG risk management

Our culture is one premised on setting high ethical and professional standards, characterised by the values of respect, honesty, transparency and trust throughout all levels of the organisation.

The Company, bound by its Code of Conduct, is committed to acting in a transparent manner and expects the same of our host governments, partners, employees, contractors, and customers.

Approach to ESG risk management

In 2022, we updated our Safety and Sustainability Policy, outlining our commitment and procedures to achieve the highest standards in safe and sustainable business practices and to reduce all risks associated with our operations. This includes identifying, assessing and managing health and safety, security, environmental, and climate-related risks, amongst others.

Panoro takes environmental management very seriously and is committed to managing the environmental impact of its activities. We are firmly committed to embracing our environmental responsibility, and to honouring the spirit of the UN Global Compact principles.

We believe that this is the right approach for all our stakeholders, including but not limited to the host countries, the local communities, our shareholders and business partners.

Where Panoro is not the operator, we engage our operating partners to share our expectations and work together to improve performance.

During the year, we scoped out and implemented a programme to update our approach and methodology for Enterprise-Wide Risk Management (EWRM).

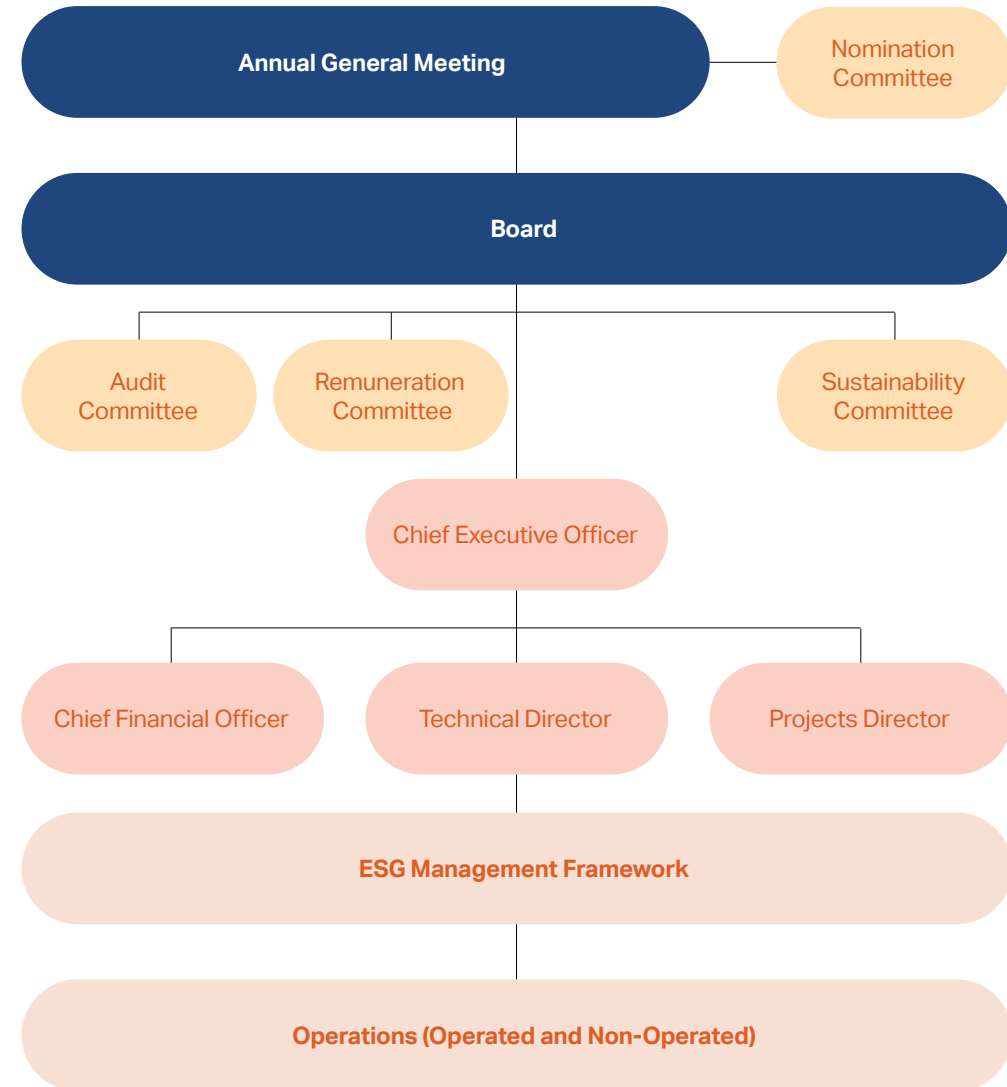
Taking into consideration recognised risk management principles used by the oil and gas industry, we also expanded our assessment to consider additional strategic and longer-term considerations such as those presented by climate change. It was also expanded to consider corporate, specific country and asset risks.



More information on our EWRM process can be found within our TCFD reporting on page 17.

Corporate Governance Oversight

Management, Policy and Operational Control





Approach to ESG risk management

Corporate Policy and Management Framework

Safety and Sustainability Policy

Environmental, Social and Governance (ESG) Framework

Corporate Standards

Health, Safety,
Security and
Environment

Code of Conduct
(Ethics)

Emergency
Response

Incident
Investigation and
Reporting

Risk Management

Performance
Monitoring

Audits and Reviews

ESG Reporting

Asset Level (Operated and Non-Operated)

Operating Company Management Systems and Procedures

Management System Framework audit and enhancements

The Management System Framework ("Framework") outlines the principal components of how we govern and manage safety and sustainability within our operations and the countries where we are active.

Our CEO holds overall responsibility for the safety and sustainability performance of the Company, supported by his management team and with oversight from the Board Sustainability Committee.

To ensure the Company operates in a responsible manner, this Framework was created to guide those working on our behalf to the standards expected where we do not have operational control, guide those to the standards expected where we do not, and ensure good governance over all our business activities.

The Framework ensures that the interests of all stakeholders are considered in order to generate a net positive outcome for everybody affected by the Company's activities. All stakeholders have a role to play to ensure the Company is successful and to resolve any issue raised.

Our Framework sets out our approach to operational sustainability, which includes the environment, climate change, health, safety & security, social, economic and governance structures, policies, standards and procedures.

The senior management team monitor progress against agreed objectives and targets during weekly operational meetings. Safety and sustainability matters affecting the company are an integral part of these meetings.

The Projects Director is responsible for collecting safety and sustainability data from all operating assets to generate a monthly safety and sustainability report that is shared internally. Formal risk review meetings are held at least two times every year, during which all existing or newly identified risks categorised as high (or significant) are reviewed and discussed.

This includes an assessment of the effectiveness of risk reduction measures and whether the mitigated risk is then acceptable to the company. Following this meeting, the company-wide and board risk registers are updated, and a risk report is prepared for the Board.

It is the senior management team's responsibility to identify and implement effective risk reduction measures to reduce risks to the company by applying as low as reasonably practical (ALARP) principles. Further, we conduct a risk assessment when acquiring assets and, conduct complete risk reviews immediately upon completion, in line with our EWRM.



Operating a safe and responsible environment

We are committed to the protection of life, health and the environment for present and future generations.

As a company that operates within the oil and gas industry, sharing joint responsibility for our operating assets in Tunisia and with non-operated positions elsewhere, our goal is to minimize our direct and indirect impacts on the environment through the way we conduct our own business and manage our offices, striving to improve on historical performance and in the ways that we manage our relationships with our partners.

Safety, health and security

At Panoro, safety is our number one priority. Our goal is to achieve zero harm to people, zero lost-time incidents and zero incidents.

All of our employees and contractors working at Panoro have a role to play in identifying, assessing and managing risks within the Company. The Company's Safety and Sustainability Policy demonstrates a commitment to identifying, assessing and managing all Health, Safety, Security and Environmental Risks.

The standard is based on good industry practice from organisations such as the International Association of Oil and Gas Producers (IOGP) and recognised international standards such as ISO 45001 (Occupational Health and Safety),

ISO 14001 (Environmental Management) and ISO 9001 (Quality Management System).

Our board is responsible for deciding which level of risk is acceptable for the business based on input from management. It bi-annually reviews strategic risks to the business and, on a quarterly basis, reviews the top ten risks documented in the Risk Register. The Board's focus is to provide oversight of risk mitigation strategies and to consider if adequate risk mitigation plans are in place.

We also hold our senior management accountable for the health, safety, security and environmental performance of the company and continuously strive to improve our performance. We operate in a manner that helps protect our employees, contractors, partners, suppliers and the communities in which we operate. As the Company continues to grow and evolve from non-operator to operator the focus has naturally expanded and strengthened.

For Panoro's office environments, we have identified associated health and safety risks, we have also identified common risks connected with business travel. Safe work practices, business travel procedures, and emergency preparedness information are provided to all employees, officers and directors.

Further information on the safety performance across our operated and non-operated assets can be found throughout this report.



Our people

Panoro is a small organisation of 25 office-based employees across London and Africa with systems in place appropriate for a business of our size. As of the end of 2022, we have offices in Equatorial Guinea and Gabon. We hold equal and joint responsibility for the TPS operations in Tunisia, as a 50:50 partner with the state oil company ETAP.

We are committed to retaining a highly skilled and engaged workforce and developing and investing in our colleagues.

This starts with fair and competitive compensation and benefits and includes providing an engaging and inclusive work environment.

Our teams are made up of experienced personnel with broad and complementary skill sets that enable the growth ambitions of the business. Our systems, policies and processes accommodate national and international laws and regulations regarding labour practices and conditions, including matters relating to human rights.



Operating a safe and responsible environment

Training and development

Panoro believes that value-driven leadership encourages and inspires the employees, generating development, security and a better working environment internally, as well as a stronger reputation externally. We provide the opportunity for training for all Panoro employees on an ad hoc basis or as appropriate to meet regulations.

During the year, training sessions were provided to both the Board and Management Team, including a focused session on the TCFD Recommendations ahead of activating various workstreams. Periodic training related to risk management was provided ahead of risk review meetings, whilst specific Emergency Response training was also provided.

Equal employment, diversity and inclusion

Panoro is an equal opportunity employer and has enshrined this within its policies. We have a responsibility to ensure that all employees feel safe and supported. The Company embraces a diversified working environment, and the Company's personnel policies promote equal opportunities and rights and prevent discrimination based on gender, ethnicity, colour, language, religion or belief.

As stated in our Code of Conduct, we focus on high ethical standards, professionalism, respect, honesty, transparency, loyalty and trust throughout all levels of the organisation.

Panoro had 25 permanent employees at the end of 2022 of which 80% were male and 20% were female. These statistics exclude employment at a joint venture level where assets are jointly controlled and Panoro is not the operator.

Contractor management

Our business success depends on how well we manage those who work on our behalf. All staff and contractors working for Panoro have a vital role in identifying, assessing and managing risks within the Company. The company recognises the need to have robust systems in place to work effectively in a contracting environment and has adopted LOGP guidelines in setting out measures to achieve this.

This approach ensures that clear identification of work scope and associated risk informs the contracting strategy, that the tendering process incorporates a screening of potential contractors to ensure their HSSE standards meet Company requirements and that once contracts are awarded that there are regular audits and reviews of performance, pre-mobilisation, during the operations and post completion of the work.

Environment

Panoro is committed to responsible and sustainable environmental management, applying acknowledged industry standards for protecting the environment. The Company will operate responsibly wherever we work in the world, and we have a commitment to continually reduce emissions for all our operations through enhanced operating procedures, appropriate maintenance and innovation.

In addition, we are committed to minimising the loss of natural habitat and protecting biodiversity, ecosystems, flora and fauna, water sources and water quality where we operate.



Further information on the environmental performance across our operated and non-operated assets can be found throughout this report and as directed to our partners' communications.





Task Force on Climate-related Financial Disclosure

In 2017, the Task Force on Climate-related Financial Disclosures (TCFD) released climate-related financial disclosure recommendations designed to help companies provide better information to support informed capital allocation.



Over the following pages, our disclosure is structured around the recommended four themes that represent core elements of how companies operate: governance, strategy, risk management, and metrics and targets. The four recommendations are interrelated and supported by 11 recommended disclosures that build out the framework with information that should help investors and others understand how reporting organisations think about and assess climate-related risks and opportunities.

Governance

Describe the Board's oversight of climate-related risks and opportunities

Panoro's newly established Sustainability Committee is a committee of the board of directors of the Company which is primarily responsible for embedding the Company's ESG performance and ambitions as well as reflecting on other sustainability matters as we progress through the energy transition.

Based on input from management and our external advisor the committee recommends the appropriate governance, resource and reporting frameworks to the board with the aim to achieve alignment with the relevant global standards. This committee is explicitly responsible for the oversight of Panoro's Safety and Sustainability Policy and considers climate-related issues when reviewing performance.

As stated in our Safety and Sustainability Policy, the company is committed to enabling its employees, and through effective working relationships, its partners, contractors and sub-contractors and local communities, to achieve the highest standards in safe and sustainable business practices and to reduce all risks associated with our operations.

We recognise climate change as a relevant risk for our business and that companies that are directly or indirectly responsible for emissions face risks and opportunities.

As our business has grown and climate change has risen on our risk register, having climate-related risk and opportunity Board oversight has been essential. The Chairperson of Panoro's Sustainability Committee reports formally to the Board on the committee's proceedings after each meeting on all matters within its duties and responsibilities, this is to ensure the Board and its committees are kept informed of climate-related issues.

The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed. During the year, the sustainability committee met and ESG programmes.

Describe management's role in assessing and managing climate-related risks and opportunities

Panoro's organisational structure, Code of Conduct, standards and culture together form a system of internal controls that govern how we manage associated risks. Our risk management system is designed to be a consistent and clear tool for managing and reporting risks from the group's operations to management and to the board on a quarterly basis.

Climate-related matters are the responsibility of our Projects Director, who has significant industry experience and is responsible for overseeing Panoro's decarbonisation programmes, whilst our CFO oversees all areas of financial activity related to climate change, including financial modelling, scenario planning and expense and budgeting. Ultimately, our CEO is responsible for leading the execution of our strategy, for which the impacts and opportunities of climate change are considered.

Through our Enterprise-Wide Risk Management (EWRM) process, we identify, monitor and address ESG and climate-related risks to our business.

Risks are assessed by severity and relevant mitigation actions are established. Day-to-day risk management seeks to promote safe, compliant and reliable operations as well as greater efficiencies, with our standards taking into account applicable laws and regulations.

Our senior management team monitor climate-related issues through our EWRM process and will ensure that it is implemented and applied across the business. They will ensure the EWRM process is adequately resourced and includes sufficiently skilled and experienced personnel to ensure all aspects of risks are identified and reviewed and that updates are provided to the business as required.

Country managers ensure that the EWRM process is implemented and applied within their asset or site. They manage the risk assessment process within their area of influence and update the risk worksheets and provide input to the company risk register at regular intervals or when new significant activities or new risks are identified.

TPS is required to report safety and environmental incidents on an urgency basis dictated by their severity whilst daily production reports with health, safety and environmental highlights are provided from all our assets. In addition, routine conversations allow deeper assessment of any potential issues that arise.



Task Force on Climate-related Financial Disclosure

Strategy

Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term

We have defined time horizons as the following:

Short term (to 2025)

Medium term (to 2030)

Long term (post-2030)

In accordance with standard practice, we consider climate-related risks and opportunities under two broad categories: transition and physical risks.

While these aspects can cover a wide range of issues, we have identified the risks and opportunities that we believe are material for Panoro due to their potential to impact our strategy.

Climate-related risks are integrated into the corporate risk register and therefore materiality and financial impact analysis are considered. Policy and legal risks are presently rated most highly within our EWRM risk register for the potential to financially impact our business, followed by access to capital which draws upon market and reputational risks associated with climate change.

Panoro considers the following to be key climate-related risks in the short, medium and long term.

Type	Related risks	Timeframe	Potential financial impact	Activities and mitigations
Transition Risk Policy and Legal	The potential to increase and/or introduce Greenhouse Gas (GHG) pricing to our countries of operational or strategic focus	Medium	Increased operating costs (e.g., higher compliance costs, increased insurance premiums)	Countries are strengthening action or making pledges to limit warming to 1.5°C and achieve a climate-neutral and resilient world, including through updating their Nationally Determined Contributions under the Paris Agreement. At a country level, the focus within each varies. The Ministry in Gabon is targeting carbon-neutral production of hydrocarbons, beginning with a carbon credit scheme this year. We are monitoring policy and legislation developments in countries of interest on an ongoing basis which is also driving decisions on the ground with our operating partners.
	Enhanced emissions-reporting obligations	Short	Increased operating costs (e.g., resourcing requirements and third-party costs, which are evaluated on a project basis).	All EU countries are required to monitor their emissions under the EU's Climate Monitoring Mechanism, which sets the EU's own internal reporting rules based on internationally agreed obligations. In addition, countries are making it mandatory for a range of entities to report on their climate-related risk in line with the recommendations of the global Taskforce on Climate-related Financial Disclosures (TCFD). We are in the process of better understanding our emissions profile and becoming more sophisticated in measuring our impact as the technology constantly evolves. We endeavour to provide an accurate figure, though enhanced reporting baselining may evolve over time which makes target setting challenging.
	Exposure to litigation	Medium	Increased costs and/or reduced demand for products and services resulting from fines and judgments. Write-offs of licence costs in the event exploration and/or development programmes are halted by external parties opposed to our activities.	The industry is witnessing increased litigation activity. We are committed to transparent reporting and communication of emissions and climate risks. We will communicate the detail of our decarbonisation plans and associated targets upon completion of numerous workstreams, where it is appropriate for us to do so and where we have operational control.



Task Force on Climate-related Financial Disclosure

Type	Related risks	Timeframe	Potential financial impact	Activities and mitigations
Technology	Substitution of existing products and services with lower emissions options	Medium - Long	Write-offs and early retirement of existing assets	<p>The IEA reported meaningful investment into renewable sources of energy, such as wind and solar, and new sales records for electric vehicles in 2020. It highlighted that in certain markets, solar and wind now represent the cheapest available source for new electricity generation. However, under the Announced Pledges and Stated Policies Scenarios oil demand remains at current or increasing levels through 2030.</p> <p>Presently, our focus is to responsibly produce our energy sources and seek ways to decarbonise our operating footprint.</p>
	Costs of transition to lower emissions technology	Medium - Long	Capital investments in technology development	<p>As a business, we are investing time and capital to decarbonise our operating footprint.</p> <p>At TPS, we have commenced development of a Marginal Abatement Cost Curve (MACC) model that captures the broad set of decarbonisation projects.</p> <p>Our partners in Gabon and Equatorial Guinea are developing similar programmes.</p>
Market	Changing customer behaviour	Long	Reduced demand for goods and services due to shift in consumer preferences	<p>Reduced demand and price outlook for natural gas and oil has the potential to impact portfolio value. To be a reputable participant in the market, meaningful action on climate change is required which is why we are taking steps to understand our impact and set our own roadmap for how we can improve.</p> <p>Based on Panoro's belief and scenarios this is a longer-term risk to the business. The risk lies in people moving quicker than expected to renewables sources of energy.</p>
	Uncertainty in market signals	Short	Abrupt and unexpected shifts in energy costs	<p>The energy transition is likely to entail wildly fluctuating energy prices and service industry costs, to an extent not seen for several decades. In this context, it is important to create long-term planning objectives and then to manage the price and cost cycle opportunities that arise.</p>
	Increased cost of raw materials	Short - Medium	Increased production costs due to changing input prices and output requirements	<p>Global record high natural gas prices are pushing some companies to curtail production in a trend that is adding to disruptions to global supply chains in some sectors such as food and could result in higher costs being passed on to their customers. As an exploration and production company, we factor opportunities to reduce energy consumption, reduce emissions, and ensure regulatory compliance into our capital budget.</p>
Reputation	Shifts in consumer preferences	Medium	Reduced revenue from decreased demand for goods/services	<p>A decrease in demand in end user consumption of oil and gas products remains a risk for the industry. However, we believe that, in line with the IEA's outlook, oil and gas will continue to play an important role within the energy mix for decades to come.</p>
	Stigmatisation of sector	Medium - Long	Loss of investors, institutions who cannot invest in oil and gas, leading to loss of company value through sector rerating and declining share prices	<p>At a corporate level, the risk lies in financing and fund raising. To mitigate this, we are committed to defining and delivering on climate-related targets as well as transparency of emissions and climate risk reporting.</p> <p>At country level, there is a demand for investment into these sectors that create jobs and royalties and support a just transition in Africa. We continue to maintain ongoing engagements with shareholders, employees, regulators and other key stakeholders.</p>
	Increased stakeholder concern or negative stakeholder feedback	Medium - Long	Banks and other lenders unwilling to finance the company, leading to higher financing costs for new opportunities resulting in lower growth	<p>Potential impact on the value of the Company related to changes in expectations. The recent energy crisis has created a knowledge gap in the industry.</p> <p>Loss of skilled personnel in response to wildly fluctuating perceptions of the industry will have a very disruptive impact on a smooth energy transition. It is incumbent on companies in the sector to explain their role and assist in managing an effective transition by securing the capabilities required.</p>



Task Force on Climate-related Financial Disclosure

Type	Related risks	Timeframe	Potential financial impact	Activities and mitigations
Physical Risk	Risk of not being able to influence operators to reach sustainability goals	Short-Long	Panoro not reaching its own goals, which have financing and reputational consequences	As an industry, we recognise our responsibility to support global decarbonisation objectives. We work with our partners to determine appropriate aims and objectives, based on a multitude of engineering, economic and environmental factors.
	Increased severity of extreme weather events such as cyclones and floods	Medium-Long	Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)	<p>For our operated asset in Tunisia, where there could be an impact, we:</p> <ul style="list-style-type: none"> - Support and enable investment into facilities and asset integrity of our process plant. - Have in place emergency response measures and participate in emergency response exercises to mitigate the impact of such events. <p>The location of our projects across West Africa, predominantly offshore in relatively benign tropical environments, helps mitigate the potential acute impact on our physical assets.</p> <p>For our non-operated assets:</p> <ul style="list-style-type: none"> - We maintain a strong working relationship with the operator of the asset.
	Changes in precipitation patterns and extreme variability in weather patterns	Medium-Long	Increased capital costs (e.g., damage to facilities)	Minimal impact expected for the current company production assets. The offshore assets of Block G and Dussafu lying in and close to the benign tropical marine environment of the Gulf of Guinea. The onshore assets of TPS in Sfax Tunisia are close to the coast and surrounded by well maintained flood drainage, minimising the chance of flooding risk.
	Rising mean temperatures	Medium-Long	Operating cost increases	Supply chain disruption can be expected globally but this is hard to define and quantify on an asset-by-asset basis. Increasing summer heat in Tunisia will require management of operational activities where the workforce are at risk of being impacted. Experience suggests this is restricted to several hours around midday on a limited number of days of extreme temperatures. The viability and life span of the existing assets will not be impacted.
	Rising sea levels	Long	Write-offs and early retirement of existing assets	None of the company assets will be at risk from rising sea levels during their lifetime.



Product

Panoro has recognised and is currently working on scoping out and implementing a number of climate-related opportunities at a corporate level and within our operated asset.

Resource efficiency

On acquiring the TPS asset in late 2018, Panoro generated a renewed focus on production efficiency, recognising that 37 years after first production there were some improved ways to operate this business. This began with the elimination of oil trucking between the Guebiba field and the Tank Battery export terminal, this being replaced by a pipeline along the same route. The result is a much safer means of exporting the crude, with reduced diesel usage and the eradication of the risk of spills along this route.

Alongside ETAP and TPS, the Panoro team have been assessing a number of options to reduce the amount of gas flaring in line with our ambition to lessen our environmental impact.

A gas valorisation feasibility study commenced in 2021 to assess the use of microturbines or gas engines to power infrastructure across our operations. In 2022, we completed an engineering concept study and concluded that the initial focus should be on the operation of micro-turbine units at the Guebiba and Tank Battery facilities, detailed engineering work is in progress to deliver on these objectives. At TPS, waste minimisation efforts continue. Water

produced alongside oil and gas operations, known as produced water, is injected into subsurface saline aquifers at considerable depth.

This occurs at two locations, the Tank Battery handles produced water from the offshore field and two of the smaller onshore fields. Produced water from the Guebiba field was historically trucked to the Tank Battery for disposal, the bulk of this is now reinjected at Guebiba and efforts continue to raise this injection capacity to halt all saltwater trucking. Within our offices, we monitor and have an ambition to improve the efficiency of cooling and heating systems. We are working to reduce trucking as much as we can and reduce boat journeys and optimise energy use, this will lead to cost, safety and environmental benefits.

The potential of helium

Helium is a finite resource and is now in high demand for use in a range of technologies, including semiconductors, fibre-optic cables, computer chips, welding, industrial leak detection, cryogenics, nuclear power plants and MRI machines.

Many of these applications benefit from helium's extremely low boiling point, which makes the inert element a valuable coolant. With declining supply from traditional reserves in North America, the helium market is becoming increasingly tight making new sources extremely attractive.

Interest has emerged in the past few years in searching for helium-bearing gas in the Karoo Basin in South Africa. There is a dual objective in the development of such resources in this part of the world.

The helium concentration in natural gas in this region is in the order of several percent versus a fraction of a percent in other sources globally, consequently far less gas needs to be produced to secure the helium supply.

Further, natural gas produced in this region can be used to generate electricity offsetting the regional coal-fired power station supply.

In August 2022, Panoro announced it had been awarded a 100% interest in Technical Co-operation Permit ("TCP") 218 a 6,608 km² Technical Co-operation Permit for onshore

exploration of natural gas, petroleum and condensate in the northern part of the Karoo Basin in South Africa.

During the permit period, Panoro is conducting a desktop study, including the gathering of the existing boreholes, geological and geophysical data, mapping, constructing models, and scoping of potential future exploration programmes.

Panoro has exclusive rights to apply for an Exploration Right or Production Right before the permit expires on 9th June 2023.





Energy source

The Company Scope 2 greenhouse gas emissions relate to electrical power consumption at our offices in London, Equatorial Guinea, Gabon and Tunisia, in addition to the office and operational sites of TPS in Sfax which consume the vast majority of this power.

The operations in Tunisia utilise electrical power supplied by STEG the national electricity company, plus self generated electrical power from the combustion of associated gas and diesel at the Cercina offshore field.

TPS

An opportunity exists to improve the environmental efficiency of TPS operations by minimising routine flaring and using this associated gas to generate power for the operation of the production facilities. Power generated will displace an equivalent provision of electrical power supplied by the national grid.

We have an ambition to reduce annual routine flared gas volumes to zero in line with The World Bank's Zero Routine Flaring ('ZRF') by 2030 initiative, and have started detailed engineering studies to progress this gas valorisation project. At the same time this initiative will dramatically reduce the Company total Scope 2 greenhouse gas emissions.

The flaring of gas contributes to climate change and impacts the environment through the emission of CO₂ and other pollutants. It also wastes valuable energy resources that could be used to advance the sustainable development of producing countries.

Panoro introduced the use of photovoltaic cells at TPS to provide lighting on the Guebiba and Tank Battery access roads. A study was undertaken in 2022 to assess the feasibility of implementing wider usage of this technology. It was concluded that additional use of photovoltaic cells at the off-grid GUE-7 well pad location is recommended. Usage at the Rhemoura and Tank Battery locations will be considered in the event that insufficient power is generated by the gas valorisation project at these locations.

Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy and financial planning Impact on strategy

We recognise that the industry is aligned in its need to deliver energy safely and responsibly to meet the aim of the Paris Agreement. With our partner in Tunisia, we continue to define our Scope 1 and 2 emissions reduction investment strategies and alongside our partners in Gabon and Equatorial Guinea, we are detailing specific decarbonisation roadmaps that support a just and responsible energy transition in Africa.

The potential impacts of the physical risks we have identified could include a reduction in production, supply chain disruption and damage to facilities.

Due to the uncertainty associated with the impact of climate change on severe weather events in the future, it is difficult to quantify the potential impacts associated with any increase in these risks. Nevertheless, we are taking steps to improve the resilience of our operations to the physical changes that might occur.

Through our Enterprise-Wide Risk Management (EWRM) process, we identify, monitor and address ESG and climate-related risks to our business. This incorporates a risk register through which we identify all significant risks, assess their impact on the business and then develop mitigating measures to reduce their impact to acceptable levels.

Financial planning – capital allocation

We plan to allocate sufficient capital to accelerate our energy transition strategy. This includes investing in measures to reduce the environmental impact of our existing oil production operations, it extends to finding opportunities to invest in projects that may play a key role in the energy transition in the years ahead, such as the South African TCP 218 opportunity.

Financial planning – regulatory landscape

Norway is seeking to more than triple its tax on carbon dioxide by 2030, increasing its charge for a ton of emitted CO₂ equivalents from €60 to €200, the government has stated in a wide-ranging white paper spelling out the country's climate action plan. Whilst this did not affect any Panoro assets, this may be indicative of future changes in legislation in other jurisdictions.

Released in January 2022, the white paper outlines how Norway will achieve a 45% reduction in emissions not falling under the Emissions Trading System by 2030. In response to the changing regulatory landscape and our commitment to excellent standards of environmental management, we continue to seek ways in which we can reduce the emissions profiles of our operations.

Financial planning – access to capital

Concerns surrounding the energy transition have the potential to reduce the appetite of banks or investors to finance hydrocarbon activities. We do not anticipate any material change to funding in the short to medium term but are aware of this risk and will continue to listen to our investor's wishes for the business in this respect.

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

We have conducted a modelling exercise to evaluate the impacts of some of our most direct climate related risks and benchmark oil pricing scenarios. This aids in assessing the resilience of the business to market fluctuations under various development scenarios.



Scenario Analysis

Climate considerations in impairment assessment

Climate considerations are factored into a set of scenarios that have been used to test the resilience of the Group's portfolio when assessed on the basis of cash flows and remaining recoverable resources. This includes factoring in current legislation (e.g., environmental taxes/fees) and estimation of future levels of environmental taxes. The Group's participation in the current licenses and concessions in various jurisdictions are not currently subject to specific carbon pricing.

At the recent COP26 UN climate conference, member states explicitly acknowledged the importance of limiting global warming to less than 1.5°C, rather than the previous Paris Agreement target of 'well below 2°C'. Despite these targets, global energy demand is projected to continue to grow rapidly, and emerging economies in Africa and other geographies are increasingly looking to their fossil resources to underpin economic growth, finance their own energy transition, and help to pay for urgently needed climate adaptation measures. Our strategy therefore aims to balance environmental, energy security and economic objectives by investing in efficient producing assets in North, West and South Africa, and working with our partners to support the transition to a low-carbon business.

The company has run sensitivities for its West and North African oil assets in order to test the resilience of the Company's business, using three of the four scenarios examining future energy trends published by the International Energy

Agency (IEA) in their World Energy Outlook 2022 publication. The scenario impact on our portfolio value and reserves is assessed against that generated by our own oil price assumptions. We have assumed a linear bridging between end 2022 prices and the first price point given by the IEA in 2030 and assess NPV forward looking from 2023. The scenarios, generated by changing oil price assumptions only, have the following key features:

Net Zero Emissions (NZE)

NZE requires global greenhouse gas (GHG) emissions to drop by around 50% by 2030, or 7% per year for the next 9 years, implying a rapid drop in oil & gas consumption, a massive push into renewable energy, big gains in energy efficiency, and rapid development and scaling-up of new technologies, including carbon capture. Another major focus is reducing methane emissions from fossil fuel operations. It also demands no further fossil fuel exploration and no new oil and gas production from fields beyond those already approved for development. Oil demand in NZE falls to 72 mmb/d in 2030 and 24 mmb/d by 2050.

The decline is led by road transport, where 60% of all passenger cars sold globally are electric by 2030, and no new combustion engine cars are sold anywhere after 2035. Petrochemicals are the only area where demand increases and by 2050 accounts for 55% of all oil consumed. Prices fall along with demand, to USD 36/bbl in 2030 and USD 24/bbl in 2050.

Announced Pledges (APS)

APS assumes full implementation of countries' pledges announced under the Paris Agreement

and updated ahead of COP26 in Glasgow, and estimates an average temperature rise of 2.1°C by 2050. Oil prices decline slightly from USD 64/bbl in 2030 to USD 60/bbl in 2050.

Stated Policies (STEPS)

STEPS has demand continuing to rise gradually, levelling off at 104 mmb/d in the mid-2030s; then declining very slightly to 103 mmb/d by 2050. A fall in demand from power generation is offset by increased consumption for road transport (around 6 mmb/d through to 2030) and robust demand from aviation, shipping and petrochemicals. Oil prices rise, reaching USD 82/bbl in 2030 and USD 95/bbl in 2050.

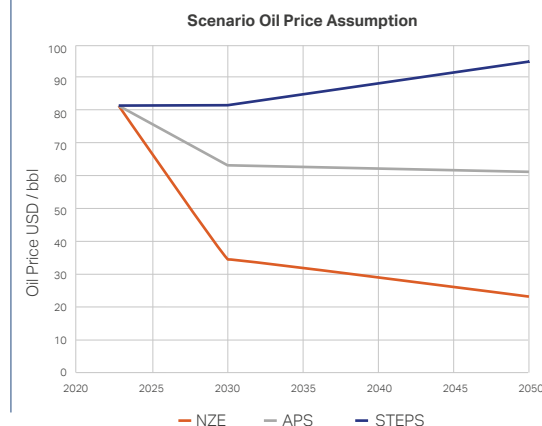
Key findings

Sensitivity analysis conducted show that the Company's portfolio remains resilient under each of the above mentioned scenarios. Even under the most demanding NZE scenario, all segments remain economic even though NPVs are negatively impacted.

A summary of the impact of the different future oil price scenarios on NPV and reserves are as follows:

These illustrative impairment sensitivities assume no changes to assumptions other than oil and gas prices. However, significant reduction in the oil and gas prices, offset by foreign currency effects, would likely impact the Group's investment levels. The illustrative sensitivities on climate change are not considered to represent a best estimate of an expected impairment impact.

Moreover, a significant and prolonged reduction in oil and gas prices would likely result in mitigating actions by the Group and its license partners; for example it could have an impact on drilling plans and production profiles for new and existing assets. Quantifying such impacts is considered impracticable, as it requires detailed evaluations based on hypothetical scenarios and not based on existing business or development plans.



Percentage reduction/(improvement)	Net Zero Emissions	Announced Pledges	Stated Policies
Oil price range from 2030 - 2050 (USD)	36 - 24	64 - 60	82 - 95
NPV12	51%	22%	0%
Reserves	30%	11%	2%



Risk Management

Describe the organisation's processes for identifying and assessing climate related risks

Panoro defines risk as exposure to the possibility of loss, injury or other adverse or unwelcome circumstances or situations involving such possibility. A risk is an uncertain event or condition that, if it occurs, has a negative effect on the Company. For Panoro, risks are divided into six risk categories that best cover the work activities as follows:

1. People / Health and Safety
2. Security
3. Environment
4. Public / Country / Reputation
5. Assets and Operations / Climate Change
6. Financial Impact

We are committed to effectively managing all aspects of risk for the business to reduce any negative effect by applying As Low As Reasonably Practical (ALARP) principles. The company's Safety and Sustainability Policy demonstrates a commitment to identify, assess and manage all aspects of HSSE risks. Panoro has a mandated ongoing process, risk registers will be subject to a six-monthly review and update, then rolled up to the board.

There are further reviews whenever there is a significant change to the business, with the board being briefed as appropriate. This process enables us to quickly identify, escalate and appropriately manage emerging risks.

Through our Enterprise Wide Risk Management (EWRM) process, we identify, monitor and address ESG and climate-related risks to our business in addition to existing and emerging regulatory requirements related to climate change. The process is based on a continuous improvement methodology that is an integral part of ISO 45001 Occupational Health and Safety, ISO 14001 Environmental Management and ISO 9001 Quality Management Standards.

Our structured process for identifying hazards that may be present within the planned project or circumstance is conducted by a team with appropriate experience, expertise and knowledge. Once the various hazards have been identified, each one is assessed for consequence and likelihood of occurrence using the EWRM Consequence Matrix. Our consequence severity table provides some guidance as to how consequence levels should be selected for the specific risk.

Describe the organisation's processes for managing climate-related risks.

Once all the risks have been classified into Low, Medium, High and Very High, risk reduction measures must be developed to reduce any risk to as low as reasonably practical. All risk reduction measures should be SMART (Specific, Measurable, Attainable, Realistic and Timely). Managing risks involves developing cost effective options to deal with them including:

Avoiding
Reducing
Transferring
Accepting

Each country maintains its own risk register which is reviewed at regular management meetings. Risks classified as high should be transferred to the Company wide Risk Register.

This register is reviewed every three months by the Executive Team to monitor and review the effectiveness of the risk reduction measures. The company wide risk register will be presented and discussed at least twice per year in a Board meeting.

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

The EWRM process is very much a continuous improvement business cycle, and the company will always attempt to reduce all risks to as low as reasonably practical to minimise the negative impact on the company. The highest ranked risks are transferred into the Board Risk Register and these risks are discussed in Board meetings to ensure adequate risk reduction measures are being implemented or a decision to stop the activity is made.

Panoro Risk Management Process





Metrics and Targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

In order to effectively manage climate-related risks and opportunities, we gather and monitor our data in line with IOGP guidelines and historical performance indicators. We consider total GHG emissions, energy consumption and hydrocarbons flared as our key metrics with absolute and intensity levels of each variable regularly monitored.

In Q4 2022 we conducted a review and a formal audit of emissions monitoring capabilities which highlighted the need to improve the measurement of emissions to ensure a more accurate emissions monitoring. These technical improvements now form an integral part of the asset enhancement programme for 2023 and will enable more accurate measurement of data and the ability to set baseline and reduction targets for our operations, which will ultimately allow the business to consider specific interim and longer-term reduction targets.

Climate related metrics are incorporated into the company KPIs, the performance against which determines annual remuneration. The Company is yet to define internal carbon prices for target setting. To date, we have not established climate-related opportunity metrics designed for a lower-carbon economy.

Describe the organisation's processes for managing climate-related risks

We are managing climate related risks by carefully monitoring developments addressing cause, impacts and associated legislative response. Through this understanding and benchmarking performance against the upstream industry, we are setting goals and targets for improving. This extends to raw measurements and data gathering, the funding and implementing of specific improvement projects to reduce emissions, improving asset integrity and taking steps to reduce flaring and venting. We are and will be conducting internal and external auditing programmes to verify improvements.

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

Our well-established risk management process has been extended to address climate related risks. This has identified and ranked the most significant risks to which the business is exposed. As a consequence, projects mitigating these risks have been defined and are beginning to be implemented across the company assets.

At our operated asset TPS, our objective is to reduce routine flaring to zero by 2030, currently our most significant climate-related project activity. At our non-operated Block G, the operator is proceeding with an ambitious capital investment programme that will reduce absolute emissions associated with flaring by up to 85% by 2030.

2022 has provided a base year set of data, which will be confirmed by an external audit during 2023. Historical and current key performance indicators relate to the accurate recording and reporting of climate-related base line data. This is expected to transition to target setting and then monitoring progress against those targets in the years ahead.





TPS

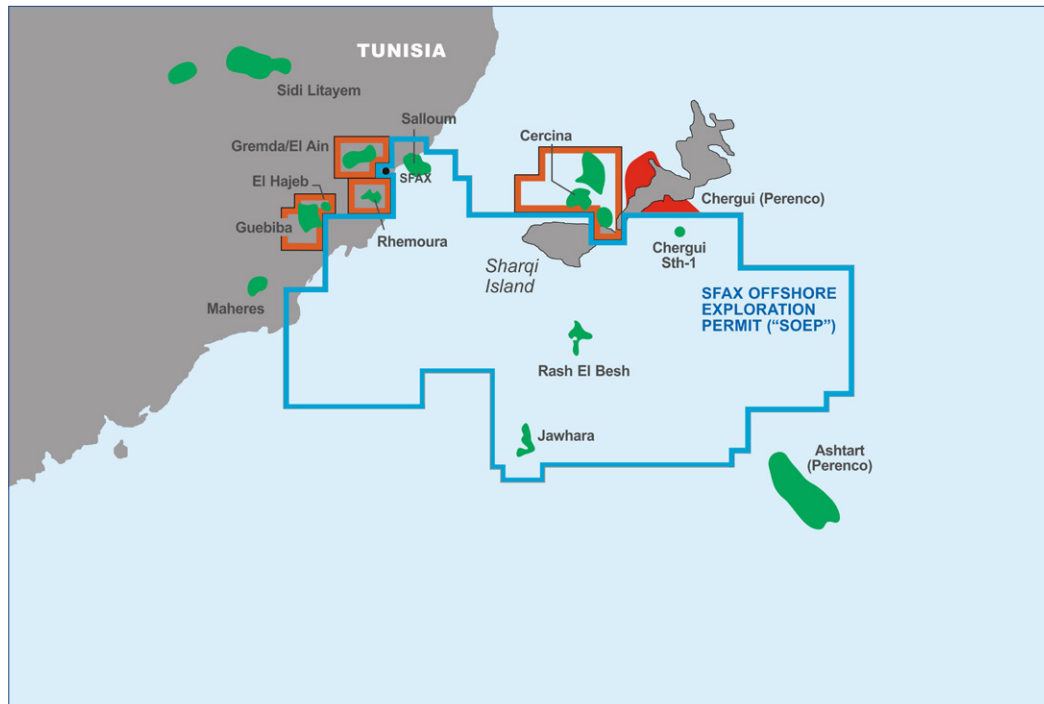
Joint venture operations in Tunisia

Health, safety and security performance

As an equal JV partner in TPS, sharing a 50:50 split interest with the national oil company ETAP, we take equal responsibility for the health, safety and welfare of our 175 TPS employees. Underpinning our commitment to safety, and recognising it as our top priority, we operate a health and safety management system with clear operating parameters that capture all health and safety data; calculated and reported in line with IOGP standards.

TPS provides health and safety updates to Panoro on a monthly basis, this information is reviewed during the quarterly TOCMs (Technical and Operating Committee Meetings), which are in turn shared with Panoro's leadership team and board.

The TPS Quality, Safety and Environment Management System outlines the organisation's roadmap for success and formalises its process and system progress. In 2022, we identified cultural and implementation gaps which drove significant action and leadership evolution. The improvement plan dovetails with these ambitions.



Phase 1

Diagnosis of QSE activities in TPS

Complete

Assessment of systems
Site visits
Awareness sessions

Phase 2

Training on ISO 9001, 45001, 14001

In progress

Targeting process leaders and project team
996 hours complete
2 courses remain

Phase 3

Design the IMS

Complete

Determined context and interested parties
Mapped all relevant processes
Elaborated documents

Phase 4

Deploy the IMS

In progress

Digitalisation of IMS
12 of 16 modules addressed

Phase 5

Performance evaluation of the IMS

Not started

Internal audit
KPI review
Management review

Phase 6

Certification of the IMS

Not started

Contract with certification body
Certification audit



TPS

For all operational activities, every employee and contractor has the right to immediately issue a stop work order in the event of an unacceptable risk of accident or environmental incident being identified. In the event of serious incidents occurring or high potential incidents being identified, a comprehensive root cause analysis is conducted as part of post-incident investigations, this identifies and prioritises areas for improvement.

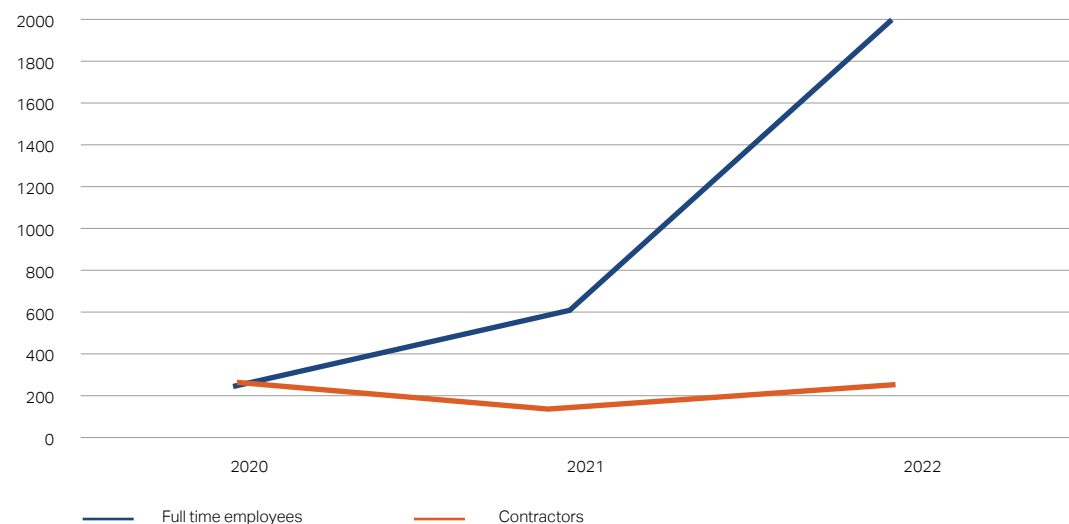
Despite setting clear operational objectives and expectations, safety incidents can and do happen.

The Total Recordable Injury Rate (TRIR) for TPS has deteriorated during 2022.

This together with some poor leading indicators caused a direct intervention by Panoro during the latter part of the year with a series of site visits, observational feedback, management changes and the launching of a comprehensive HSSE performance enhancement programme.

There is now a renewed safety effort at TPS to revise, improve and focus on Safety Knowledge sharing opportunities such as regular safety meetings, morning Toolbox Talks, End-of-shift debriefs and Safety moments at the beginning of regular business meetings. Additionally, TPS has revitalised management walkaround programmes to enhance safety related dialogue between senior managers and site operational personnel.

Average hours of health, safety and emergency response training (per 200,000 hours worked)



Asset Integrity (including Process Safety)

We carefully plan our operations and seek to identify potential hazards and have rigorous operating and maintenance practices to manage risks at every stage of the asset lifecycle.

Given the mid-life nature of the TPS assets, the corrosive nature of the production fluids and their location close to inhabited areas onshore and a sensitive environment offshore, it was necessary for TPS with guidance from Panoro and ETAP to undertake a thorough review of the integrity of critical elements of the asset's facilities.

The initial focus comprised an asset wide process safety audit, comprehensive reviews of the competency of the offshore production facilities and the launch of an intelligent pigging campaign across all the asset's pipelines and inter-field flowlines. Following these activities, an offshore platform was replaced and several pipelines have either been repaired or replaced.

Work continues to further enhance asset integrity. A well integrity management system has been developed and is being implemented to further improve the integrity of wells.

It is also necessary to continuously monitor the condition of all existing equipment and quality of the asset management processes, for this purpose TPS employs a dedicated Process Safety Engineer and holds monthly management meetings to track asset integrity actions. At our shallow water operations, an area also used for local commercial fishing, we proactively ensure the integrity of pipelines.

In 2022 we continued our pipeline and flowline intelligent pigging programme, an exercise designed to verify that the production system is being managed effectively to prevent any leaks. Our target is to complete a full analysis of the state of internal corrosion of all our pipelines during 2023.

We have also undertaken a comprehensive review of the chemical management programme used to protect our pipelines and production vessels offshore, concluding that a significant change was required to the nature of the chemicals deployed to ensure optimal protection of the facilities.

As described, there is now a concerted effort to improve the integrity of the asset and update work practices at site level with the aim to prevent any accidental leaks and improve the overall safety performance.



Environmental management

TPS places great emphasis on conducting its business activities in strict compliance with national regulations in order to deliver upon its business objectives.

In line with its commitment to continuous improvement and raising environmental performance management, consideration was given to strengthening TPS' environmental management system. Consequently, TPS is preparing for ISO 14001 certification, the internationally recognised environmental management system, aiming for a conclusion in 2023.

During the year, a specialist contractor was engaged to conduct air emissions assessments across TPS operating sites. Pleasingly, no compliance emissions anomalies were identified. This programme served a dual purpose in that it allowed us to reinvigorate the focus on the gas valorisation programme that would reduce the flared emissions at Cercina, Guebiba and TPS' Tank Battery.

In the context of a transition to a low-carbon economy, achieving the highest environmental standards is enshrined in the Company Safety and Sustainability policy, under which we are in the process of developing a corporate sustainability framework standard and an environmental data reporting guideline. We have already implemented a system to identify, understand and assess Panoro's emissions footprint as a precursor to developing plans that mitigate our impact and outline opportunities to reduce emissions from established baselines.

Environment Impact Study for rehabilitation of pipeline

An Environment Impact Study (EIS) has been completed for the replacement of the 6" pipeline running from the offshore Cercina field to the onshore Rhemoura site. In 2022 we submitted the EIS to the Tunisian Authorities to get the required approvals from L'Agence Nationale de Protection de l'Environnement (ANPE) and the Ministry of Industry, Mines and Energy. This project has highlighted the potential for synergies with the Tank Battery gas valorisation project, effective design of this pipeline will enable gas currently being flared at the Cercina field to be piped onshore to the Tank Battery where power generation facilities can be more readily located.

Reduction in flaring through gas valorisation

Panoro is seeking to establish a longer-term emissions target based on industry standards. Our ambition is to reduce flaring across our assets and use the gas effectively.

Alongside ETAP, the Panoro team have been assessing a number of studies to reduce the amount of gas flaring in line with our ambition to reduce our environmental impact. A gas valorisation feasibility study commenced in 2021 to assess the use of microturbines or gas engines to power infrastructure across our operations.

The objective of the study is to investigate and recommend optimum options for the valorisation of flared gas in TPS onshore and offshore fields. As a result, the business has modelled gas production from our assets extending to 2030 to analyse the environmental and financial benefits of this programme.

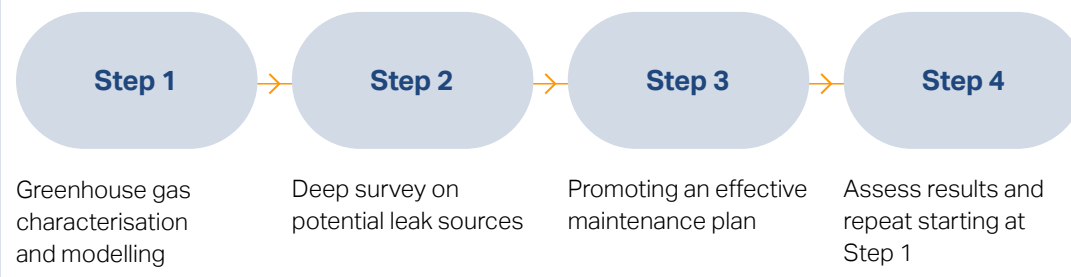
Control of methane emissions

Methane emissions is a new 2023 focus for our TPS HSSE team, work has been proposed to understand emission sources and quantities in more detail.

Environmental emissions audit

Alongside these efforts by the TPS team, Panoro undertook an environmental emissions baseline audit in Q4 2022. This audit formed an integral part of Panoro's aim to publish this Sustainability Report for 2022. The audit scope covered all emissions and energy use from all activities onshore and offshore and included: Cercina offshore plant room and all associated wellhead platforms; Ej Hajeb; Guebiba; Rhemoura; El Ain; Tank Battery; associated pipelines and the Sfax TPS office. The main purpose of the audit was to verify that the environmental data reported in the monthly environmental emission report was accurate and met industry guidelines.

The data collection and reporting followed industry guidelines, but a number of findings were identified that increased the uncertainty of the emissions reported. A series of corrective actions were identified to improve the measurement of flared gas volumes and improve flaring efficiencies. Engineering studies and facilities modifications required to address these deficiencies are included in the 2023 TPS budget.





Environmental management

TPS enhancement plan

In November 2022, the Panoro team conducted a site visit to TPS' onshore and offshore operational sites and pipeline routes to perform an Operational Safety Review. This review was initiated following indications of a deterioration in HSSE performance during the year. The team responded to the findings of this review with operational advice and organisational changes.

The process has renewed Panoro, ETAP and most importantly TPS' attention to certain matters that are now being addressed in an 18-month performance enhancement plan which contains 'mini' projects that are realistic and achievable for TPS departments.

The focus on health, safety, security and the environment will include regular HSSE leadership meetings and site inspections with a rigorous audit programme. In 2023, we will be formalising a hazardous material management system and refreshing our emergency response exercises. Our production and operations team will be concentrating on improving the accuracy of our emissions monitoring and will implement a well integrity management system.

This plan has been activated with project champions identified across the asset who will be driving this forward in 2023 and into 2024.

Emergency response planning

As outlined in our updated Management System Framework, we ensure appropriate emergency response plans are in place and tested to minimise environmental impact from any accidental releases and we encourage our partners to do the same. We conduct annual environmental performance audits and investigate and report any environmental accidents and near misses as part of the company incident investigation standard and ensure that efficient corrective actions are implemented to prevent a recurrence.

The Emergency Response standard is based on the Incident Command System (ICS) that is widely used within the oil and gas industry. ICS is designed to describe the command, control, and coordination issues in advance of an emergency situation. The priority for any emergency response is to help and support anybody that is affected by the emergency and to minimise any damage to the environment. This could be arranging oil clean-up activities and protecting wildlife.

The final priority is to protect the interests of the company and its shareholders.

The emergency response teams are tested and exercised at regular intervals and lessons learnt are gathered and response plans are updated as required.

Q&A with Sofiane Gaied, Country Manager



Sofiane Gaied joined Panoro as Country Manager in Tunisia in 2018 with over 25 years of experience in the Tunisian upstream oil and gas sector.

In 2022, Tunisia experienced wide social unrest and demonstrations, how did you respond to any local occurrences?

When I look back at 2022, we had some challenging moments with the wider community around our operational sites. Operational continuity was our main target. Alongside our partner ETAP, we initiated a considered engagement plan bringing together the local governor's office and governorate to establish meaningful discussions.

We listened to the demands and put together a plan that works for all sides. We established a three-year programme that allocates funding to the governorate for the council to implement their CSR ambitions from training to supplying funds for locals to build their own businesses.

Alongside your community engagement and enhancement ambitions, what will you be concentrating on for 2023?

Following our Environmental Audit and Operational Safety review in November 2022, we have decided to turn our attention back to our safety performance. We are getting processes and systems in place so that we are on the front foot, and we will be addressing any management issues into 2023.

Our senior management team will be conducting more visits to our operations in Sfax and we will be creating a position responsible for the safety and environmental performance.



Influential Partner

Leveraging our industry expertise, we work closely with our partners to enable the safe and responsible operation of assets, and to support a just and sustainable energy transition for the continent of Africa.

We believe that communication is key. Being a respected and trusted partner to our operating and JV partners is crucial to meeting our respective business objectives.

Where we do not have operational responsibility and are a non-operating partner, we work with and seek to influence the operator to adopt a similar sustainable approach to ensure that governance and risk and performance management are compatible with our own expectations.



Equatorial Guinea

Oil and gas exports have been central to Equatorial Guinea's growth and are expected to continue driving the economy going forward as it diversifies along the oil and gas value chain.

Operational partner, Trident Energy

Trident's strategy involves acquiring neglected mid-life assets around the globe and revitalising them through redevelopment to boost production and unlock reserves.

Trident Energy has established advanced systems, allowing them to set targets during the course of the year. The company believes that strong inputs drive positive outcomes and closely tracks leading and lagging indicators.

Trident's Board of Directors is responsible for overseeing sustainability management and performance and provides strategic guidance to this aim.

The Board meets four times a year and the ESG committee covers ethics, compliance, health & safety, and the environment. The company has a strong commitment to managing climate risk and setting reduction targets and has an Enterprise Risk Management Framework.

The company has a dedicated management system with policies, procedures, standards, and guidelines aligned with international standards and the Sustainable Development Goals.

Trident discloses a variety of GHG-related emissions data including methane, flaring intensity and CO₂ intensity and aims to reduce emissions by targeting gas flaring, and eliminating non-routine flaring volumes. They also have clear positions on water, waste and biodiversity management.

Their HSSE Management System implements safe, reliable and compliant operations across the Group. Additionally, they have a raft of policies that are embedded in their management system, they have a well-defined approach to crisis and emergency management and take process safety very seriously.

In the management of process safety, they base their approach on industry guidelines such as IOGP 638 covering process safety fundamentals, and IOGP 456 on recommended practice for KPIs.

The company has a clear approach to diversity and inclusion, with all staff subject to their Equal Opportunities and Anti-Harassment and Bullying policies, and annual training on workplace issues. They employ many people in the UK, Equatorial Guinea and Brazil and aim to increase female representation in the industry through various events.

Trident's "building true capacity" approach has resulted in their supply chain operations showing solid trust in local vendors and steady figures when it comes to hiring in-country services and purchasing locally sourced goods since taking on the asset in Equatorial Guinea.

Trident's values

Trident's company values express their shared understanding of what they believe, how they behave and what they aspire to achieve as an organisation.

These shared values, also known as their 'ROCKS', are a set of guiding principles and fundamental beliefs that help everyone at Trident Energy to work together towards our business goals.



Respect / Respect guides all our interactions – with each other, our partners and across our operations.



Ownership / Taking ownership of our actions and outcomes actively fosters continual improvement and learning.



Courage / Having a courageous mindset cultivates growth and ultimately drives performance for our organisation.



Knowledge / Knowledge drives our ability to innovate, embrace change and move forward.



Safety / Safe, compliant and reliable operations sit at the very heart of our business, and we are restless in pursuit of continual improvement.

Source: Trident Energy Sustainability report 20021

Trident Energy will achieve a 50% reduction in its carbon intensity by 2030.



For more information on Trident Energy and their sustainability ambitions, please refer to their website [here](#).



Equatorial Guinea

In 2021 Panoro acquired a 14.25% interest in the Ceiba field and Okume Complex in Block G. The six fields that comprise this asset were discovered and developed by Hess with first production from the Ceiba field in the year 2000.

Trident Energy took over operatorship from Hess in 2017 and embarked on a significant investment programme to upgrade the asset's facilities, setting the project on course for an extended life beyond the cessation of the Production Sharing Contracts (PSCs) at that time. The facilities upgrade coupled with further subsurface development potential has enabled an extension of the PSCs to 2040 and work is now ongoing to improve the efficiency of the further development of this project over its remaining life.

Gas Flaring

Our assets in Equatorial Guinea are not able to rely on existing networks to utilise gas; therefore, flaring in Equatorial Guinea is a major contributor to our GHG emissions footprint. To tackle this, Trident is looking to sanction an ambitious capital programme to eliminate routine flaring to only that which is required for safe operations. The project involves the improvement of the existing gas network and new facilities for injecting the produced gas into the reservoir for future use. If sanctioned, this project will reduce absolute emissions associated with flaring by up to 85% by 2030.

Q&A with Antonino Ondo, Country Manager



In August 2021, Antonino was appointed as Country Manager for Equatorial Guinea, part of the drive to ensure that Panoro has a permanent local management presence in each country where we have production operations. It is vital to Panoro's long-term success that we represent ourselves locally, helping to ensure that we have the platform in the country to invest in our assets, contribute positively to our host nations and communities and engage constructively with our stakeholders and partners.

What have your priorities been since joining Panoro?

In 2022 we developed a plan which aims to identify both long-term and short-term priorities to sustain and promote the growth of Panoro within the country. To enable seamless gathering, analysing and reporting of key in-country information, reports covering Political, Economic, Social, Technological, Environmental and Legal (PESTEL) matters

are prepared and submitted to senior management on a quarterly basis. This methodological approach has been adopted across the business.

Together with Trident where have you focused your attention in the communities?

A key area of investment for the joint venture in Equatorial Guinea is the promotion of quality education. Trident is known for offering local residents high-quality jobs and engaging respectfully with the community and establishing education programmes. In 2022, a Community Needs Assessment was conducted in order to identify programmes for the next three to five years as well as align to the ambitions of any existing national development plans.

The 2023 CSR strategy is formed of three main pillars: education; health, sanitation and livelihoods; and biodiversity & conservation. More information on our social investment programme can be found on page 38.

How has your own professional development been supported?

My experience is largely within Government relations, communications, project management and finance within Oil and Gas. With this in mind, I wanted to further my technical experience and knowledge which will enable me to have more active participation in technical meetings. Panoro has supported me in completing a Certified Chartered Petroleum Economist qualification which I completed in February 2023.

The programmes offered by AAFM®, a globally recognised programme, focus on the economics and business of petroleum, addressing skills required for complex decision-making in areas such as economic analysis of the energy industry, investment analysis, Government petroleum policies, decommissioning, and energy demand.

The Energy Transition is one of the industry's main priorities. How are you approaching the issue?

While new in country, Panoro is currently working on identifying impactful ways to contribute to the Energy Transition in Equatorial Guinea. This first starts with strong alignment with the government and with our joint venture partners, who all share a focus on sustainability in projects and activities. Investment decisions for our operations always focus on efficiencies that can be derived that benefit the transition. Through our agreements we also have made substantial commitments to support the government's long term gas strategy. Panoro also is working to identify further opportunities where we can assist in transition issues outside of our operations.

There is a general recognition that the transition needs to be a just transition. This means the country can continue to produce hydrocarbons as a critical source of economic activity, while simultaneously addressing the longer term risks, impacts, and opportunities of the global transition. Energy Transition is definitely one of our priorities in country.



Gabon

Gabon is a mature oil producer in West Africa, and its government derives a significant amount of its revenue from crude oil production.

In recent years, the country has positioned itself as a climate champion, undertaking a series of actions toward a green economy – with a strategy centred on agriculture, mining, sustainable fishery and timber resources, clean energy, and ecotourism. Its commitment to protecting forests and reducing greenhouse gas emissions is bearing fruit, as Gabon is the first country in Africa to receive a payment from the UN-hosted Central African Forest Initiative (CAFI). However, one out of three young Gabonese is unemployed, while two-thirds of job vacancies go unfilled.

Operational partner, BW Energy

BW Energy's Management and Board are dedicated to conducting business with integrity and a focus on sustainable and responsible operations, guided by principles of good corporate governance. The company has a risk management framework to ensure safe and effective operations while minimising environmental and social impacts.

These factors are integrated into their strategy, risk management and business development, and BW Energy seeks to create local employment and contribute to social and economic development.

The Operating Management System (OMS) Framework addresses a wide range of risks, impacts or threats related to occupational safety and health, environmental and social responsibility, and process safety, quality, and security. The Company is aligning its activities in Gabon with the following voluntary standards:

Equator Principles IV (EP) (dated July 2020 and effective 1 October 2020)

International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability (2012) (the IFC Performance Standards)

World Bank Group (WBG) Environmental, Health and Safety (EHS) Guidelines (April 2007)

WBG EHS Guidelines for Offshore Oil and Gas Development (June 2015)

BW Energy monitors, among its key areas of focus, Process Safety, Occupational Safety, Environmental and Asset Integrity performance. The Company follows the International Association of Oil and Gas Producers (IOGP) guidelines for incident reporting and, at an asset level, provides its partners with quarterly HSSE performance analysis.

A formal Stakeholder Engagement Plan was executed in Gabon in 2021 which was facilitated by an independent third-party specialist and undertaken in accordance with IFC standards. The company aligns its ambitions with the targets of the SDGs, specifically SDGs 8, 12, 14 and 16.



For more information on BW Energy and their sustainability ambitions, please refer to their website [here](#).





Gabon

Q&A with Ghislain Boukoubi, Country Manager



In March 2022, Ghislain was appointed as Country Manager in Gabon, responsible for Panoro's day-to-day operational activities, working with joint venture partners, host governments and regulators to optimise production levels and asset performance, capital and operational budgets and managing the allocation of resources to meet the priorities of the business.

How have you settled into your role?

Since joining the Panoro team, I have been busy setting up a physical presence in Libreville and putting in place relevant administrative controls and establishing the branch activities.

Now that we are more established, we are strengthening the relationship with the State, especially the Ministry of Oil & Gas, along with our industry peers and are working with local councils to mitigate exposures.

How are you fulfilling your role as an influential partner?

I work closely with the operator, receiving and responding to daily reports, participating in joint venture technical and operating committee meetings as well as projects' dedicated workshops. There is an open channel of communication and dialogue between parties outside of these more formal engagements.

What are you looking to instil in 2023?

We will continue to meet the requirements under our production sharing contract (PSC) and contribute to Panoro's global company strategy. In terms of security and safety, I will be implementing a travel guide for visitors and keep the Group informed through our quarterly PESTEL reports.

I am looking forward to expanding our presence here in Gabon and contributing to Gabon's ambitions of growth and job creation through upskilling and training.





Engaging with host Governments

We recognise the importance of having open and transparent relationships with government authorities in the countries in which we operate.

In all countries where we have a presence, we maintain good working relationships, keeping our host governments informed of our activities, ongoing projects and key concerns as well as engaging in a wide range of policy and regulatory compliance.

Payments to Governments are based on three main aspects, royalties on production, tax and the Domestic Market Obligation (DMO) discount. Contractually, these payments may be made in cash or in barrels of oil. Other payments are related to services and dependent on the activity. There may also be a need to make one-off payments for licence extensions or farm-ins to licences.

Panoro Energy has prepared a report of payments to governments in accordance with the Norwegian Accounting Act 3-3d and Securities Trading Act 5-5a. This report forms part of the statement on Corporate Governance in the Company's Annual Report. The Act states that the companies engaged in the activities within the extractive industries shall annually prepare and publish a report containing information about their payments to governments at the country and project levels.



Developing and sustaining positive and transparent relationships with governments and regulators is crucial to our license to operate, helping to maintain confidence in our management capacity and performance. We maintain good working relationships keeping host Governments informed of our activities, ongoing projects and key concerns as well as engaging in a wide range of policy and regulatory compliance.

Investing with other parties

Panoro seeks to ensure that it only engages in business practice with third parties having similar values as itself. Hence, it seeks to obtain proper declarations from such parties where relevant.

Where necessary, Panoro will seek additional information to satisfy itself that third parties share the same values and will perform to similar ethical standards. Panoro shall ensure that all business associates comply with laws and high ethical standards. Any violation by a business associate may have serious legal and reputational consequences for Panoro and its personnel.

Prior to engaging in a new relationship with an intermediary or a contractor who may carry out services on behalf of Panoro, the company carries out due diligence on whether there is any indication of unlawful and/or unethical business conduct.

Red flags as well as any other findings that may cause concern are brought to the immediate attention of the CEO and the manager of the relevant area. Panoro keeps a written record of all information obtained and received through due diligence carried out on potential partners, contractors and business associates subject to the relevant laws and regulations on data protection.



Responsible corporate citizen

We will work towards mitigating our social and environmental impacts and are now focused on working with our JV partners to develop and implement projects that support livelihoods.

Ethical behaviour

Our [Code of Conduct](#) essentially describes the principles for everyday life within the Panoro culture.

Our Code of Conduct establishes the general guidelines to be observed to meet Panoro's culture, which focuses on high ethical standards, professionalism, respect, honesty, transparency, loyalty and trust throughout all levels of the organisation.

The company operates in challenging areas of the world and acknowledges that ethical and responsible operating policies and practices must be of a high standard. It is therefore critical that everyone is aware of and understands the conduct and behaviour expectations set.

All employees must strive to, at all times, exercise good judgment, care and consideration in our intention to obtain the best possible result for all stakeholders.

It is every manager's responsibility to ensure that each person within their division is aware of, and is encouraged to live up to, these guidelines – but we all share the responsibility for complying with this Code of Conduct and for further developing our value-driven company culture.

Panoro practices open book management, and it is our aim that Panoro is managed in an orderly manner. We seek to comply with applicable national and international laws and regulations and demonstrate sensitivity to local culture and customs, within the norms of generally accepted business conduct.

We support free enterprise and seek to compete in a fair and ethically sound manner. No employee or others acting on behalf of Panoro may make any arrangement or enter into any agreement contrary to applicable competition and/or anti-corruption laws.

Panoro's accounting systems and procedures, which are to be followed, are designed to ensure that all transactions, payments, receipts and assets are correctly reflected in the books. All annual or interim accounts or any other forms of financial reporting must be correctly registered and duly documented in accordance with applicable laws and accounting practices.





Community engagement

We believe that working with communities with the purpose of developing long-standing partnerships is the most effective way to achieve real results and lasting change.

Our approach is to engage with our neighbours, community leaders, non-governmental organisations and charities with respect and dignity to understand the implications of our activities and changes in the industry and wider society.

Our vision is to create more jobs in-country and help diversify the local economy. We always encourage the employment of local staff and engage in capacity building through the transfer of skills and technologies. Our aim is to support local companies' growth and expand their participation in the local economy, to generate local value for people and communities.

We always strive to source from companies locally, for example, in 2022, 74% of our spending at TPS and 75% in Equatorial Guinea was devoted to local suppliers.

Social Investment Programme, Equatorial Guinea

With our partners, we have been supporting local communities and promoting social and economic development since the beginning of 2021 with funds originating under the Block G Production Sharing Agreement (PSA).

It initially focused on supporting projects in the city and surrounding areas of Bata. Today, the programme has reached over 40% of people from vulnerable communities. We have invested a gross sum of \$1.2m (since we acquired our share of the assets) to support local projects in the region.

The Block G joint venture ethos focuses on the following five statements:

We care for the environment

We promote diversity and inclusion

We respect human rights in the communities

We observe a safety culture in all our operations to minimize/eradicate risks

We establish and maintain dialogue with communities and stakeholders through continuous and intentional stakeholder engagement to build trust and maintain a social license to operate

Working with Trident and collaborating with the Ministry of Mines and Hydrocarbons and the State of Equatorial Guinea, we invest in high-impact and sustainable projects, programmes and initiatives that maximise value to communities throughout Equatorial Guinea.

We focus on the most vulnerable communities close to our business, addressing their fundamental needs, such as healthcare, education, infrastructure and environmental projects.

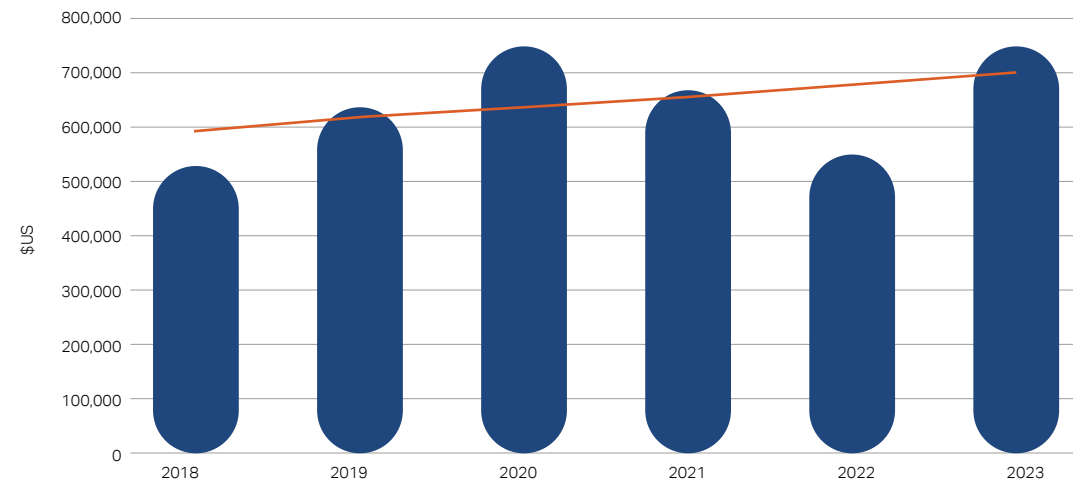
Sustainable long-term initiatives

Over
\$3 Million

Close to 100
Communities

More than
500,000
people

Trident Equatorial Guinea Inc. Social Investment





Community engagement

Case study: School Infrastructure Development Project

Operator of Block 2B offshore South Africa, Eco Atlantic, in partnership with Panoro Energy, Africa Energy, and Crown Energy undertook a school infrastructure development project at Hondeklipbai Primary School. The aim was to enhance the quality of education, promote sustainability through eco-friendly solutions and improve local infrastructure.

The project focused on clean water filtration, climate-controlled classrooms, safe classroom construction restoration, a sheltered garden for food supplementation, and playground upgrading. A qualified contractor was contracted locally for the work.

The project included excavation, grading, and fertilizing, construction of a sheltered shade cloth structure, installation of water tanks for rainwater harvesting, and planting fruit trees and vegetable seeds suitable for school consumption. The garden allowed the school to grow its own produce, incorporate sustainable gardening into the curriculum, and sell some produce for school meals. This project marks a significant step towards sustainable gardening being a part of the school's future.





Responsible Business Conduct

Anti-bribery and corruption

Our corporate conduct is based on our commitment to acting professionally, fairly and with integrity. Panoro Energy does not tolerate any form of bribery and corruption.

As stated in our [Anti-Bribery, Corruption and Business Associates Policy](#), we ensure that Panoro and its business associates comply with applicable laws and high ethical standards. The Policy must be complied with at all times by all employees, contractors, trainees, seconded staff, home workers, casual workers, agency staff, volunteers, interns, sponsors, or any other person or persons associated with us, or any acting for or through Panoro anywhere in the world.

Corruption, including bribery, trading in influence and facilitation payments, is strictly prohibited by Panoro. Pursuant to the UK Bribery Act 2010, Panoro also has a legal obligation to put in place adequate procedures to prevent bribery. Panoro is committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the country we operate.

As a Norwegian company, Panoro Energy ASA and its Norwegian subsidiaries are subject to anti-corruption provisions set out in the Norwegian Criminal Code, both when doing business in Norway and abroad. The Panoro London office as well as the Tunis office and any other Norwegian subsidiaries will be subject to the UK Bribery Act 2010, to the extent their activities are controlled or managed by the London office.

Panoro is also subject to the anti-corruption laws of other jurisdictions, including in countries where Panoro is doing business.

Human rights

As an international Company, we have a responsibility to uphold and protect the rights of individuals in all aspects of our operations across the world; we also recognise the opportunity we have to contribute positively to global efforts to ensure that human rights are understood and observed.

Panoro is committed to observing the UN Guiding Principles on Human Rights. The company will comply with the following principles:

Respect and promote internationally recognised human rights standards throughout the company;

Respect the rights and dignity of every employee and contractor and promote equal opportunities to ensure nobody is discriminated against due to race, sexuality and/or religion;

Maintain zero tolerance of all forms of modern slavery, child labour and any form of human trafficking;

Provide human rights training to our employees and promote awareness of human rights with our stakeholders;

Respect the rights of indigenous people and seek their free and informed consent;

Protect and support cultural heritage.

In 2022, the Norwegian Transparency Act was passed into law. The Act requires all companies to respect fundamental human rights and

provide decent working conditions and ensure freedom of access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions. Panoro is subject to this Act and has a duty to carry out human rights risk assessments of its own business directly and for that of its supply chain and business partners.

The company has identified higher risk aspects of the business and must take proportionate measures to mitigate these risks. The company must be prepared to respond to potential information requests from the public covering actions taken in response to the Act's requirements.

Consequently, Panoro conducted a human rights risk assessment capturing employee practices, supply chain management, customer practices and people in the community and environment. Specifically we are focussed on working conditions, freedom of association, and labour practices that involve forced and child labour within our supply chain. More widely we seek to prevent environmental and community impacts that may impinge on the human rights of those that come into contact with our operations or those of our partners.

Panoro took a proportionate risk-based process to ensure compliance with the Act and it sought to identify significant risks in the business through conducting due diligence assessments. Having identified higher-risk elements, proportionate measures to mitigate these risks are being undertaken, including revising policies & procedures, conducting background checks

and updating supplier contract clauses.

To date, we have completed a first-pass risk assessment including a full review of our companywide EWRM which now embeds human rights considerations, and we have activated business partner engagement for supply chain risk assessment.

Modern slavery

Panoro fully abides by the provisions of the UK 2015 Modern Slavery Act. In accordance with its Code of Conduct, Panoro opposes the crime of slavery in all of its forms, including child labour, servitude, forced or compulsory labour and human trafficking.

Governance

Panoro's corporate governance is based on the recommendations of the Norwegian Code of Practice for Corporate Governance.

The main objective for the company's Corporate Governance is to develop a strong, sustainable, competitive and successful Exploration and Production company acting in the best interest of all stakeholders, within the laws and regulations of the respective countries in which it operates. The Board and management aim for a controlled and profitable development and long-term creation of growth through well-founded governance principles and risk management.

Board Composition

The Panoro Board comprises experienced oil and gas professionals with extensive operational and non-executive expertise. This ensures strict adherence to established oil and gas industry practices. Members of the Board are elected for a maximum period of two years.



Board Committees

Each Committee makes recommendations it deems appropriate on any area within its own remit.

Nomination Committee

The Nomination Committee is appointed by the Shareholders and consists of two to three members elected at the Annual General Meeting and with a tenure of two to three years. The majority of the Nomination Committee shall be independent of the Board and the executive management.

The Nomination Committee's duties are to propose to the General Meeting shareholder-elected candidates for election to the Board and to propose remuneration to the Board.

The Nomination Committee justifies its recommendations, and the recommendations take into account the interests of shareholders and the Company's requirements in respect of independence, expertise, gender, capacity and diversity.

Remuneration Committee

The Remuneration Committee's objective is to serve as a preparatory and advisory body for the Board of Directors' consideration of matters concerning:

Remuneration and compensation of management;

Overseeing and approving the determination of performance criteria of variable remuneration;

Preside in other matters including any potential deferral periods or Company's claims to a refund of variable compensation;

The committee is only responsible to the whole Board of Directors of Panoro and only has recommendatory authority with regard to that body.

There are separate instructions for the Remuneration Committee. In order to reduce the risks of conflict of interest, no senior executive shall participate in the preparation or resolution of remuneration-related matters in which they are directly affected.

Audit Committee

The Audit Committee's objective is to:

Focus on internal control of the company's business activities;

Ensure independence of the auditors;

Provide reassurance that the company operates an effective risk management programme;

Review the Company's financial standing.

Sustainability Committee

The Sustainability Committee is primarily responsible for reviewing the systems that are used to manage the Company's commitment to sustainability, encompassing ESG. This incorporates management of health, safety, security and environmental (including emissions) risks and corporate social responsibility, overseeing the appropriate governance, resource and reporting frameworks that have been put in place to achieve this.

The Committee makes whatever recommendations to the Board it deems appropriate on any area within its remit where it believes action or improvement is needed.

The Committee meets no less than two times a year and at such other times as the Chair of the Committee requires. The inaugural Sustainability Committee meeting was held in 2022 at Panoro's London office.

Gender ratio

- Male
- Female

Tenure

- 0-3 years
- 4-6 years



Indexation





United Nations Sustainable Development Goals

Material impact		SDG	Progress	Moderate impact		SDG	Progress
Material impact		7 AFFORDABLE AND CLEAN ENERGY 	Energy is a key driver of sustainable development, without which most of the other SDGs cannot be achieved. At the very core of our business, we aim to ensure universal access to affordable, reliable and modern energy services through improving energy efficiencies within our operations.	Moderate impact		10 REDUCED INEQUALITIES 	The development of the oil and gas sector, especially when a dominant part of a country's economy, will boost local business and, employment opportunities. The oil and gas industry has an important role to play in operating in compliance with global standards and applicable regulatory requirements. SDG 10 seeks to remedy income disparity and the underlying inequality of opportunities that leads to it.
		8 DECENT WORK AND ECONOMIC GROWTH 	Sustainable development requires job creation and inclusive economic growth. In 2022, the unemployment rate in Tunisia was 15.2 % in the fourth quarter of 2022, and rates were expected to be 9% in Equatorial Guinea and 22% in Gabon. While we are a relatively small piece in a big puzzle, we always consider local recruitment if appropriate.			13 CLIMATE ACTION 	Our newly updated Management System Framework outlines the principal components of how we govern and manage sustainability within our operations and the countries where we are active. In 2022, we welcomed Grace Skaugen to the Board to support our executive team to develop our approach to climate change.
		11 SUSTAINABLE CITIES AND COMMUNITIES 	None of our proved or probable reserves are in or near sites with protected conservation status or endangered species habitat. All environmental impacts are reported to enable continuously improved operational performance.			14 LIFE BELOW WATER 	Over one-third of oil and gas extracted comes from offshore deposits where it lends itself to the risk of damage or disruption to marine habitats and migration routes through noise, pollution or spills. At our shallow water operations, an area also used for local commercial fishing, we proactively ensure the integrity of pipelines through our intelligent pigging programme.
		12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Through continuous improvement and technological upgrades, we are working to achieve the sustainable management and efficient use of natural resources for example through a reduction in routine gas flaring.			15 LIFE ON LAND 	We are committed to minimising the loss of natural habitat and protecting biodiversity, ecosystems, flora and fauna, water sources and water quality where we operate.
Moderate impact		1 NO POVERTY 	Access to basic services including reliable, affordable, sustainable and modern energy is essential to ending poverty. As well as our principal role of supplying reliable and affordable energy, we make appropriate tax and other revenue payments to host governments, as well as contributing social investments.			16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Panoro is committed to observing the UN Guiding Principles on Human Rights. We are also subject to the Norwegian Transparency Act which requires all companies to respect fundamental human rights and provide decent working conditions and ensure freedom of access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.
		6 CLEAN WATER AND SANITATION 	It is necessary to balance the requirements of water throughout the oil and gas value chain with local water needs, particularly in water-scarce locations. In 2022, in TPS we withdrew 820 cubic meters of freshwater and reinjected all produced water so no associated hydrocarbons are released to the environment.			17 PARTNERSHIPS FOR THE GOALS 	Panoro is committed to joining concerted actions to leverage skills and reach the ambitions of the sustainable development goals. Through our three pillared approach, we will be continuing to measure our impact and determine areas for improvement.



SASB

The data presented in the following table is prepared following the SASB Sustainability Accounting Standard dated October 2018.

Where advised, reference is also made to: the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (2014), The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard; the IPIECA/API/OGP Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions, Fourth Edition, 2020; and API's Compendium of Greenhouse Gas Emissions Methodologies for the Natural Gas and Oil Industry 2021.

Where direct measurements are not available, emissions are estimated using the approaches set out in the API Compendium.

We have spent the past couple of years establishing data gathering processes within TPS sufficient to populate the following table. This work culminated in a Panoro led audit in November 2022 which established that the quality of metering and compositional analysis of produced fluids will need to be improved to refine the accuracy of this data.

Budget has been assigned to upgrade data gathering facilities in this respect and an ESG reporting standard is in preparation to document the reporting process.

Glossary:
NA = Not available
NR = Not relevant

Topic	Accounting metric	Category	Unit	Code	Data			Commentary
					2020	2021	2022	
Oil & Gas - Exploration and Production								
Greenhouse Gas Emissions: Scope 1	Gross global Scope 1 emissions	Quantitative	Metric tons CO ₂ -e (t)	EM-EP-110a.1	N/A	127,967	158,881	Global Panoro data based on working interest share of each asset: TPS; Block G; Dussafu.
	Percentage Methane		N/A		10.8	10.0		
	Percentage covered under emissions-limiting regulations		0		0	0		
	Flared hydrocarbons	Quantitative	Metric tons CO ₂ -e (t)	EM-EP-110a.2	N/A	69,633	90,920	Global Panoro data based on working interest share of each asset: TPS; Block G; Dussafu. Process, other vented and fugitive emissions not available for all assets.
	Other combustion				N/A	48,488	58,055	
	Process emissions				N/A	N/A	N/A	
	Other vented emissions				N/A	N/A	N/A	
	Fugitive emissions				N/A	N/A	N/A	
	Discussion of long-term or short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and analysis	N/A	EM-EP-110a.3	N/A	N/A	N/A	An initial data gathering and focus on quality and robustness of measurements is now transitioning to a focus on measures to reduce those emissions. A primary focus at this time is on significantly reducing routine flaring by 2030.
Greenhouse Gas Emissions: Scope 2	Gross global Scope 2 emissions	Quantitative	Metric tons CO ₂ -e (t)	N/A	3,390	3,838	4,417	Calculated by emissions from electricity supply to London and Tunis office and TPS operations.



SASB

Topic	Accounting metric	Category	Unit	Code	Data			Commentary
					2020	2021	2022	
Air Quality, Air Emissions	NO _x (excluding N ₂ O)	Quantitative	Metric tons (t)	EM-EP-120a.1	102.7	102.7	102.7	TPS data only.
	SO _x				86.5	105.9	118.3	
	Volatile organic compounds (VOCs)				769.3	833.1	782.7	
	Particulate matter (PM ₁₀)				8.7E-04	1.1E-03	1.1E-03	
Water Management	Total fresh water withdrawn	Quantitative	Thousand cubic meters (m ³)	EM-EP-140a.1	2.62	0.43	0.82	TPS data only.
	Percentage in High or Extremely High Baseline Water Stress regions		Percentage (%)		0	0	0	
	Total fresh water consumed		Thousand cubic meters (m ³)		2.62	0.43	0.82	
	Percentage in High or Extremely High Baseline Water Stress regions		Percentage (%)		0	0	0	
	Volume of produced water and flowback generated	Quantitative	Thousands cubic meters (m ³)	EM-EP-140a.2	625	711	625	TPS data only. All produced water is reinjected, no hydrocarbons are released to the environment.
	Percentage discharged		Percentage (%)		0	0	0	
	Percentage injected		Percentage (%)		100	100	100	
	Percentage recycled		Percentage (%)		0	0	0	
	Hydrocarbon content in water	Quantitative	Metric tons (t)	EM-EP-140a.3	0	0	0	Not relevant, there are no hydraulically fractured wells in TPS operations.
	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used		Percentage (%)		NR	NR	NR	
	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Quantitative	Percentage (%)	EM-EP-140a.4	NR	NR	NR	Not relevant, there are no hydraulically fractured wells in TPS operations.
Biodiversity Impacts	Description of environmental management policies and practices for active sites	Discussion and analysis	N/A	EM-EP-160a.1	N/A	N/A	N/A	Corporate policy statements and management standards all established. All environmental impacts are reported to enable continuously improved operational performance.
	Number of hydrocarbon spills	Quantitative	Number	EM-EP-160a.2	3	1	2	TPS data only.
	Aggregate volume of hydrocarbon spills		Barrels (bbls)		9.5	0.3	0.6	
	Volume of spills in Arctic		Barrels (bbls)		0	0	0	
	Volume of spills impacting shorelines with ESI rankings 8-10		Barrels (bbls)		0	0	0	
	Volume spills recovered		Barrels (bbls)		9.5	0.3	0.6	



SASB

Topic	Accounting metric	Category	Unit	Code	Data			Commentary
					2020	2021	2022	
Biodiversity Impacts	Percentage of proved reserves in or near sites with protected conservation status or endangered species habitat	Quantitative	Percentage (%)	EM-EP-160a.3	0	0	0	TPS data only.
	Percentage of probable reserves in or near sites with protected conservation status or endangered species habitat				0	0	0	
Security, Human Rights & Rights of Indigenous Peoples	Percentage of proved reserves in or near areas of conflict	Quantitative	Percentage (%)	EM-EP-210a.1	0	0	0	TPS data only.
	Percentage of probable reserves in or near areas of conflict				0	0	0	
	Percentage of proved reserves in or near indigenous land	Quantitative	Percentage (%)	EM-EP-210a.2	0	0	0	TPS data only.
	Percentage of probable reserves in or near indigenous land				0	0	0	
	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Discussion and analysis	N/A	EM-EP-210a.3	N/A	N/A	N/A	The company fully respects Human Rights as enshrined by the UN and OECD Guiding Principles. Risk assessments have been completed for TPS operations in this regard. None of our operations are located in areas of conflict or sensitive to indigenous rights.
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	Discussion and analysis	N/A	EM-EP-210b.1	N/A	N/A	N/A	The TPS organisation engages in regular dialogue with its own union and the Sfax union and maintains regular dialogue with the Sfax Governor. Despite this, there have been site blockades in direct attempts by local residents to seek employment.
	Number of non-technical delays	Quantitative	Number	EM-EP-210b.2	1	0	3	TPS data only.
	Duration of non-technical delays		Days		10	0	8	In 2020, we witnessed one partial shutdown of the Guebiba field and in 2022 there were three full shutdowns.



SASB

Topic	Accounting metric	Category	Unit	Code	Data			Commentary
					2020	2021	2022	
Workforce Health & Safety	Total recordable incident rate (TRIR): full-time employees	Quantitative	Rate	EM-EP-320a.1	4.43	4.17	2.32	TPS data only. TRIR is calculated per million hours worked and training is calculated per 200,000 hours worked.
	Total recordable incident rate (TRIR): contract employees				0.00	1.63	8.24	
	Total recordable incident rate (TRIR): short-service employees				N/A	N/A	N/A	
	Fatality rate: full-time employees				0	0	0	
	Fatality rate: contract employees				0	0	0	
	Fatality rate: short-service employees				0	0	0	
	Near miss frequency rate (NMFR): full-time employees				N/A	N/A	N/A	
	Near miss frequency rate (NMFR): contract employees	Quantitative	Hours	EM-EP-320a.1	N/A	N/A	N/A	
	Near miss frequency rate (NMFR): short-service employees				N/A	N/A	N/A	
	Average hours of health, safety and emergency response training: full-time employees				234	576	1980	
	Average hours of health, safety and emergency response training: contract employees				254	135	239	
	Average hours of health, safety and emergency response training: short-service employees				N/A	N/A	N/A	
	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	Discussion and analysis	N/A	EM-EP-320a.2	N/A	N/A	N/A	TPS has a well-established HSSE Management System and has engaged Du Pont in the past to undertake an all-level organisational enhanced cultural safety programme.



SASB

Topic	Accounting metric	Category	Unit	Code	Data			Commentary
					2020	2021	2022	
Reserves Valuation & Capital Expenditures	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Quantitative	Million barrels (MMbbls)	EM-EP-420a.1	N/A	N/A	(1) -10 (2) -4 (3) -1	(1) NZE (2) APS (3) STEPS For an explanation, see page 23.
	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Quantitative	Metric tons CO ₂ -e (t)	EM-EP-420a.2	N/A	N/A	N/A	This will be reported in subsequent years.
	Amount invested in renewable energy	Quantitative	Reporting currency	EM-EP-420a.3	0	0	0	TPS data only.
	Revenue generated by renewable energy sales				0	0	0	
Reserves Valuation & Capital Expenditures	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	Discussion and analysis	N/A	EM-EP-420a.4	N/A	N/A	N/A	We plan to allocate sufficient capital to accelerate our energy transition strategy. This includes investing in measures to reduce the environmental impact of our existing oil production operations, it extends to finding opportunities to invest in projects that may play a key role in the energy transition in the years ahead.
Business Ethics & Transparency	Percentage of proved reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Percentage (%)	EM-EP-510a.1	0	0	0	TPS data only.
	Percentage of probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index				0	0	0	
	Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and analysis	N/A	EM-EP-510a.2	N/A	N/A	N/A	A corporate anti-bribery and corruption policy was established and posted on the company website as well as training provided to all Panoro employees.
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and analysis	N/A	EM-EP-530a.1	N/A	N/A	N/A	The Company runs an Enterprise-Wide Risk Assessment process reviewed every quarter with the Board and receiving major updates every six months. This process addresses all risks and opportunities the organisation encounters. More details are provided in this Sustainability Report.



SASB

Topic	Accounting metric	Category	Unit	Code	Data			Commentary
					2020	2021	2022	
Critical Incident Risk Management	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Quantitative	Rate	EM-EP-540a.1	0.000	0.000	0.210	TPS data only.
	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion and analysis	N/A	EM-EP-540a.2	N/A	N/A	N/A	A Major Accident Event (MAE) hazard assessment and controls study to make sure that MAE risks are minimised to an As Low As Reasonably Practicable level was completed in 2022.
Production	Oil	Quantitative	Mbbl/d	EM-EP-000.A	2.211	7.583	7.498	Global Panoro data based on working interest share of each asset: TPS; Block G; Dussafu.
	Natural Gas		MMscf/d		0.406	0.801	0.464	
	Synthetic Oil				0	0	0	
	Synthetic Gas	Quantitative		EM-EP-000.A	0	0	0	TPS data only
	Oil - Controlled/Monitored		Mbbl/d		3.919	4.558	4.232	
	Natural Gas - Controlled/Monitored		MMscf/d		1.381	1.576	1.578	
	Synthetic Oil		Mbbl/d		0	0	0	
	Synthetic Gas		MMscf/d		0	0	0	
Sites	Offshore	Quantitative	Number	EM-EP-000.B	1	1	1	TPS: Cercina.
	Terrestrial	Quantitative	Number	EM-EP-000.C	4	4	4	TPS: Guebiba; El Ain; Rhemoura; Tank Battery.



GRI

Content within this report was produced in reference with the GRI standards.

2	General Disclosures 2021	
	2-1 Organisational details	<p>Panoro Energy Ltd,</p> <p>Headquarters, 78 Brook Street, London, W1K 5EF United Kingdom</p> <p>Countries of operation: Tunisia, Equatorial Guinea, Gabon, South Africa</p>
	2-2 Entities included in the organisation's sustainability reporting	Annual report
	2-3 Reporting period, frequency and contact point	Page 2
	2-4 Restatements of information	N/A
	2-5 External assurance	N/A
	2-6 Activities, value chain and other business relationships	Page 3 and Annual Report
	2-7 Employees	Pages 4, 15
	2-9 Governance structure and composition	Pages 41, 42
	2-10 Nomination and selection of the highest governance body	Page 42
	2-11 Chair of the highest governance body	Chairman - Julien Balkany
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 13, 14, 41, 42
	2-13 Delegation of responsibility for managing impacts	Pages 13, 14, 41, 42
	2-14 Role of the highest governance body in sustainability reporting	Pages 13, 14, 41, 42
	2-15 Conflicts of interest	Page 42
	2-17 Collective knowledge of the highest governance body	Page 16
	2-18 Evaluation of the performance of the highest governance body	Annual Report
	2-19 Remuneration policies	Pages 25, 42 and Annual Report
	2-20 Process to determine remuneration	Annual Report
	2-21 Annual total compensation ratio	Annual Report
	2-22 Statement on sustainable development strategy	Pages 5, 6
	2-23 Policy commitments	Pages 37, 40
	2-24 Embedding policy commitments	Pages 37, 40
	2-25 Processes to remediate negative impacts	Pages 37, 41
	2-26 Mechanisms for seeking advice and raising concerns	Pages 37, 42
	2-29 Approach to stakeholder engagement	Page 8



GRI

3 Material Topics 2021

3-1 Process to determine material topics	Page 9
3-2 List of material topics	Page 9
3-3 Management of material topics	Throughout this report

201 Economic Performance 2016

Disclosure 201-1 Direct economic value generated and distributed	Annual Report
Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Pages 17-23
Disclosure 201-3 Defined benefit plan obligations and other retirement plans	Annual Report

203 Indirect Economic Impacts 2016

Disclosure 203-1 Infrastructure investments and services supported	Annual Report
Disclosure 203-2 Significant indirect economic impacts	Pages 32, 38-40

204 Procurement Practices 2016

Disclosure 204-1 Proportion of spending on local suppliers	Page 38
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205 Anti-corruption 2016

Disclosure 205-2 Communication and training about anti-corruption policies and procedures	Page 40
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207 Tax 2019

Disclosure 207-1 Approach to tax	Annual Report
Disclosure 207-2 Tax governance, control, and risk management	Annual Report
Disclosure 207-3 Stakeholder engagement and management of concerns related to tax	Annual Report
Disclosure 207-4 Country-by-country reporting	Annual Report

303 Water and Effluents 2018

Disclosure 303-2 Management of water discharge-related impacts	Page 46
Disclosure 303-3 Water withdrawal	Page 47
Disclosure 303-4 Water discharge	Page 48
Disclosure 303-5 Water consumption	Page 49

305 Emissions

Disclosure 305-1 Direct (Scope 1) GHG emissions	Page 45
Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Page 45
Disclosure 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Page 46



GRI

306 Waste 2020

Disclosure 306-2 Management of significant waste-related impacts

Pages 21, 31

403 Occupational Health and Safety 2018

Disclosure 403-1 Occupational health and safety management system

Pages 6, 13, 15, 26, 31

Disclosure 403-2 Hazard identification, risk assessment, and incident investigation

Pages 15, 17, 27, 29, 33

Disclosure 403-3 Occupational health services

Pages 15, 17, 27, 29, 34

Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety

Page 15

Disclosure 403-5 Worker training on occupational health and safety

Pages 16, 27, 48

Disclosure 403-6 Promotion of worker health

Pages 15, 17, 27, 29, 34

Disclosure 403-9 Work-related injuries

Pages 4, 48

404 Training and Education 2016

Disclosure 404-1 Average hours of training per year per employee

Pages 26, 27, 48

Disclosure 404-2 Programmes for upgrading employee skills and transition assistance programmes

Pages 15, 38

405 Diversity and Equal Opportunity 2016

Disclosure 405-1 Diversity of governance bodies and employees

Annual report

Disclosure 405-2 Ratio of basic salary and remuneration of women to men

Annual report

413 Local Communities 2016

Disclosure 413-1 Operations with local community engagement, impact assessments, and development programmes

Pages 11, 32, 38

416 Customer Health and Safety 2016

Disclosure 416-1 Assessment of the health and safety impacts of product and service categories

Not Material

Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

Not Material

417 Marketing and Labeling 2016

Disclosure 417-1 Requirements for product and service information and labeling

Not Material

Disclosure 417-2 Incidents of non-compliance concerning product and service information and labeling

Not Material

Disclosure 417-3 Incidents of non-compliance concerning marketing communications

Not Material

418 Customer Privacy 2016

Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Not Material



Glossary

ALARP	As Low As Reasonably Practical
ANPE	L'Agence Nationale de Protection de l'Environnement
API	American Petroleum Institute
APS	Announced Pledges Scenario
CSR	Corporate Social Responsibility
DMO	Domestic Market Obligation
EIS	Environmental Impact Study
EG	Equatorial Guinea
ESG	Environment Social Governance
ETAP	Entreprise Tunisienne d'Activités Pétrolières
EWRM	Enterprise Wide Risk Management
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HSSE	Health Safety Security and Environment
ICS	Incident Command System
IEA	International Energy Agency
IMS	Integrate Management System
IOGP	International Association of Oil and Gas Producers
IPIECA	International Petroleum Industry Environmental Conservation Association
ISO	International Organization for Standardisation
JV	Joint Venture
KPI	Key Performance Indicator
MRI	Magnetic Resonance Imaging
NZE	Net Zero Emissions
NPV	Net Present Value
OECD	Organisation for Economic Co-operation and Development
OMS	Operating Management System
PESTEL	Political Economic Social Technological Environmental Legal
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goal
SMART	Specific Measurable Attainable Realistic Timely
STEG	Société Tunisienne de l'Electricité et du Gaz
STEPS	Stated Energy Policies Scenario
TCFD	Task Force on Climate-related Financial Disclosures
TCP	Technical Co-operation Permit
TOCMs	Technical and Operating Committee Meetings
TPS	Thyna Petroleum Services
TRIR	Total Recordable Injury Rate
UN	United Nations
ZRF	Zero Routine Flaring



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