



CORPORATE ENVIRONMENTAL & CLIMATE CHANGE POLICY (CECP)

Capricorn is committed to sustainable environmental management applying high standards of practice for protecting and enhancing the environment. We will develop and communicate clear positions on climate change, energy transition and biodiversity in line with, or ahead of international targets and good practice. We will implement our management system to continually improve performance in accordance with international codes and standards, including working with host governments to meet their (NDCs) under the Paris Agreement.

Environmental Management

Our documented management system will:

- Promote, enhance and sustain a strong culture of environmental management demonstrating visible leadership at all levels.
- Comply with applicable national and international environmental laws, regulations and standards.
- Identify, evaluate and manage environmental, climate and biodiversity hazards and risks applying a precautionary approach and manage such risks to as low as reasonably practicable (ALARP) using Best Available Techniques, where available and without compromising wellbeing.
- Ensure we put in place and implement site specific Environmental Management Plans.
- Ensure that we have the competent resources necessary to achieve and actively promote our environmental and biodiversity commitments including sharing of environmental knowledge, training our people and improving awareness of our stakeholders.
- Set objectives and targets for improving environmental management and performance including monitoring and reporting openly on our assessment of risk and impacts and our performance.
- Prevent pollution and ensure that an appropriate emergency response capability is in place and regularly tested, so that environmental incidents can be responded to in a timely manner and effectively managed should they occur.
- Ensure that environmental accidents, incidents, near misses and non-compliances with procedures are reported and investigated.
- Ensure lessons learned are shared and embedded in policies, standards and procedures to enable corporate learning.
- Ensure that contractors are aware of and comply with our environmental policies and standards and where necessary, work with our contractors to raise their standards to meet our requirements, assessing and auditing their systems and performance.
- Use our leverage and influence with contractors and business partners to promote high standards of environmental management.

Climate Change and Energy Transition

Capricorn is committed to achieving continuous reductions towards Net Zero carbon emissions, we will:

- Publish and report against clear emission reduction targets on defined timelines in support of the Paris Agreement as approved by our Board.
- Apply a preferred carbon removal hierarchy namely Avoid-Reduce-Substitute-Sequester-Offset in achieving Net Zero for our Scope 1 and Scope 2 greenhouse gas emissions.
- Assess climate change risks and opportunities for all projects, ensuring they are integrated into our business decisions.
- Report transparently on risks and opportunities over the short, medium and long-term in-line with the Task Force on Climate-related Financial Disclosure (TCFD) requirements.
- Reduce and minimise greenhouse gas emissions wherever possible in all stages of the oil and gas lifecycle including project design, commissioning, operation and decommissioning without compromising the safety of people and communities.
- Promote efficient operations including use of energy and water and reducing waste with the aim of conserving natural resources.
- Use appropriately certified carbon offsets and report as part of our Net Zero strategy.

Biodiversity

In our activities we will:

- Avoid operating in World Heritage sites or those classified as Strict Nature Reserves (IUCN Ia) and Wilderness Areas (IUCN Ib).
- Strive to achieve no net loss of biodiversity in areas and operations we control and promote this with our partners and stakeholders.
- Protect biodiversity, ecosystems, species, water sources and water quality engaging with local or affected communities to utilise their knowledge of the local environment to assist in protecting and conserving biodiversity and environmental resources.
- Consult and engage with our stakeholders including local or affected communities, business partners, employees and their representatives with regard to our environmental and biodiversity management and performance.
- Comply with all legislation for environmental protection and will perform environmental impact assessments in line with latest good practice including where necessary, specific biodiversity assessments producing Biodiversity Action Plans before commencing operations.

Accountability for this Policy lies with the CEO and Board. Responsibility for compliance with Capricorn's Corporate EC Policy and standards lies with its officers, Directors, Managers and staff.

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Randy Neely
Chief Executive Officer

Effective Date: August 2023