



Code of Conduct – Summary

Carbon Energy's Code of Conduct applies to all directors, executives and employees ("Employees") of Carbon Energy Limited ("CEL" or the "Company").

The Code of Conduct promotes practices that foster CEL's key values of:

- (a) providing a safe and healthy work environment for all Employees;
- (b) acting with fairness, honesty and integrity;
- (c) being aware of and abiding by relevant laws and regulations;
- (d) meeting the expectations of shareholders, customers and the community;
- (e) maintaining high standards of professional behaviour;
- (f) avoiding or managing conflicts of interest; and
- (g) striving to be a good corporate citizen, and to achieve community respect.

Employees are expected to be honest and ethical in dealing with each other, with customers and all other third parties. All Employees are responsible for actively reporting, in good faith, any inappropriate behaviour, corrupt practices, breach of the law and any breach of the Code of Conduct. If an Employee is aware of, or suspects a breach of this Code of Conduct or other inappropriate behaviour the matter should be promptly reported by following the steps outlined in the Whistleblower Policy.

Occupational health and safety

CEL is committed to maintaining a healthy and safe working environment for its Employees. All appropriate laws and internal regulations (including occupational health and safety laws) should be fully complied with.

Environment and Social Responsibility

CEL is committed to maintaining an environment that takes into consideration the social, ethical and environmental consequences of the Company's activities.

Compliance with laws and regulations

Directors and officers have a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office. All Employees should comply with the duties and obligations that apply to them or the Company under any relevant laws or regulations.

Fair dealing

CEL aims to maintain high standards of ethical behaviour in all its dealings with customers, shareholders, government,



suppliers and the community.

Conflicts of interest

Employees should avoid any situation that involves or may involve an actual or perceived conflict between the Employee's personal interest and the interests of the Company.

Improper use of theft of CEL property and assets

Employees are expected to be responsible for protecting any CEL property and assets that are under their control and they should safeguard them from loss, theft and unauthorised use. Employees should be mindful of their use of CEL's electronic communications systems for non-business purposes and ensure that in doing so they do not violate this Code of Conduct or any other CEL policies.

Confidentiality

Employees must not access or request or make improper use of or transfer or disclose confidential information to anyone else except as required by their position or as authorised or legally required. If such information inadvertently comes into their possession it should be returned immediately.

Privacy

CEL respects the privacy of others and will only use personal information collected from Employees for legitimate purposes relating to the operation of the business.

Continuous disclosure and public communications

Continuous Disclosure

CEL has adopted a Continuous Disclosure Policy relating to its obligations under the Corporations Act and the ASX Listing Rules to keep the market fully informed of information that may have a material effect on the price or value of CEL's securities.

Other public communications

Employees ensure a high standard of care in preparing materials for public communications.

Employment

Equal opportunity and anti-discrimination

CEL is committed to:

- (a) equal employment opportunity; and
- (b) a workplace free from any kind of discrimination, harassment or intimidation of employees.



Securities trading

CEL has adopted specific guidelines for Employees dealing in CEL's securities.

Bribes, inducements and commissions

CEL does not condone the giving or receiving of any bribe, commission or inducement, which may influence business decisions or compromise independent judgement, whether through an intermediary or otherwise, in any circumstance, even if it might be culturally acceptable.

Politics and community

An Employee may voluntarily participate in the political process as an individual but should not engage in actions that may be viewed to reflect the views or position of CEL.

CEL supports and encourages its Employees to actively contribute to the needs of the community.

This Code of Conduct is a statement of certain fundamental principles, policies and procedures that govern actions in the conduct of CEL's business. It is not intended to and does not create any rights in any employee, client, customer, supplier, competitor, security holder or any other person or entity.