

Lundin Energy CarbonZero™ Certification

*Delivering the first barrels in the world
certified as carbon neutrally produced*



VERIFIED
CARBONZERO

JOHAN SVERDRUP—39,142,000 BOE
17,653 tCO₂e OFFSET
PER CARBONZERO-01

CARBONZERO™ IS THE FIRST STEP IN A DECARBONISED VALUE CHAIN

CarbonZero™ is the world's first assured standard that certifies the full life carbon footprint of a field, including emissions from exploration, development and production as carbon neutral. CarbonZero™ is issued by Intertek, an industry leader in providing assurance, testing, inspection and certification services.



Provides **independent verification** that each barrel's upstream emissions have been neutralised



Ensures **full value chain traceability** of a barrel using blockchain technology



Creates **clear distinction**: Not all barrels are produced equally



Enables **better decision-making** to reduce the lifecycle footprint of petroleum products

OIL AND GAS ARE A KEY ELEMENT IN THE FUTURE ENERGY MIX

Oil is an essential part of the energy mix and is a critical feedstock for everyday products

21% to **28%**

Oil in the energy mix in 2040

Producing hydrocarbons is estimated to contribute to 5-8% of global greenhouse gas emissions

5-8%

Emissions from producing hydrocarbons

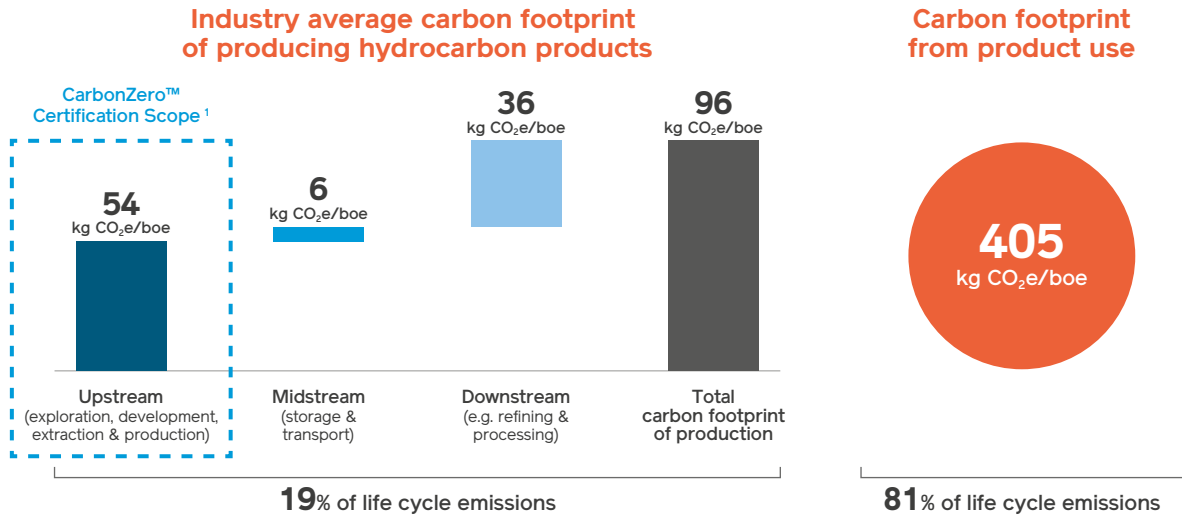
To meet the Paris Agreement goals and stick to a <2°C target, oil and gas production emissions must decrease by >50% by 2040

>50%

Emission reductions needed

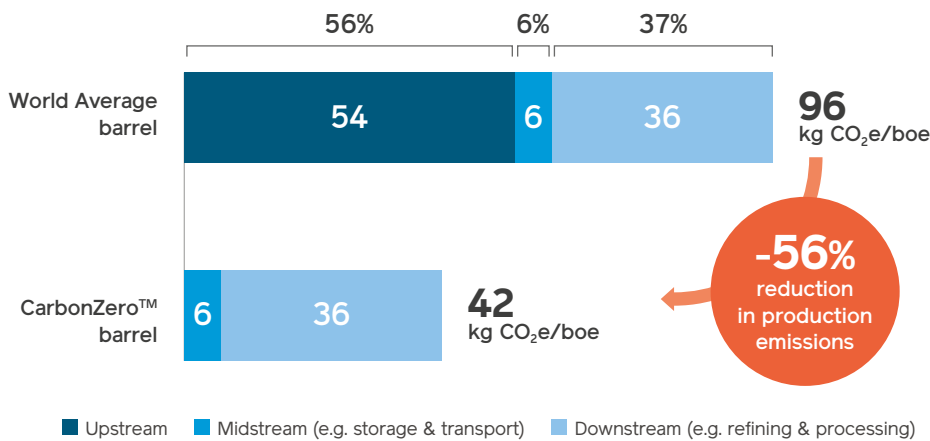
Power from shore cable lay

56% OF HYDROCARBON PRODUCTION EMISSIONS ARE UPSTREAM...



¹ The certification includes both CO₂ and methane emissions (CH₄)

...BUT NOT ALL BARRELS ARE PRODUCED EQUALLY



CARBONZERO™ CERTIFIED BARRELS DELIVER CLEAR BENEFITS

- Decarbonisation:** CarbonZero™ barrels cut well-to-tank emissions by >50%
- Savings:** Up to 50% (2 USD/barrel) savings possible from offsetting costs
- Transparency:** Demonstrate to customers and stakeholders the provenance of lower-carbon feedstocks
- Leadership:** Help achieve carbon reduction targets and align with the Paris Agreement goals

	Customer Carbon Offset Cost Estimation ¹	Carbon Offset Cost per Barrel
Average barrel	96 kg CO ₂ /boe x USD 10–40/t CO ₂ e	USD 1.0–3.8
CarbonZero™ barrel	42 kg CO ₂ /boe x USD 10–40/t CO ₂ e	USD 0.4–1.7
Savings	~USD 0.5–2.0 in carbon offset cost saved per boe	

¹ Based on current carbon offset costs for natural climate solutions (Source: McKinsey & WEF, 2021)



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