

Lundin Energy's Johan Sverdrup barrels certified as carbon neutrally produced

Lundin Energy AB (Lundin Energy) is pleased to announce that all future barrels of oil the Company sells from the Johan Sverdrup field will be certified as carbon neutrally produced under Intertek Group plc's (Intertek) CarbonZero™ standard. The field has been independently certified at 0.45 kg CO₂e per boe¹, approximately 40 times lower than the world average². Lundin Energy has then taken the further step to neutralise net residual emissions using high quality, natural carbon capture projects.

Highlights

- All future net production from Johan Sverdrup will be certified as carbon neutrally produced by Intertek under its CarbonZero™ standard
- Johan Sverdrup full life of field emissions are certified as one of the lowest in the world at 0.45 kg CO₂e per boe by Intertek under its CarbonClear™ standard
- Residual emissions from net production at Johan Sverdrup have been neutralised using high quality, natural carbon capture projects, certified by the Verified Carbon Standard (VCS)
- The first carbon neutrally produced cargo from Johan Sverdrup has been sold to GS Caltex, Korea
- From 2025, all barrels produced by Lundin Energy will be carbon neutral in their production

The Johan Sverdrup field is the second in Norway to have its emissions independently certified by Intertek, under its CarbonClear™ standard. The field is certified as one of the world's lowest carbon emitting offshore oil and gas fields at 0.45 kg CO₂e per barrel of oil equivalent (boe) for full life of field emissions¹, approximately 40 times lower than the world average². In order to supply a fully carbon neutrally produced barrel, the residual emissions have been neutralised through high quality, natural carbon capture projects, certified by the Verified Carbon Standard (VCS). As a result, there will be no net emissions released during the future production of Lundin Energy's Johan Sverdrup net barrels, which amounts to approximately 100 thousand barrels of oil per day (Mbopd) today and increasing to approximately 150 Mbopd when Phase 2 of the field comes on stream in the fourth quarter of 2022.

The first trade of certified carbon neutrally produced oil from Johan Sverdrup has already been completed with GS Caltex in Korea. The two million barrel cargo will load in July 2021 to be delivered to Korea and was sold as carbon neutrally produced at market price.

Nick Walker, President and CEO of Lundin Energy, commented:

"Since we sold our first cargo of certified, carbon neutrally produced oil from Edvard Grieg earlier this year, we have seen significant interest in the market for this clearly differentiated product. With the certification of our Johan Sverdrup barrels as CarbonZero™, we now have a significant volume of crude being traded as carbon neutrally produced, which I believe will drive significant value for Lundin Energy. As the energy transition continues to accelerate, providing certified, zero emission produced barrels to our customers ensures that they can continue the decarbonisation pathway, delivering a differentiated product to their end users. From 2025, every barrel delivered by Lundin Energy, will be carbon neutrally produced."

Saehong Hur, President and CEO of GS Caltex Corporation, commented:

"We are very proud to purchase the first Johan Sverdrup cargo certified as carbon neutrally produced. At GS Caltex, we are striving to reduce our carbon footprint as part of our commitment to good environmental, social and governance practices. In line with our efforts to expand environmentally-friendly activities, the purchase of Lundin Energy's certified carbon neutrally produced crude oil is another meaningful step on our path toward a more sustainable and green economy. GS Caltex would like to work together with Lundin Energy further in the future."

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Lundin Energy is an experienced Nordic oil and gas company that explores for, develops and produces resources economically, efficiently and responsibly. We focus on value creation for our shareholders and wider stakeholders through three strategic pillars: Resilience, Sustainability and Growth. Our high quality, low cost assets mean we are resilient to oil price volatility, and our organic growth strategy, combined with our sustainable approach and commitment to decarbonisation, firmly establishes our leadership role in a lower carbon energy future. (Nasdaq Stockholm: LUNE). For more information, please visit us at www.lundin-energy.com or download our App www.myrapp.com/lundin

GS Caltex is an energy company located in Yeosu, Korea. The company – owned equally by GS Energy and Chevron – is Korea's first private oil refining company. It operates an 800,000 bbl/d refinery in Yeosu and plans to start commercial operations of its olefin production facility Mixed Feed Cracker (MFC) in the second half of 2021.

- (1) Includes emissions from exploration, development and scope 1, 2 and scope 3 supply chain emissions from production.
- (2) According to the latest data available from the International Association of Oil and Gas Producers.

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