

Jersey Oil and Gas Plc

Carbon Policy

Commitment to Sustainable Operations

Jersey Oil & Gas (JOG) recognises that commitment to a sustainable and lower carbon energy future is central to delivering its vision. The management of carbon emissions and the commitment to low carbon targets and initiatives are integral to JOG's operational objectives, corporate structure, company values and culture.

This Carbon Policy confirms JOG's commitment to risk managed growth, which will involve reducing its carbon footprint to the lowest possible levels for the benefit of its shareholders and other stakeholders.

Through this Carbon Policy, as well as the strategies and programmes that stem from it, JOG will seek to position itself as an oil and gas company leading in the energy transition on the UKCS.

Scope

This Carbon Policy applies to all of JOG's current assets and will potentially be applied through the addition of other assets, if and when acquired. Carbon emissions management is considered throughout the asset lifecycle, from concept selection, development, operations and decommissioning.

JOG will seek to identify Scope 1, 2 and material Scope 3 emissions (internationally recognised definitions developed by the GHG Protocol) and minimise, measure and report Scope 1 and 2 emissions associated with its operations on an absolute basis. Key to this will be the consideration and application of pioneering solutions to carbon emissions management, such as platform electrification, which will be considered alongside more conventional oil and gas development options.

These will be assessed through a rigorous management system and operational process to ensure sustainable value is realised from JOG's assets.

Management

Carbon emissions minimisation and climate change resilience are an executive, board-level responsibility and are included in corporate risk and opportunity identification and management processes.

JOG's understanding and application of low carbon emissions initiatives and innovations are founded in the extensive oil and gas sector expertise of its management team and from trusted external advisors.

JOG actively engages with investors on climate change resilience and carbon emissions related risks and opportunities, in order to differentiate itself from its peers.

Organisational Arrangements

Emissions reduction initiatives are integrated into operational and investment decisions at all levels of the organisation. JOG has created a work-place culture of sustainability and we evaluate carbon emissions in all of our activities and are incentivised to actively reduce these.

Climate Targets

In order to support the energy transition and facilitate wider decarbonisation, JOG has developed the following targets:

- Full compliance with all current and future emissions-related laws and regulations in the UK
- Emissions will be recorded and reported in line with all applicable UK emissions related legislation and in line with the recommendations of the Taskforce for Climate-Related Financial Disclosures (TCFD) on an annual basis from 2021
- Scope 1, 2 and material Scope 3 emissions will be identified through the scrutiny of JOG's operational activity both offshore and onshore. This includes JOG's supply and customer chains as it evolves into an active UKCS operator
- JOG is quantifying the emissions of its office-based activities with the ambition to be carbon neutral by June 2021
- All existing JOG operations to be carbon neutral from the point of first oil for Scope 1 and Scope 2 emissions
- Where the use of combustion equipment is unavoidable, fully disclose the justification for this choice and demonstrate full alignment with this policy
- Source the largest possible percentage of renewable electrical power in the energy mix for all JOG operated sites, both onshore and offshore, where this demonstrably presents the best lifecycle emissions profile and asset value creation (planned electrification of the GBA would have an emissions intensity of less than 1 kgCO₂/boe (significantly lower than UKCS average of 20 kgCO₂/boe)).
- Invest in accredited and, where possible, local carbon capture or offset to support the UK's Net Zero ambitions
- Complete pre-investment due diligence and climate resilience planning for all acquisitions, mergers or joint ventures
- Ensure climate related risks and opportunities, including cost of emissions through trading and taxation, are incorporated into JOG's financial decision-making process
- Actively engage supply and customer chains to quantify carbon emission and influence their reduction

Monitoring and Reporting

Scope 1, 2 and material Scope 3 emissions will be identified through the scrutiny of JOG's operational activity both offshore and onshore. This includes JOG's supply and customer chains as it evolves into an active UKCS operator.

Once identified, emissions will be recorded and reported in line with all applicable UK emissions related legislation.

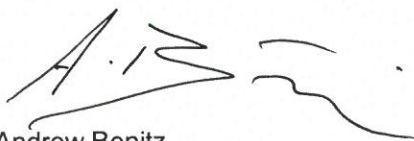
JOG considers regulatory compliance as an entry-level approach to emissions disclosure. JOG is transparent in its approach to incorporating carbon considerations throughout the investment cycle and will communicate updates on progress and outcomes with its partners and investors through both formal and informal mechanisms, including annual and interim reports.

JOG has undertaken analysis of the requirements of the Taskforce for Climate-Related Financial Disclosures (TCFD) and plans to report its disclosures in line with the recommendations of the TCFD from 2021. This will include strategy, governance, risk management approach and metrics around climate change to investors and other stakeholders, on an annual basis.

Conclusion

JOG believes responsibly sourced and produced hydrocarbons will be fundamental to a successful global energy transition. JOG is committed to differentiating itself as a sustainable and responsible 21st century oil and gas company. This policy is central to the delivery of this ambition. It will be reviewed and updated as appropriate and signed by JOG's Chief Executive Officer.

Signed



Andrew Benitz

Chief Executive Officer

30th April 2021