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UNNTATT OFFENTLIGHET

Bergen, 2. April 2024
Dok.ref: 38461-603-12650901.1
Saksansvarlig advokat:
Dag Sigvart Kaada

THE NORWEGIAN COMPETITION ACT SECTION 18
SIMPLIFIED NOTIFICATION OF CONCENTRATION

Cyprus HoldCo AS's acquisition of sole control in Aker Carbon Capture Holding AS

1. CONTACT INFORMATION

1.1 Notifying party

Name:	Cyprus HoldCo AS
Address:	P.O. Box 440, 4002 Stavanger
Org.no.:	932 525 119

1.2 Representative

Name:	Advokatfirmaet Schjødt AS Advokat dr. juris. Olav Kolstad Advokat Jan Kristoffer Høiland
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1.3 Target

Name:	Aker Carbon Capture Holding AS
Address:	P.O. Box 169, 1366 Lysaker
Org.no.:	928 429 210

1.4 Representative

Name:	Advokatfirmaet BAHR AS Advokat Beret Sundet
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2. THE NOTIFIED CONSENTRTATION

(1) The present notification (the «**Notification**») concerns a proposed transaction (the «**Transaction**») whereby Cyprus HoldCo AS (hereinafter referred to as «**Cyprus HoldCo**»; a company controlled by Schlumberger Limited, hereinafter referred to as «**SLB**»; for the sake of simplicity the term will also be used as a reference to the entire SLB-Group) on a lasting basis acquires sole control over Aker Carbon Capture Holding AS (hereinafter «**ACCH**»; for the sake of simplicity, the term will also be used as a reference to ACCH and its subsidiaries, as such), resulting in a concentration under the Norwegian Competition Act Section 17, first paragraph letter b (hereinafter the «**Concentration**»). For the mechanics of control see Section 4.3). SLB and ACCH are hereinafter jointly referred to as the «**Parties**».

3. THE PARTIES

3.1 SLB

(2) SLB[1] forms part of a multinational group within the global energy industry. SLB partners with customers to access energy by providing leading digital solutions and employing innovative technologies to enable performance and sustainability for the global energy industry.

(3) SLB is incorporated under the laws of Curaçao, with executive offices in Paris, Houston, London and The Hague and is listed on the NY Stock Exchange and Euronext Paris. As of 31 December 2023, the group employed approximately 111 000 people of almost 200 nationalities and operated in more than 100 countries.[2]

(4) SLB's operations in Norway are carried out through Schlumberger Norway AS (org. no. 968 360 302). Schlumberger Norway has offices, operations bases and laboratories in Stavanger, Oslo, Bergen, Kristiansand, Gjøvik and Trondheim, as well as coast-based supply bases.

(5) Schlumberger Norway AS has controlling ownership in the following companies:

Company	Business Registration Number	Business domain	Ownership
Cameron Norge Holding AS	996 687 880	Holding company	100 %
Schlumberger Information Solutions AS	996 084 639	Administration and operation of IT systems	100 %
Reslink AS	976 556 100	Maintain ownership of rights to technology used within the petroleum industry, as well as utilization of these rights	100 %

[1] On 24 October 2022 Schlumberger announces that it would henceforth trade under the SLB brand, see press release at https://www.slb.com/about/newsroom/press-release/2022/pr-2022-10-24-schlumberger-becomes-slb.

[2] For additional information on SLB and its offerings, please consult the following resources: We are Schlumberger, SCHLUMBERGER (2023), available at https://www.slb.com/who-we-are; Schlumberger N.V. (Schlumberger Limited), Annual Report (Form 10-K) (24 January 2024) - https://investorcenter.slb.com/static-files/7367bc84-f45d-45dd-b75a-49e69b5aadf4.

Onesubsea Processing AS	833 888 692	Develop, design, sell, manufacture and supply specialized equipment for sustainable and efficient extraction of oil and gas for the national and international oil and gas industry	70 %
Lyng Drilling AS	935 970 628	Production of machines and equipment for mining and construction activities	100 %
Sandsli Eiendom AS	981 188 489	Property development, rental of real estate, participation in other companies, development and construction of buildings	100 %
Horsøy Industrihavn AS	985 896 933	Property development, rental of real estate, participation in other companies, development and construction of buildings	100 %
Westerngeco AS	926 396 684	Geological investigations	100 %
Aker Solutions Subsea AS	929 765 001	Develop and supply products, systems and services to the national- and international oil- and gas industry	70 %

(6) A complete list of companies directly or indirectly controlled by SLB is attached as:

Appendix 1 SLB group structure chart

(7) SLB focuses its business on the three strategic engines of growth which include: Core, Digital and New Energy**.** SLB's Core business consists of three divisions: **Reservoir Performance**, **Well Construction**, and **Production Systems.** These divisions build on decades of technology advancement and continue innovating new products, services and technologies that make the exploration, development and production of oil and gas assets cleaner, more resilient, and more efficient, with lower carbon emissions and less impact on the environment. SLB's Digital offering is developed under the umbrella of its **Digital & Integration** division and allows SLB a unique position to support customers on their digital journeys by managing data

migration, workflow redesign, and transition to the cloud. **New Energy** is aiming to use SLB's experience and scale to drive innovation for a low-carbon economy spanning industries beyond oil and gas and focusing on the following key domains: Carbon Solutions, Hydrogen, Geothermal and Geoenergy, Stationary Energy Storage and Critical Minerals.

(8) The Transaction only involves activities within the carbon capture domain of the strategic area "New Energy".

(9) New Energy is a strategic area for SLB with focus on solutions for carbon capture, utilization, and storage, and technology for production and storage of renewable electric power, as well as technology for the location and sources of critical minerals that will be required to support alternative energy. New Energy is an emerging area for SLB. Specifically, SLB have some market presence within the field of carbon capture and storage ("**CCS**"), but no active products for post-combustion carbon capture. SLB furthermore does not supply any products or services for use in production of post-combustion carbon capture equipment.

(10) SLB is active as an original manufacturer and supplier of spare parts for natural gas sweetening and dehydration of CO2. Natural gas sweetening encompasses the use of different technologies for removing CO2 and H2S from natural gas to reduce the acidity level, while dehydration of CO2 is used for removal of water from gas streams.

(11) SLB is furthermore active in the market for sale of services connected to carbon storage screening and ranking solutions. The business consists of provision of services to suppliers of carbon storage services, meaning that these services are supplied to parties operating on the storage part of the value chain for CCS. SLB provides services connected to selection, planning, development, operation and monitoring of carbon storage sites.

(12) SLB is currently investing in research and development of carbon capture equipment in cooperation with different research institutes. SLB has entered into two cooperations with research firms connected to development of carbon capture solutions.[3] SLB provides engineering efforts with the aim to develop equipment for use in carbon capture. [redacted]

(13) Pre-Concentration, SLB does not have an active market presence in production, sale and distribution of carbon capture units or services connected thereto.

(14) SLB is a member of two trade organizations in Norway:

- The Confederation of Norwegian Enterprise (NHO) (Norway's largest organization for employers and companies); and
- Offshore Norway (an employer and industry organization for companies with activities related with the NCS).

(15) For further details about SLB's businesses, please refer to: https://www.slb.com/

[3] See Section (37).

3.2 Aker Carbon Capture Holding AS

(16) ACCH is a holding company owned by Aker Carbon Capture ASA ("**ACC ASA**"). ACCH is a Norwegian industrial supplier of equipment and services connected to carbon capture and temporary storage. ACCH offers carbon capture solutions, services and technology for use in different industries and segments. ACCH's main operations are carried out in Norway, Denmark and the Netherlands. In addition, ACCH has some activities in the UK and India and has newly started business in Sweden and the US. ACCH's main focus is customers in the industry segments: cement, bioenergy, blue hydrogen and gas power plants.

(17) ACCH has its main office at Lysaker, Norway and employed as per 31 December 2023 153 employees.

(18) ACCH offers sale of complete carbon capture facilities based on its own proprietary technology. The current offer is based on two different types of products; a larger facility "Big Catch" which can be adjusted to the needs of the customer, and which is integrated into the customers production facilities, and the standardised product "Just Catch" which can be delivered with a capacity from 40 000 to 400 000 tons of CO2 per year. An example of the "Big Catch" product is the facility Brevik CCS, delivered to Norcem Heidelberg Cement. An example of the latter is the delivery to Twence (an energy recycling facility) in the Netherlands. The product "Just Catch" can also be delivered as a module-based carbon capture facility to offshore installations, for use inter alia in carbon capture from offshore gas power plants.

(19) In addition to the carbon capture equipment mentioned, ACCH also offers services connected to carbon capture to customers connected to feasibility studies, and services from FEED (Front-End Engineering Design), through EPC (Engineering, procurement and construction). ACCH also offer carbon capture as a service, which include services connected to transport and storage of CO2 (temporarily or permanent). This service is offered pursuant to agreements with third party suppliers of CO2 transportation and storage capacity.

(20) ACCH has controlling ownership in the following companies in Norway:

Company	Business Registration Number	Business domain	Ownership
Aker Carbon Capture Norway AS	925 200 654	Investments in and/or owning rights in connection with capture, utilization and storage of CO2, hydrogen and other related business.	100 %

(21) A complete list of companies directly or indirectly controlled by ACCH is attached as:

Appendix 2 ACCH group structure chart

(22) ACCH is a member of the following trade organizations in Norway:

- The Confederation of Norwegian Enterprise (NHO)

(23) For further details about ACCH's businesses, please refer to: https://akercarboncapture.com/.

4. THE TRANSACTION

4.1 The rationale behind the Transaction

(24) The rationale behind the Transaction is to [redacted]. The aim is to enable decarbonisation at scale to reduce carbon emissions and play a part of the solution to reach the goal of net zero.

4.2 Description of the Transaction

(25) The Transaction resulting in the Concentration consists of the following steps:

(a) Pursuant to a share purchase agreement entered into between Cyprus HoldCo and ACC ASA, (the «**SPA**»), ACC ASA will sell 80 % of its shares in ACCH to Cyprus HoldCo.

(b) [redacted]

(26) In addition, [redacted]

4.3 Governance and control

(27) After the Transaction, SLB will own 80 percent of the shares in ACCH, while ACC ASA will own 20 percent of the shares.

(28) [redacted]

(29) [redacted]

(30) [redacted]

(31) [redacted]

[redacted]

(32) [redacted] The Transaction thus results in a change of control of ACCH [redacted] with SLB acquiring sole control over ACCH [redacted] (as defined in the Norwegian Competition Act § 17 first paragraph, letter b). The undertakings concerned pursuant to the Norwegian Regulation on the Notification of Concentration ("Notification Regulation") Section 4 are SLB and ACCH.

5. JURISDICTION

(33) The Parties had the following turnover worldwide and in Norway in 2023:

Million NOK	**Worldwide**		**Norway**
Parties	**Turnover**	**Operating profit**	**Turnover**
Schlumberger Limited	353 422[4]	56 338[5]	[redacted]
Aker Carbon Capture Holding AS	1 605	-210	

(34) It follows that the jurisdictional thresholds in Section 18 of the Competition Act are met, and that there is an obligation to notify the Transaction in Norway.[6]

(35) The Transaction is subject to mandatory notification in Denmark. The Transaction is not subject to mandatory notification in any other jurisdictions.

[4] The worldwide turnover of Schlumberger Limited was MUSD 33 135.
[5] The worldwide pre-tax profit of Schlumberger Limited was MUSD 5 282.
[6] The turnover thresholds of the EUMR are not met. The parties do not have a turnover of more than EURM 25 in at least three Member States.

6. THE RELEVANT MARKETS CONCERNED BY THE CONCENTRATION

6.1 Introduction

(36) The entire value chain for carbon capture, utilization and storage is still undergoing significant development, and the market is immature. A number of significant industry players have either entered or are seeking to enter the various parts of the supply chain for carbon capture, utilization and storage.[7]

(37) The major projects in the EEA for carbon capture are currently based on single initiatives from different industry players, where substantial governmental funding is involved and necessary for the realization of the projects. For example, ACCH's three flagship projects; Brevik CCS in Norway, Twence CCS in the Netherlands and Ørsted CCS are all based on the customers receiving substantial governmental funds from Norway, the Netherlands and Denmark respectively.[8]

(38) The field of technologies applicable to use in CO2 capture encompasses several different technologies under further development and at different stages of maturity. Firstly, the technologies can be divided into pre-combustion carbon capture, post-combustion carbon capture and oxy-fuel combustion. ACCH's technology relates to post-combustion carbon capture. Within the area of post-combustion carbon capture, there are also different technology solutions ranging from chemical absorption, membrane technology, chemical adsorption (liquified or solid), cryogenics, etc.

(39) ACCH uses a well proven method which consists of using different chemical solutions (known as solvents) for chemical absorption of CO2 from industrial pollution.[9] The process entails that industrial pollution (so-called flue gas) enters an absorption chamber, where CO2 is captured through chemical reaction with the solvent (absorption). The cleaned air is then released, and the CO2 is sent to a chamber where energy (heat) is used to split the CO2 from the solvent (the solvent can then be reused in the absorption process). The CO2 is finally transferred to a compression chamber for transport and storage and/or use.[10]

6.2 No horizontal overlap

(40) As described under item 3.2, ACCH's business consists of production and sale of services and equipment connected to post combustion carbon capture.

(41) As described under item 3.1, SLB does not have any activities connected to production or sale of equipment or services for post combustion carbon capture.

(42) Carbon capture consists of several different technologies, including post-combustion carbon capture for extracting CO2 from industrial pollutants (so-called flue gas), as mentioned under item 6.1. ACCH's business relates to the use of chemical absorption to capture CO2, which is

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[7] See inter alia the following press releases: https://investors.bakerhughes.com/news-releases/news-release-details/baker-hughes-and-borg-co2-collaborate-develop-carbon-capture; https://www.hydro.com/en/media/news/2022/hydro-invests-in-carbon-capture-company-verdox-to-eliminate-emissions-from-aluminium-production/; https://www.airliquide.com/group/press-releases-news/2023-12-19/air-liquide-build-world-scale-co2-capture-unit-contribute-rotterdams-industrial-basin; https://www.ineos.com/news/ineos-group/ineos-led-consortium-announces-breakthrough-in-carbon-capture-and-storage/.

[8] Se the webpage of the Norwegian governments for more information on the Norwegian CCS initiative Langship: https://www.regjeringen.no/no/tema/energi/co-handtering/tidslinje-ccs/id2864149/; and Commission Case SA.61295 – The Netherlands Aid to Twence B.V for investment in CO2 capture technology.

[9] See https://akercarboncapture.com/about-us/.

[10] CO2 is used inter alia in food production (e.g. carbonated beverages) and in greenhouses.

a widely used technology in the area. As far as known to the Notifying Party, neither the Commission, nor Norwegian Competition Authorities have assessed a relevant product market or geographical market in this area.

(43) The European Commission has assessed potential markets in the value chain for CCS as part of different state aid cases. The assessment of the market is that it is unlikely that industrial players will invest in any CCS projects without substantial outside funding (including governmental funding), as such projects would not be deemed profitable.[11] The reality is that there is no active market for sale of carbon capture equipment on an industrial scale.

(44) If a potential market for carbon capture could be identified; there are no horizontal overlap between the Parties. SLB is not an active player in the market for production and sale of carbon capture equipment and is not active in the market for provision of services connected thereto.

(45) SLB's business connected to natural gas sweetening has different application and different end-customers and it is the view of the Parties that natural gas sweetening is not in the same product market as the above-mentioned carbon capture technologies. Customers would not be able to substitute between SLB's natural gas sweetening products and ACCH's post-combustion carbon capture products, as natural gas sweetening is sold and used by natural gas processing plants, while the carbon capture technologies sold by ACCH is used by industrial production plants, including power plants[12].

(46) SLB's own research and development efforts in the market for post-combustion carbon capture [redacted]

(47) Even if SLB would be regarded as a potential competitor to ACCH, there are several active market participants with products in this market and there are also several large industrial players currently undertaking research and development in the field. The range of actual and potential competitors is vast and include [redacted] and many more.

(48) According to the International Energy Agency ("IEA"), there were 40 commercial carbon capture facilities in operation globally in 2022, with a total annual capture capacity of more than 45 million tons of CO2. As per Q2 2023, there were in addition 18 facilities under construction and 124 facilities in advanced development.[13] ACCH's current operations consist of three projects for delivery of carbon capture equipment with a combined planned capture capacity of 1 million tons of CO2. The combined entity will thus have a minimal percentage of a potential market for carbon capture equipment.

(49) In conclusion, there are no horizontal markets affected by the proposed Concentration.

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[11] Commission case SA.102777 - State aid scheme for Carbon Capture and Storage in Denmark, section 157.
[12] This includes power plants using the sweetened natural gas as input factor for producing electric power.
[13] https://www.iea.org/energy-system/carbon-capture-utilisation-and-storage.

6.3 No vertical overlap

(50) As described under item 3.1, SLB is not a supplier to either ACCH or any other producer of equipment for carbon capture.

(51) SLB is not active on any level in the post combustion carbon capture value chain and is thus not active on any level in the value chain preceding or following ACCH's carbon capture business. The only current activity carried out by SLB is as a supplier of products and services to businesses providing storage capacity for CO2.

6.4 Summary

(52) The Parties do not have any overlapping business (horizontally or vertically) in Norway. The Concentration and the Transaction will not lead to any negative effects on any relevant market in Norway.

6.5 Applicability of the simplified merger procedure

(53) There are no horizontal or vertical overlaps between the parties. Consequently, there are no markets affected by the Concentration and the proposed Transaction qualifies for the simplified notification procedure in accordance with Section 3 of the Notification Regulation.

(54) The Parties submit that the transaction fulfils the criteria for a simplified notification in accordance with Section 3, first paragraph, item 3, letter b and c of the Notification Regulation.

7. ANNUAL REPORT AND ANNUAL ACCOUNTS

(55) Annual report and annual accounts for SLB and ACC ASA are publicly available and can be found here:

– For SLB: https://investorcenter.slb.com/static-files/7367bc84-f45d-45dd-b75a-49e69b5aadf4

– For ACC ASA: https://akercarboncapture.com/wp-content/uploads/2024/03/Annual-and-sustainability-report-2023.pdf

8. CONFIDENTIALITY

(56) Information that is to be exempt from public is marked with yellow marking in the document. Information to be kept confidential to all parties except SLB is marked with blue marking in the document. Information to be kept confidential to all parties except ACCH is marked with green marking in the document. Particular justification for the information not being divulged to the public in accordance with Section 18 b of the Competition Act is attached.

Best regards,
ADVOKATFIRMAET SCHJØDT AS

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9. LIST OF APPENDICES

Appendix 1: SLB group chart

Appendix 2: ACCH group chart

Appendix 3: Annual report for SLB (2023)

Appendix 4: Annual report for ACCH (2023)

Appendix 5: Justification for exemption of information from public [CONFIDENTIAL]