equinor

Driving the energy transition: Natural gas and low carbon solutions

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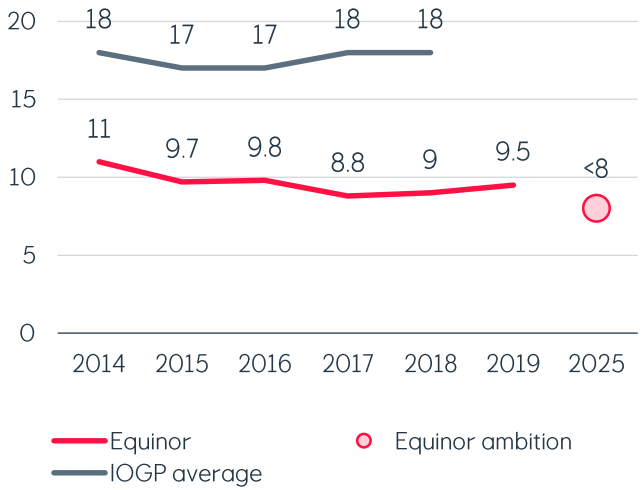
World leading carbon-efficient oil and gas operations

Upstream CO_2 intensity

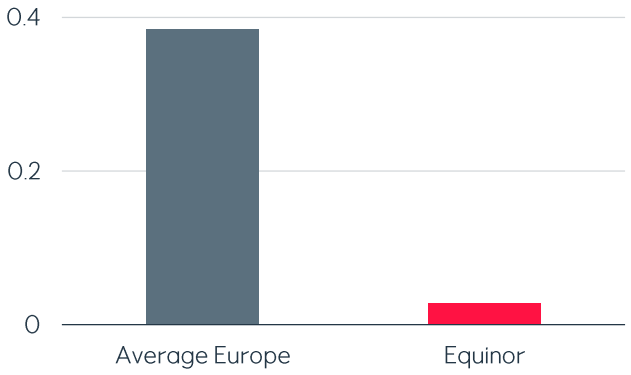
Kg CO_2 per boe



Equinor-operated, 100%. Source: IOGP/Equinor

Upstream methane intensity of Norwegian piped gas

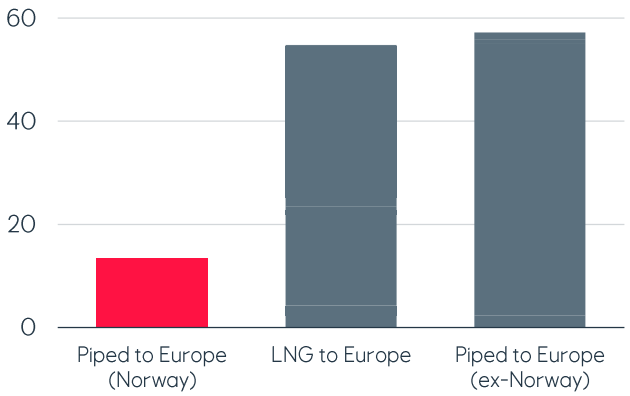
Percent



Methane emissions from production, processing and transport to receiving terminal as percent of marketed gas.
Source: 'Minimizing Greenhouse Gas Emissions' (Statoil 2017)

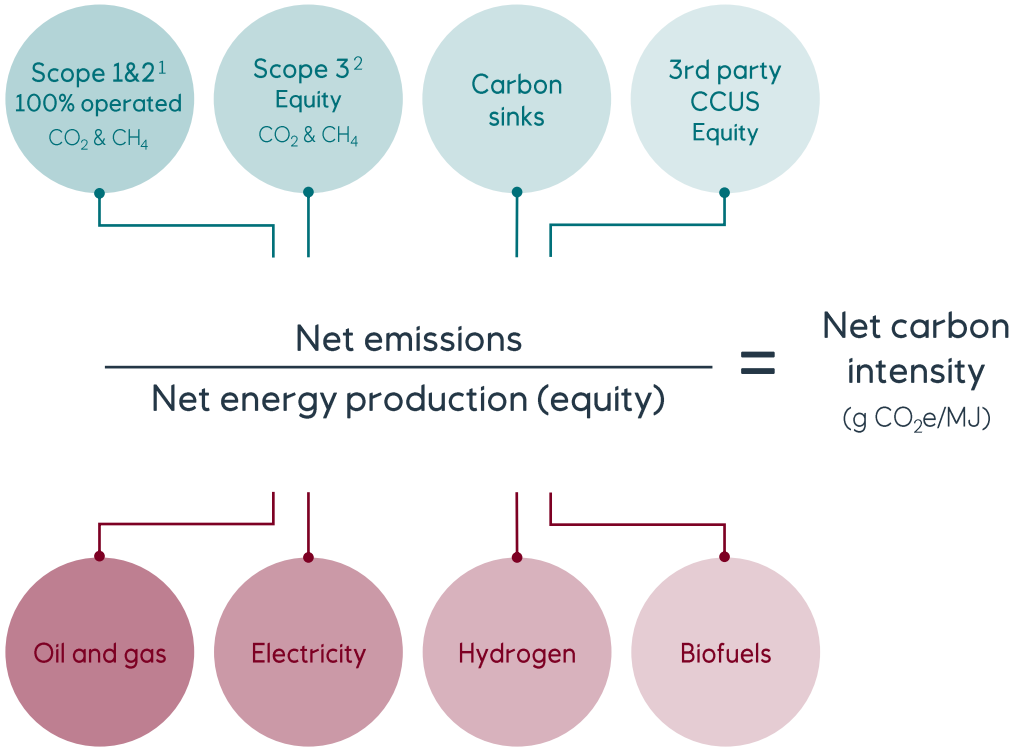
Emissions of producing natural gas

Kg CO_2e per boe



Source: Thunder Said Energy (2019)
Includes: Pipelines, CO_2 venting, Methane leakage, Shipping, CO_2 sweetening, Fracturing, Liquefaction, H_2S sweetening, Baseline

Reducing net carbon intensity by at least 50%



Why net carbon intensity?

- A transition metric that addresses both energy and emissions

What is included?

Emissions:

- Scope 1, 2 and 3 greenhouse gas (GHG) emissions, net of 'negative' emissions from third party CCUS and natural sinks
- Scope 1 and 2 emissions (100% operator basis)
- Scope 3 emissions (equity production) estimated based on regional refinery yields

Energy:

- Energy products originating from Equinor (equity production) - oil, natural gas, hydrogen, biofuels and electricity from renewable energy
- Energy is represented as Megajoules (MJ)
- Renewables are converted to energy using a partial substitution method

What is not included?

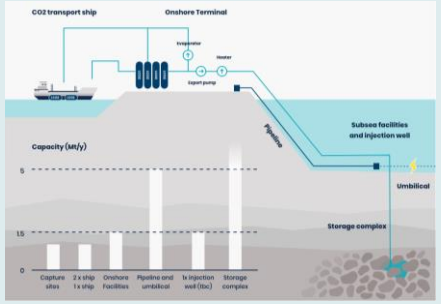
- Energy and scope 3 emissions from non-energy products (e.g. plastics, lubricants and asphalt) are excluded as the products are not combusted

1. Direct emissions from operations that are owned/controlled by the organisation and indirect emissions from energy imported from third parties, heating, cooling and steam consumed within the organisation.
2. Emissions calculated based on use of sold products (GHG Protocol, Category 11).

More details can be found under "Net carbon intensity methodology" on equinor.com

Future value creation in CCUS and hydrogen from natural gas

- CCUS and hydrogen expected to play a key role in a low carbon future
- Blue hydrogen technology is available at GW scale today
- CCUS and hydrogen enable solutions for the hard-to-decarbonise sectors



Northern Lights

A Norwegian full-scale CCS value chain, including capture of CO_2 from industrial sources

H_2/Ammonia shipping

Replacing diesel/fuel oil in the shipping sector

Zero Carbon Humber

Aim to build the world's first zero carbon industrial cluster in the North of UK

H_2Demo Norway

Demonstration of natural gas based hydrogen production with CO_2 removal and storage

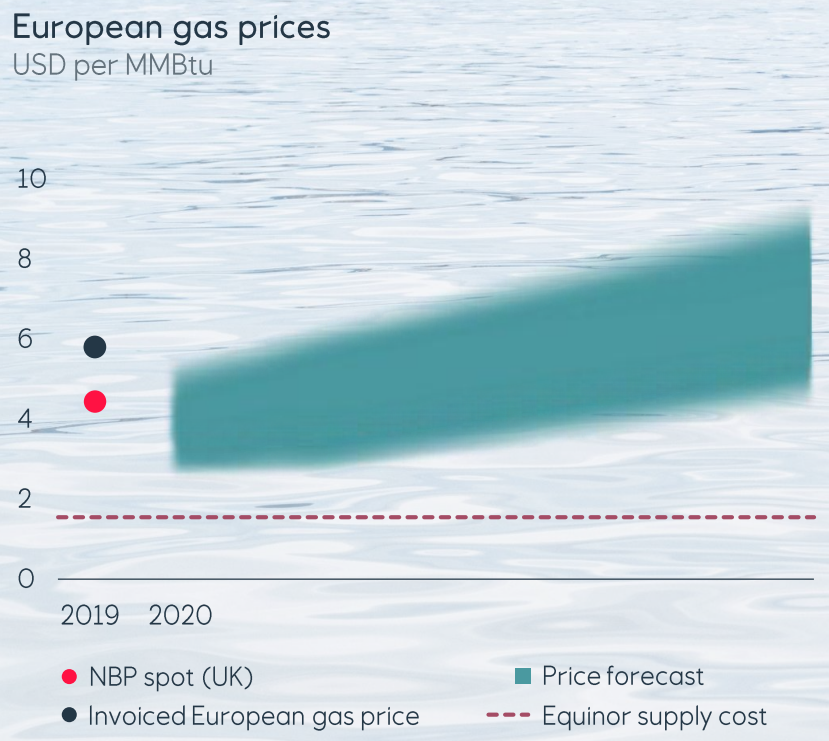
Clean steel

Decarbonisation of the steel industry - replacing coal with hydrogen

Low cost, low emission gas supply to Europe

Well positioned for market recovery

Key drivers Europe	Impact on price		
	2020	2022	2030
Global LNG balance	↘	↗	↗
European production	↗	↗	↗
Pipeline imports	↘	↘	↘
Inventories	↘	→	→
Demand	↗	→	→



Forward-looking statement

This presentation contains certain forward-looking statements that involve risks and uncertainties. In some cases, we use words such as "ambition", "continue", "could", "estimate", "expect", "believe", "focus", "likely", "may", "outlook", "plan", "strategy", "will", "guidance", "targets", "in line with", "consistent" and similar expressions to identify forward-looking statements. Forward-looking statements include all statements other than statements of historical fact, including, among others, statements regarding Equinor's plans, intentions, aims, ambitions and expectations with respect to Equinor's start-up of projects through 2029; organic cash flow from 2020 to 2023 and ROACE in 2020 and 2023; plans to achieve improvements with a cash flow effect of more than USD 3 billion from 2020 to 2025 through digital solutions and new ways of working; ,aims and ambitions with respect to the energy transition, including strengthen Equinor's position on carbon efficiency operation, to reach carbon neutral global operations by 2030, to develop as a global offshore wind major and to reduce the net carbon intensity of energy produced by 2050; expectations to achieve a production capacity of 4 to 6 GW from renewable projects and to increase capacity further to 12 to 16 GW towards 2035; Johan Sverdrup field, including the repayment of phase 1 investment by the end of 2020 and the field reaching plateau during summer 2020; aims and ambitions with respect to renewable energy, including adding 2.7 GW of renewable electricity capacity; market outlook and future economic projections and assumptions; production growth in 2020 and through 2026; CAGR for the period 2019 - 2026; organic capital expenditures through 2023; intention to mature its portfolio; estimates regarding exploration activity levels; ambition to keep unit of production cost in the top quartile of its peer group and to target a 5% improvement towards 2021; scheduled maintenance activity and the effects on equity production thereof; expected dividend payments and dividend subscription price; share buy-back programme, including expectations regarding the timing and amount to be purchased using the remaining part of the first tranche of the programme, the launch of the second tranche and the redemption of the Norwegian State's shares; provisions and contingent liabilities, including with respect to future cash outflows relating to the Agbami field redetermination in Nigeria, Equinor's response to Norwegian tax authorities regarding internal pricing on certain transactions and Equinor's constitutional challenge of the ICMS in Brazil; and planned and announced acquisitions and divestments, including the timing and impact thereof, including the acquisition of a 50% interest in SPM Argentina S.A. from Schlumberger Production Management Holding Argentina B.V.

You should not place undue reliance on these forward- looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons.

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including levels of industry product supply, demand and pricing; price and availability of alternative fuels; currency exchange rate and interest rate fluctuations; the political and economic policies of Norway and other oil-producing countries; EU developments; general economic conditions; political and social stability and economic growth in relevant areas of the world; global political events and actions, including war, political hostilities and terrorism; economic sanctions, security breaches; changes or uncertainty in or non-compliance with laws and governmental regulations; the timing of bringing new fields or wells on stream; an inability to exploit growth or investment opportunities; material differences from reserves estimates; unsuccessful drilling; an inability to find and develop reserves; ineffectiveness of crisis management systems; adverse changes in tax regimes; the development and use of new technology; geological or technical difficulties; operational problems; operator error; inadequate insurance coverage; the lack of necessary transportation infrastructure when a field is in a remote location and other transportation problems; the actions of competitors; the actions of field partners; the actions of governments (including the Norwegian state as majority shareholder); counterparty defaults; natural disasters and adverse weather conditions, climate change, and other changes to business conditions; an inability to attract and retain personnel; relevant governmental approvals; labour relations and industrial actions by workers and other factors discussed elsewhere in this report. Additional information, including information on factors that may affect Equinor's business, is contained in Equinor's Annual Report on Form 20-F for the year ended December 31, 2018, filed with the U.S. Securities and Exchange Commission (including section 2.11 Risk review - Risk factors thereof). Equinor's 2018 Annual Report and Form 20-F is available at Equinor's website www.equinor.com. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assume responsibility for the accuracy and completeness of these forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, we undertake no obligation to update any of these statements after the date of this report, whether to make them either conform to actual results or changes in our expectations or otherwise.

The achievement of Equinor's net carbon intensity ambition depends, in part, on broader societal shifts in consumer demands and technological advancements, each of which are beyond Equinor's control. Should society's demands and technological innovation not shift in parallel with Equinor's pursuit of significant greenhouse gas emission reductions, Equinor's ability to meet its climate ambitions will be impaired.

Equinor is including the emissions from a customer's product use in its calculation of its net carbon intensity solely as a means to (i) more accurately evaluate the emission lifecycle of what we produce and (ii) to respond to the potential business opportunities arising from shifting consumer demands. Including these emissions in the calculation should in no way be construed as an acceptance by Equinor of responsibility for the emissions caused by such use.

Prices used in the presentation material are given in real 2019 value, unless otherwise stated.. Forward looking cash-flows are in nominal terms. Break-evens and NPVs are in real 2020 terms and are based on life cycle cash-flows from Final Investment Decision dates. We also confirm that we have obtained approval from Barclays, Independent project Analysis (IPA), Rushmore Reviews, IOGP, RBC Capital Markets and Thunder Said Energy to publish data referred to on slides in this presentation.

We use certain terms in this presentation, such as "resource" and "resources" that the SEC's rules prohibit us from including in our filings with the SEC. U.S. investors are urged to closely consider the disclosures in our Form 20-F, SEC File No. 1-15200. This form is available on our website or by calling 1-800-SEC-0330 or logging on to www.sec.gov.