



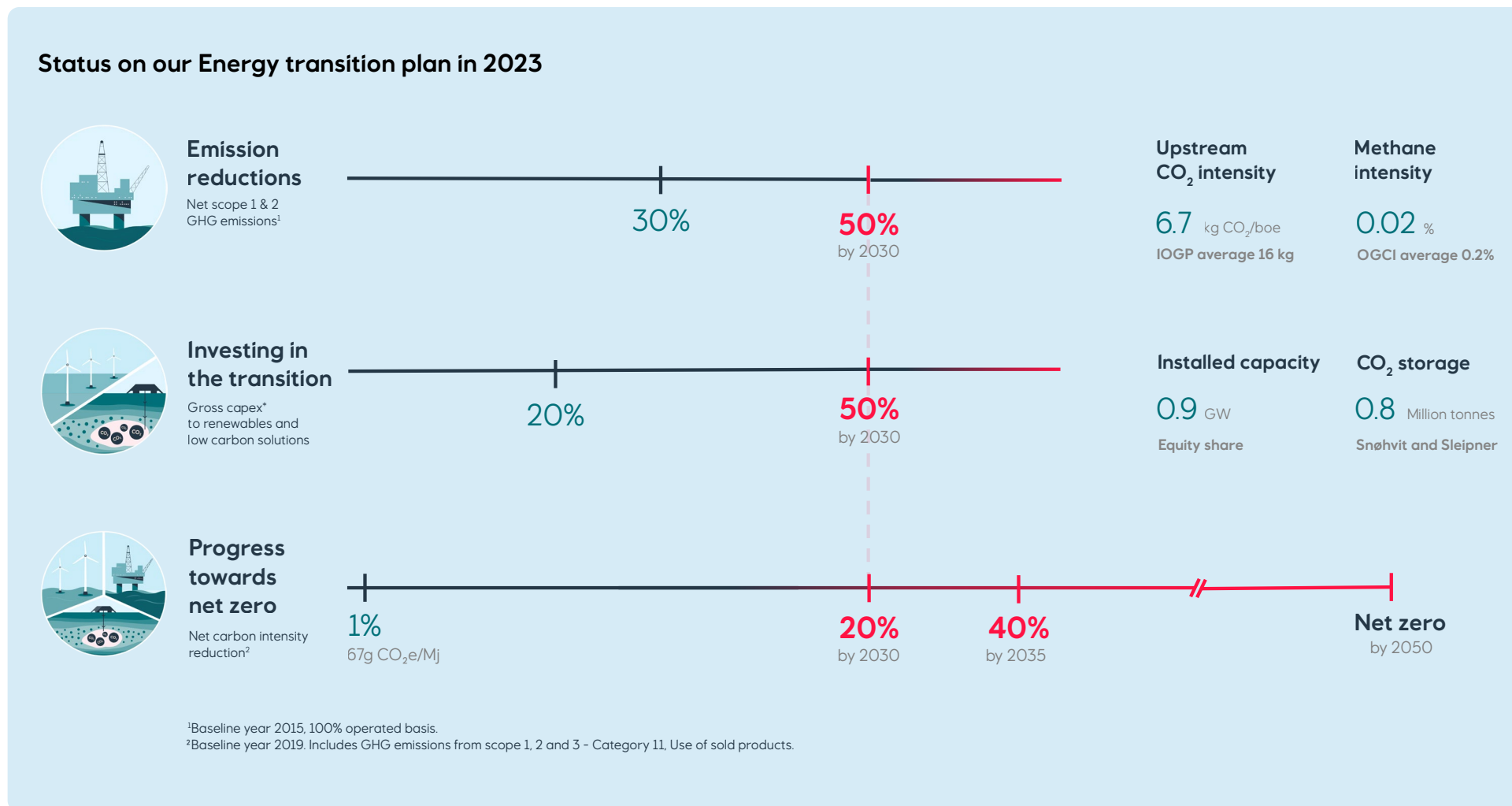
2023 Progress on our Energy transition plan

Progress on our Energy transition plan

Our Energy transition plan, published in 2022, outlines the measures that will allow us to deliver on our net-zero ambition. It includes ambitions and actions for how to reduce emissions, build a renewables portfolio and develop low carbon solutions. Each year, we provide an update on the company's progress.

For our Energy transition plan, 2023 was a year of execution and capacity building against a backdrop of continuing energy security concerns and new market challenges.

On an annual basis, we saw mixed progress towards our main climate ambitions. Operational factors and market dynamics negatively affected our metrics for emissions reductions and progress toward net zero, while increased gross capital expenditure* towards renewables and low carbon solutions shows continued progress on the leading indicator of investment. As we simultaneously deliver on the energy needs of today and work on building the energy system of the future, it is important to maintain a multiyear perspective. Our transition journey will not be linear, but the direction is clear. The ambitions in our Energy transition plan remain firm and we remain focused on delivering on our strategic aim to be a net zero company by 2050.



Acting on our emissions

Our ambition is to reduce emissions from our own operations by 50% by 2030 compared to 2015 levels. We aim for at least 90% of this ambition to be realised by absolute emission reductions.

In 2023, our total scope 1 and 2 operated greenhouse gas (GHG) emissions were 11.6 million tonnes CO₂e, which is 30% lower than in base year 2015 and 0.2 million tonnes higher than in 2022. The resumption of the Hammerfest LNG facility in Norway and the return to normal full-year production at the Peregrino oil field in Brazil were the main contributors to the increase in operated emissions.

Notable achievements toward emissions reductions from the operated portfolio included the start-up

of Hywind Tampen, the world's first floating wind installation in the Norwegian North Sea, which supplies energy to the Gullfaks A and Snorre fields, and the electrification of the Gina Krog field with power from shore. Additionally, the approval of the Snøhvit Future project by the Norwegian government was a major milestone. The project aims to fully electrify the Hammerfest LNG facility by 2030, resulting in an approximate annual reduction of 850,000 tonnes of CO₂ emissions. As outlined in our Energy transition plan, rapid reductions in operated emissions from our oil and gas activities in Norway depend on the availability of, and access to, electricity supplies.

In 2023, we maintained our focus on the carbon efficiency of our upstream production. Upstream CO₂ intensity was 6.7kg CO₂/boe, which is a slight improvement from the level achieved in 2022 and

below our target of 7.0kg CO₂/boe for 2025. We remain on track to achieve our ambition of 6.0kg CO₂/boe in 2030. The average methane intensity of our operated assets held steady at 0.02%, roughly one-tenth of the OGCI (Oil and Gas Climate Initiative) industry average of 0.2%.

Investing in the transition

We are targeting high-value growth in renewables. Our ambition is that over 50% of our annual gross capex will be invested in renewables and low carbon solution by 2030, and 30% by 2025, subject to availability of robust projects.

In 2023 we invested 20% of our gross capex* into renewable energy and low carbon solutions, which is a 50% increase from the previous year. The majority

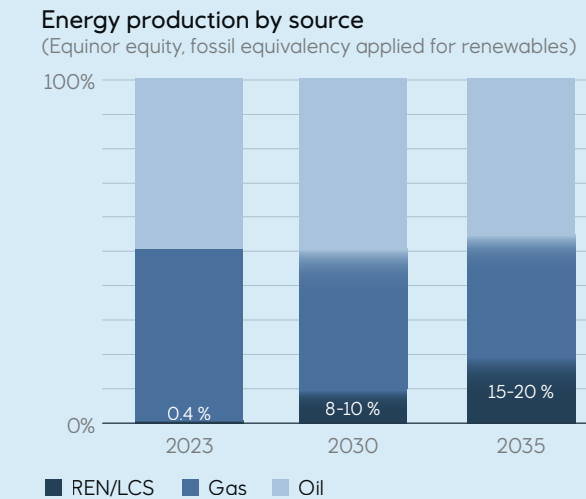
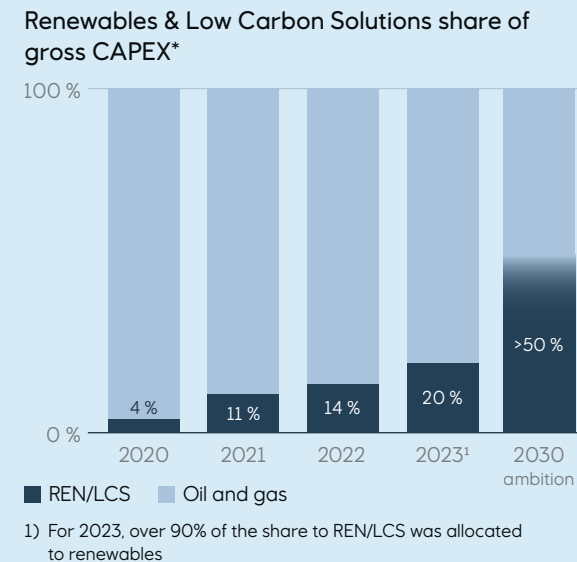
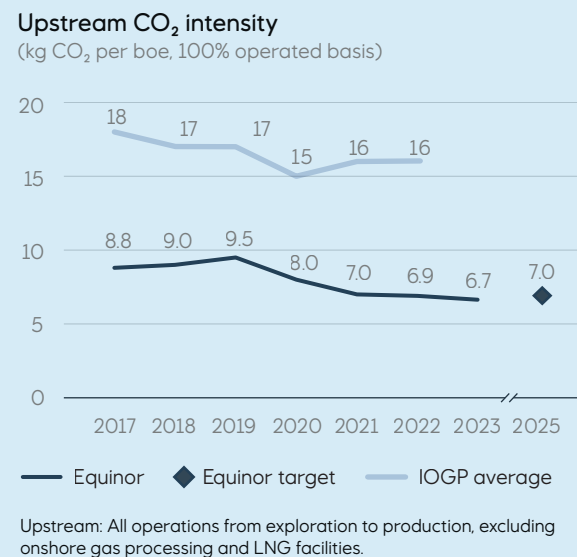
of these investments were allocated to renewables, with the remainder allocated to our Northern Lights Carbon Capture and Storage (CCS) project. The figure does not include investments into abatement projects for the decarbonisation of our oil and gas production. As Equinor grows and transforms, we expect to invest more to renewables and low carbon solutions, subject to an attractive sufficient access to opportunities and to deliver profitable growth.

Our investment strategy paves the way to a broader energy mix for the company. While less than one percent of the total energy we delivered in 2023 was from renewables and low carbon solutions such as hydrogen, this figure is estimated to reach between 8-10% in 2030 and between 15-20% in 2035¹.

1) Using a fossil equivalency basis for renewable energy

6.7
KG / BOE
CO₂ upstream intensity,
Scope 1 CO₂ emissions,
Equinor operated, 100% basis

30
PERCENT
Reduction in scope 1 + 2
operated emissions since 2015



Advancing towards net zero

Our ambition is to reduce the net carbon intensity (NCI) of the energy we provide by 20% by 2030. This ambition includes scope 3 emissions from the use of sold products.

In 2023, the NCI of the energy provided by Equinor was 67gCO₂e/ MJ, which is a one percentage point increase compared to 2022 and a 1% decrease compared to the 2019 baseline year. The year-on-year rise is attributable to an increase in the ratio of oil to gas in our production portfolio as the energy security crisis in Europe stabilised and the extraordinary increase in demand for Equinor's gas seen in 2022 subsided. An increase in the overall oil and gas production from 2,039 thousand barrels of oil equivalent per day (mboe/d) in 2022 to 2,082 (mboe/d) in 2023, resulted in a 3% increase in absolute scope 3 emissions to 250 million tonnes.

While renewables represented a small fraction of our total energy output in 2023, we made progress in building a foundation for these sources to play an increasingly important role in our future portfolio as a broad energy company. In October, we achieved a significant milestone in the UK, with the first power delivery from Dogger Bank, which is set to become the world's largest offshore wind farm when all phases of the project are complete. Our acquisition of Rio Energy, a leading onshore renewables company in Brazil, and the closing of the acquisition of Danish solar company BeGreen, added around 8 GW of capacity to our pipeline in 2023.

In addition to progress on renewables, we saw an increase in the volume of CO₂ stored from our operated assets Snøhvit and Sleipner in 2023 to 0.8 million tonnes, up from 0.5 million tonnes in 2022. Accumulated, Equinor has stored 27.1 million tonnes of CO₂ on the NCS since 1996. We saw two major developments in our CCS portfolio

in 2023. Our acquisition of a 25% stake in Bayou Bend, a major CCS project in the US Gulf Coast with gross potential storage resources of more than a billion metric tonnes, provides us with an opportunity to engage in the decarbonisation of a key industrial region and adds 5 million tonnes per annum (mtpa) of transport and storage to our portfolio. In the UK, Equinor and its partners secured additional CCS storage licenses in the Northern Endurance Partnership, adding up to 4mtpa to our annual storage capacity in the project, which comprises six CO₂ storage sites in the southern North Sea. These projects will be important contributors to our increased ambition of 30-50mtpa of transport and CO₂ storage by 2035.

As deployment of renewables and CCS accelerates in the coming years, we expect to see greater progress in NCI reductions, with the majority of progress towards the 20% reduction ambition in 2030 expected in the second half of this decade.

As outlined in our Energy transition plan, the transition will require an approach that takes account of impacts on our employees, nature, and society. In this respect, 2023 was also a year of capacity building. The launch of our new renewables organisation in May, aimed at focusing the competence and capacity needed to maximise value creation in our fastest growing business area, resulted in a 94% increase in the number of colleagues formally working in renewables, with most reallocated from roles in other parts of the company. On nature, we continued to expand our activities, including implementation of site-specific inventories of key biodiversity features for 35 existing sites. In 2023, we also continued to integrate human rights practices into the way we work, including engagement with peers and suppliers to address systemic issues, the development of new internal monitoring indicators for forced labour in our supply chain, and adoption of global Equinor working requirements for human rights due diligence.

8

GW

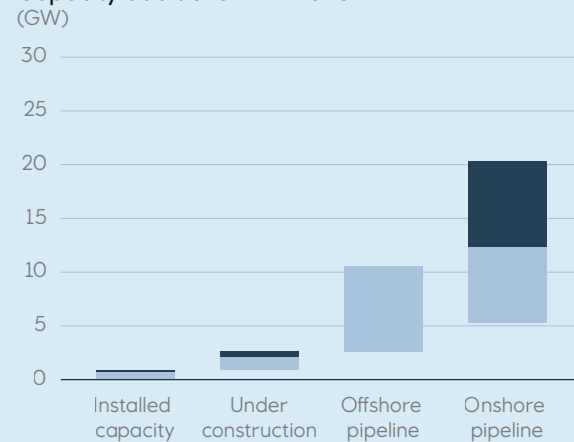
Renewables pipeline additions
Equinor share, unrisked

~9

MTPA

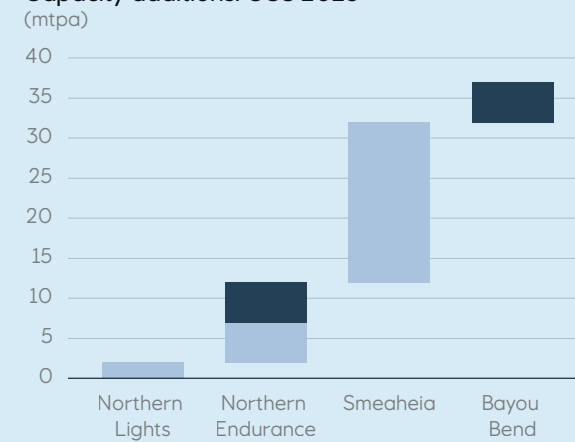
CCS storage volumes added,
equity to Equinor

Capacity additions: REN 2023



■ Added in 2023

Capacity additions: CCS 2023



■ Added in 2023

Relevant information:

- [The energy transition plan](#)
- [Biodiversity position](#)
- [Human Rights Policy](#)
- [A just energy transition](#)

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