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PRESENTATION

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Good afternoon. It's good to see you all. I would like to welcome you, both those of you who are here in the room and also those of you who follow this event digitally, to this presentation of Equinor's Energy Transition Plan. My name is Bård Glad Pedersen. I'm heading up investor relations in Equinor.

Today, we will have two presentations: first, from our CEO, Anders Opedal; and then from Jannicke Nilsson, our EVP for Safety, Security and Sustainability. And then, we will have a Q&A session. (Event Instructions)

Then, we are ready to start with the presentations. But finally, let me remind you of the forward-looking statements that are included in the deck.

And then, I hand it over to our CEO, Anders Opedal. Anders, the floor is yours.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Thank you, Bård, and welcome to this Energy Transition Update. It's good to see you, and thank you for coming. And as always, I will start with a safety moment.

This graph illustrates what we call the Kårstø catch. The dip in signal was an early warning that the compressor turbine was developing a problem. It shows the resistance of the lubricating oil from one of the turbine's bearings monitored via a sensor. A healthy bearing shows a stable, high resistance, while a non-healthy one will show sudden drops, and the drops are caused by tiny small pieces of metal creating contact between the axle and the bearing bore.

Early detection allowed us to plan the maintenance of the turbine in an optimal manner. And by this, we can minimize downtime, reduce the risk of potential safety issues and reduce the risk of mistakes. This is good for safety, and by reducing downtime, we also saved more than $30 million. And this is just one example of how data that we collect from more than 22,000 sensors improves performance and adds value.

We monitor over 700 pieces of heavy rotating equipment and using machine learning algorithms to look for deviations. And also, we expand this solution across the value chain. The most recent example is from our offshore wind farms. At Sheringham Shoal, we reduced unplanned downtime by 10%, over 3,000 hours of production last year. So using artificial intelligence to monitor equipment on an industrial scale improves our safety performance, our production uptime, and our efficiency while also driving down costs.

Our updated Energy Transition Plan reflects our strategy and business opportunities in the transition of energy systems. So let me recap the headlines from our Capital Markets Update.

First, we are positioned to continue delivering industry-leading return on capital employed above 15% all the way to 2030. Second, we are doubling our expected oil and gas production growth with more than 10% from 2024 to 2027. We achieve this without increasing our CapEx outlook. Third, we are increasing our free cash flow and expect $23 billion over the next three years. And finally, based on this, we have announced a competitive capital distribution, $9 billion in total for 2025, and a strong commitment to deliver on a competitive level also in the following years.

We have taken clear actions to improve our cash flow and growth. We believe this represents a stronger value proposition to shareholders. As a result of changing market conditions impacting our business opportunities, we have made adjustments affecting the pace of our energy transition. At the same time, we maintain a consistent strategic direction.

What do I mean by that? Despite different pace, our focus areas remain the same: to optimize our oil and gas portfolio, to create high-value growth in renewables, to develop new market opportunities in low-carbon solutions. We were not among the companies that indicated lower oil and gas production towards 2030. On the contrary, we have continued to invest in oil and gas, and now, we get more production growth from these investments.

Also, we have always underlined that growth in renewables and low-carbon solutions will be value-driven. We do this to create shareholder value and attractive cash flows for the long run. The adjustments we make reflect that there are fewer attractive business opportunities at the moment.

We update our Energy Transition Plan in times of change and volatility. But what is certain is that the world will need energy today and in the future. Power demand will grow significantly towards 2050. Global oil demand still grows and is expected above 100 million barrels per day through this decade. We also expect growth in gas demand.

Global investments into clean energy are now higher than into fossil fuels, but we still see energy addition rather than energy transition. The global energy transition is progressing at an uneven pace across regions and technologies. Growth in solar power and the use of electric cars are positive trends. On the other hand, we see headwinds for offshore wind and low-carbon hydrogen.

Increased cost levels, supply chain challenges, and delay in right framework conditions are part of the picture. When we update our Energy Transition Plan, we adjust for these trends. The energy transition has started, but the opportunity set for high-value growth is more limited than we had anticipated. Longer term, we see power from renewable and flexible sources and low-carbon value chains as important parts of future energy systems. For all scenarios, the energy transition must be balanced and financially sustainable.

In the political context, uncertainty may not be a strong enough word. The institutions and collaboration we have relied on for decades are under pressure. In the energy trilemma, we have seen a shift in focus from sustainability as the highest priority to more emphasis also on security and affordability. Due to the geopolitical tension, public spending on defense will increase, leaving less funding available for energy transition. This shift in focus is impacting the political frameworks we rely on to make long-term investments, again, affecting the pace of the transition.

I will not go into politics, but the debate on electrification here in Norway is illustrating. Politicians set higher ambitions for emissions reductions and put higher prices on CO2. Snøhvit Future will reduce CO2 emissions by approximately 850,000 tons per year and is already approved by the

government. Still, it is a highly debated project, also in the Parliament. For us, it is crucial to have stable frameworks, both for oil and gas, for our electrification projects, and in the build-up of new value chains.

Today, we publish the full version of our Energy Transition Plan. It is about how we create value and pursue new business opportunities when energy markets change. The key ambitions have already been presented at our Capital Markets Update in February. Our approach to the energy transition remains value-driven and balanced.

In the Energy Transition Plan, we reaffirm our ambition to cut our own emissions by 50% by 2030. Even as we continue to grow production, we remain on track. We have already cut 34% from 2015 until today and maintain our industry-leading position on producing with low greenhouse gas intensity.

With low-carbon solutions, we uphold our ambition for transport and storage capacity of 30 million to 50 million tons of CO2 per year by 2035. In renewables, we reduce our ambition for growth to 10 to 12 gigawatts in 2030, including our share of the capacity of Ørsted and Scatec.

To underline that the value creation is at the core of our decision making, we decided to remove the ambition for gross CapEx to renewables and low-carbon solutions for 2030. And to reflect increased uncertainty and the reduction in expected growth from renewables, we have added a range for our net carbon intensity reduction ambitions: 15% to 20% by 2030 and 30% to 40% by 2035.

Our strategic direction remains the same. We continue to reduce emissions and build profitable business in renewables and low-carbon solutions towards our net zero ambition in 2050.

Equinor has a world-class oil and gas portfolio. We are a leading company in the industry with low greenhouse gas emissions. If somebody would ask me today which graph I'm most proud of, it will be this one -- in short, growing production and cutting emissions.

Cutting emissions is, first and foremost, something we do to stay competitive. To illustrate, without the measures we have implemented since 2005 to reduce emissions, we would have to pay nearly USD4 billion more in CO2 costs over the next six years.

In 2024, our upstream CO2 intensity was 6.2 kilo per barrels of oil equivalent, well below half of the industry average. Our methane intensity is close to zero, backed up by robust monitoring. For upstream flaring, our results are more than 10 times lower than industry average.

Reducing emissions is about making sound business decisions for safe and cost-efficient operations. Methane is a greenhouse gas and a safety hazard. Emitting CO2 is expensive and reduces the amount of gas we can sell -- in short, cutting emissions, lower costs, reduce risks, increase resilience and strengthen the value creation.

Technology has been part of our DNA since day one in this company. Through technology, we have unlocked the resources on the Norwegian continental shelf and created superior value for society and shareholders. Leadership in technology is our industrial legacy and the basis for future progress and value creation.

On the Norwegian continental shelf, carbon taxes were introduced in the early 1990s, creating a direct link between emissions and operating costs. It might surprise you that the first platform to be electrified using power from shore was Troll A all the way back in 1996. Last year, we partially electrified the Troll B and C platforms, and this happened the same year as we delivered the highest gas production from the Troll field ever.

Technology and innovation have also enabled us to enter new value chains. 1996 was also the year where we, as the first company, separated CO2 offshore and stored it safely in the subsurface at Sleipner. Later came similar operations at Snøhvit.

Our experience has enabled us to build a new market for transport and storage of CO2 for industrial customers in Europe. Northern Lights is ready to receive CO2 and will start later this year. New projects will follow in the coming years, and Jannicke will cover this in more details.

There are many examples of how we use technology and innovation to unlock value. We have a pipeline of projects that will make a difference in the energy transition. We have a broad opportunity set with renewables and low-carbon solutions ahead of us. We are committed, and we are very well positioned.

So thank you very much. And then, I would like to hand over to Jannicke, that will go into a little more details on the energy transition plan, our portfolio. So Jannicke, please, welcome.

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

Thank you, Anders, and really great to see you all. Our Energy Transition Plan is our action plan. It reflects our strategy and also provides direction. And today, I will present how our plan will create value today and in the future and positioning us on a strong pathway towards net zero.

Safety, security, and sustainability are key business enablers and integrated into everything we do. They are our license to operate and key to succeed in the transition. As we transition, we will maintain a strong focus on the safety of our people, protecting all our assets and safeguarding the environment. Last year, we had the best safety result ever in the company with a serious incident frequency of 0.3 and a total recordable injury frequency of 2.3.

While I really take pride in this improvement that we see across the company, we also see that our work will never end. The tragic SAR helicopter accident last year, where we lost a dear colleague, is a strong reminder of this. It requires a continuous effort to make sure all our people and assets are safe every day.

Preventing major accident and security incidents is also important for the energy security. Equinor gas supply has become vital for Europe, and being a trusted energy provider is a role we take very seriously. To safeguard people, delivering energy, and ensure a just transition for nature and people, we depend on collaboration across the value chain. Continuing our strong performance on safety, security, and sustainability will drive value creation for shareholders and also support our strategic direction.

As Anders has already mentioned, we are well positioned to execute on our strategy. From our oil and gas business, we expect to deliver a strong annual cash flow from operation of around $20 billion after tax through 2035. And since 2015, we have cut our annual emissions by 5.6 million tons, and this demonstrates that we can reduce emission while increasing production, and thereby creating value in the transition.

Energy efficiency has been a significant contribution, along with portfolio changes and electrification of fields. In Equinor, we have a culture of continuous improvements and also an eagerness to develop new technologies. This enables us to identify and implement effective solutions to reduce our emissions.

One example, Bacalhau, you saw it in the film earlier today, and also Raia that we will have in Brazil, on these installations, we are pioneering the use of combined cycle gas turbines on these two FPSOs. In 2024, we implemented several reduction initiatives across our portfolio. And together, these have reduced emissions with over 200,000 tons from energy efficiency and more than 550,000 tons from electrification. And this resulted in a saving of more than NOK1 billion in OpEx in 2024 due to the avoided CO2 cost.

Electrification of oil and gas installation is one of the most important emission reduction measures that we have in Norway. And we do depend on continued support from the government to continue on electrification on the Norwegian continental shelf and onshore.

To the right, you can see our electrification portfolio on the Norwegian continental shelf and also the maturity of these projects. When Gudrun and Sleipner were electrified in 2024, all installations on the Utsira High has received power from onshore and together are saving emission of around 1.2 million tons of CO2 per year. We do have a pipeline of projects and we are on track to achieve our net 50% reduction in CO2 emissions by 2030.

Through our financial framework, we are focusing on value over volume and also maintaining robustness to lower prices. Our strong commitment to carbon efficiency minimizes operational costs and prepares us for higher carbon taxes in the future. Most of our production is already subject to carbon costs. In regions without this, we apply in our investment analysis an internal carbon cost of at least $92, which is rising to $118 by 2030.

We do have a very attractive oil and gas portfolio, and key projects coming on stream in the next 10 years have a low breakeven, have a very short payback time, have a low unit production cost and also low CO2 intensity. By combining a robust oil and gas portfolio with high value growth in renewable and low-carbon solutions, we will be able to create value in many different scenarios.

Our portfolio breakeven point is below the 2030 price forecast in all IEA's World Economic Outlook scenarios including the net zero scenario. Each year, we stress test our portfolio against these scenarios by replacing our price assumption with those assumptions IEA are using. The result of this you can see on the right side is also showing the impact of the net present value in the different scenarios, but you can also see that we are creating values in all scenarios.

The net zero scenario are representing sort of the largest potential of a downside due to their assumption of a very steep drop in oil and gas prices. In these stress tests, we do not perform any portfolio adjustment. But in reality, if the oil and gas pricing was dropping, we would of course adjust and optimize our portfolio.

Our CapEx flexibility is also significant, and already from 2027, more than 50% of our CapEx is non-sanctioned. We operate most of our field ourselves, and also, that gives us flexibility to adjust when needed. Overall, we are confident that our high-quality, cost-competitive, and low-emission project portfolio are positioning us very well for market and also for regulatory changes. And we are also well positioned to speed up our transition when and where we see opportunities for value creation.

We have created value in all the different phases that the renewable industry have been through. We entered offshore wind early to ensure access at low cost for over three projects that we now have in execution. And by staying disciplined in a heated market, we avoid overpaying for leases and capitalize on the market condition by farming down in that period. And this resulted in a $2 billion in capital gains.

To adapt to changing market and strengthening return on investments, we have taken actions to position us for a long-term value creation. As Anders mentioned, we have adjusted our 2030 ambition to 10 to 12 gigawatts installed capacity, we are reducing organic CapEx by 50% for the period 2025 to '27, and we have high-graded our portfolio, taking down early phase and business development activity, reducing OpEx and SG&A by 20%. This improves our capital efficiency. And by remaining disciplined, we can focus on return dividend growth in key markets.

In future energy system, we believe that offshore wind will play a key role. That's why we have built a gigawatt-scale renewable portfolio and pipeline that is targeting double-digit returns. To scale efficiently, we will use our expertise from the oil and gas sector.

With these three mega projects in execution phase, we have all-time high activity level. With Dogger Bank, Empire Wind 1, Bałtyk II and III, we will install more than 400 turbines (corrected by company after the call), we will lay more than 2,000 kilometers of cables, and we will generate almost 6-gigawatt capacity. Once completed, Dogger Bank will be the world's largest offshore wind farm. And together, these three projects will power 9 million homes. We do expect a double-digit return on capital from our investment in renewable and low-carbon solutions. And we will remain value-driven.

We see new market opportunities in the energy transition. Starting from a position of strength, we have already safely stored near 30 million tons of CO2 on Sleipner and Snøhvit. And by using our expertise as a competitive advantage, we can build an industrial-scale carbon storage business that will create value and also generate long-term cash flow.

By 2035, we aim to transport and store 30 million to 50 million tons of CO2 per year. And in 2024, we made significant progress: we secured four new licenses on NCS; we obtained one onshore license in Denmark; Northern Lights is ready to start receiving CO2; and we have also finalized investment decisions for the Northern Endurance Partnership CCS project and the Net Zero Teesside project in the UK with BP. The CO2 Highway Europe project will span 1,000 kilometers from the continent to NCS, with the capacity to transport 20 million to 30 million tons per year.

Our portfolio is now exceeding the storage capacity of 60 million tons per year. And this is much more than Norway's annual emission. For Europe's hard-to-abate industries, such as steel, concrete and chemicals, CCS can enable large scale of decarbonization. To undertake this multi-million euro project and deliver strong return, we do depend on government support and partnership, stable regulatory and fiscal framework, and a long-term binding customer contract. Together, we can build the foundation for the next generation of business.

In our Energy Transition Plan, we bring more detail on the building blocks towards achieving net zero. To track progress, we have developed a net carbon intensity matrix that address both Scope 1, 2 and 3, as well as the need for energy supply. This year, we introduced a range for our ambition to reflect the need for flexibility and given the uncertainty that we see in the pace of the transition and also due to the adjustment in our renewable ambition.

The waterfall here is also illustrating clearly that scaling of renewable and CCS are key. The waterfall is also showing the illustration of the contribution and how to reach our carbon intensity on 30% to 40% by 2035. Our strategy provides flexibility so that we, together, can execute on our strategy efficiently and also in the ambitions that we have as part of the Energy Transition Plan.

We will optimize oil and gas by increasing the energy production while lowering the emission. And we will develop renewable by maintaining a disciplined approach. And we will actively seek opportunities to build resilient business in the low-carbon solutions. With the flexibility that we see, we can also adapt the portfolio to new opportunity and new markets development, and we can drive value creation for shareholders and progress on our strategy.

Since we launched the Energy Transition Plan back in 2022, Equinor has made significant contribution and good progress. And we do support the goals of the Paris Agreement by: firstly, reducing our own emissions, Scope 1 and 2, align with the 1.5 Celsius scientific-based trajectories; and secondly, by investing significantly in renewable and low-carbon solution; and thirdly, by stress testing our portfolio to remain resilient in the future, also for scenarios that meet the Paris Agreement.

Equinor has demonstrated leadership over the last years, and I would like to share some examples that I am proud of. We have an industry-leading position in carbon-efficient oil and gas production; we established the world's first floating wind farm; we started execution of three megaprojects for offshore wind; we have sanctioned the world's first gas fire power plant with carbon capture; and, together with partners, opened the Northern Lights, the world's first cross-border CO2 transport and storage facility.

Our strategy ensures flexibility in capital allocation and is allowing us to pursue the right project at the right time. We will stay true to our values in the company and also upholding high standard on safety, security, sustainability and integrity, and we will report openly on our progress. By building on this strong foundation around all these business enablers, we will create a solid basis for growth of the company. And as I stated in the beginning, our Energy Transition Plan is designed to create value today and in the future and is positioning us strongly on our pathway to net zero.

So thank you. And Bård and Anders, please join me for the Q&A.

QUESTIONS AND ANSWERS

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Thank you, Jannicke, and thank you, Anders, for your presentations. We are then ready to start the Q&A. (Event Instructions) Tom Erik Kristiansen, Pareto.

Tom Erik Kristiansen - *Pareto Securities AS - Analyst*

Thank you. You mentioned political change in many places and focus as well. Where have you seen specific examples yet, and where do you expect to see more? Is it the carbon capture business that is most exposed to this long term?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

When I mention on the political changes, we have seen, for instance, how the taxes in UK for oil and gas changed three to four times with the previous government and today's government. We have seen how the support for electrification have some changes here on the Norwegian

continental shelf. And we also see the change from the previous administration and today's administration in the US regarding the offshore wind segment. So we see this in different countries.

When it comes to CCS, I would say that we have actually seen, particularly in Europe, a positive development in the regulatory framework. Remember, a few years ago, it was illegal in Germany, and now, it's a technology they really want to use. We see the same development in Denmark and so on.

So particularly here, we see positive trends, but it's the cost level, the inflation. We need more customers to ensure that we can move this technology forward.

Tom Erik Kristiansen - *Pareto Securities AS - Analyst*

A follow-up question, please. On the capacity targets for 2030, there are still some projects to be added to reach those. Do you think it's most likely that that will come through organic growth, or that you see things in the market prices that are cheaper than where you can build it yourself?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Well, we also have a portfolio of onshore in our portfolio of projects that might be sanctioned. They have a very short cycle time. So that is one possibility. We are always opportunistic in the market if we see that we're able to create more value from inorganic than organic. So I think we will use the whole toolbox there.

The important thing is that, to reach that ambition, it's about how do we create value moving to that. So it's not about reaching the ambition. It's about having that as a guiding star to kind of really look how we can find the best possible projects to invest in and, when we have good projects, even make them better.

Tom Erik Kristiansen - *Pareto Securities AS - Analyst*

Okay. Thank you.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Arild Skedsmo

Arild Skedsmo - *KLP - Analyst*

Thank you, and thank you for a clear presentation. I appreciate, as always, the lower production emissions that you present. And I think, also, we should emphasize the effort you're doing on the methane side that is really important industry-wide. And I think also in this report even more clarity on how you are going to achieve the production emission targets. So that's good.

What I miss is a bit of the same clarity with regards to the net zero target. A couple of questions there. I think we have been asking for absolute reduction targets before. And I think what we see now with shifting political winds and all the uncertainty that you present in the figures shows that that would give perhaps more clarity on that direction. So if this is something you have considered, providing absolute emission reduction targets.

And the second related question is how you talk about the Paris Agreement alignment or how you relate to it. It used to be in your '22 report, I think you used the words consistent with the Paris Agreement" and now it's more "compatible with the agreement. And should we understand that as a less strong commitment to the targets of the Paris Agreement? Thank you.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Thank you, and thank you for recognizing the emission reduction and particularly on methane. This is something that we also work with other companies as a member of OGCI and also the oil and gas decarbonization charter, outcome of COP28, where companies like us work with other companies that used to not have a baseline and not targets and now are moving into setting targets, improving and so on. And this demonstrates that the industry, when we work together, we can actually make an impact.

Your question, if I understand it correctly, is about absolute emission target for the total Scope 1, 2 and 3. We are consistent in what we said in 2022 and what we say also now in this 2025 update. We have an absolute emission reduction regarding Scope 1 and 2. This is our responsibility. This is our emissions.

And this is where, as we demonstrated, we focus to ensure that we are able to create both value and reduce our emissions, meaning that that is where we focus on the absolute emission target, which is we're keeping it to 50%, as we have said before. And I think also Jannicke demonstrated the progress we have made since we had the plan out in 2022. So it's kind of -- when it comes to absolute emission target, we have the same philosophy as we had last update.

When it comes to Paris alignment, we have also the same focus. It's about how we take responsibility for our -- first of all, there is no kind of framework for companies like us in this, which is consistent across the industry. Paris Agreement is for countries, but we have always focused on how we can be consistent and work according to the Paris Agreement by reducing our own emissions, at the same time, be a part of how other industry can reduce their emissions.

So that's why, as Jannicke said earlier today, it's about reducing Scope 1 and 2. It's about investing profitable into renewables and low-carbon solutions, enabling our existing customers and others to reduce their own emission. And then, we also demonstrate to you our sensitivity to lower oil and gas prices according to net zero scenarios. This, in totality, demonstrates that our strategy and the way we conduct industry is consistent with the goals of the Paris Agreement, but not according to the same standards that countries are exposed to.

Anything you would like to add there, Jannicke?

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

Yeah. On the last part, I can just add, so our commitment related to support of the Paris Agreement is exactly the same. But of course, this is three years back, and you will find a lot of different wordings all through the documents, but by no means is there change in the ambition level. So that's one of the reasons.

And I just wanted also to add, since you gave good feedback also on our role to produce oil and gas with low emission, the methane and the CO2, we've been focused on that over many years, and we also see that we have a role to play to push our partners. We also have a role to play related to the oil and gas decarbonization charter.

And since you mentioned this, I just want also to mention, because yesterday actually it was 19 people gathered in the oil and gas decarbonization charter, where we are sharing experience from our side, and with a lot of curiosity from countries -- Nigeria, Brazil, Malaysia, Egypt, the NOCs in those countries -- to see what we have done and what can they pick up on. So even though we have, of course, most of our focus on oil and emission, we try to at least share our knowledge and also try to help other companies to move on.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Thank you. We will do a couple of more here in the room, and then we will do some from the webcast, and can revert to the room if there are more questions. Anders Rosenlund, SEB.

Anders Rosenlund - *SEB Equities - Analyst*

Thank you. You talked about value-driven energy transition, at least that's what I heard. And in order to at least convince parts of the market, you need to be able to report on that as well. And one of the big challenges in your story seems to be that it's very, very difficult to sit on the outside and appreciate the alleged value creation that you do, given your very, very thin reporting on these matters.

And I haven't read the entire 337 pages of the annual report yet, but I've flipped through it, and it's very difficult to see the objective figures showing the value creation, in particular in the renewable segment. So how to frame this as a question, do you have any plans providing better transparency, allowing investors to acknowledge that it's actually value creative what you're doing? Because there seems to be some doubts out there.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Thank you. And yes, as you said, all our investments needs to be value-driven. It's about creating value for our shareholders in short term and long term. And I think I just want to kind of show 2024 results, industry-leading ROCE of 21%. And as I said, we also see that we will have industry-leading ROCE towards 2030 as well above 15%.

Of course, we are in the investment phase of renewables and low-carbon solutions now. You will see that, so far, the cash flow from this is thin but increasing. But we are very consistent saying that we want to have, for all investments we do in renewables and low-carbon solutions, double-digit returns on equity on nominal basis. And we have had so. We showed you that we have had that on the Capital Markets Update for the existing portfolio of fields in production on portfolio basis, and we also provided earlier some projects.

So this is where constant focus, making sure that investment decision will have the necessary return, double-digit return on equity, demonstrating that ROCE will be industry leading for the totality of the company. Yes, we will constantly develop how we are presenting the value creation of this company, and also segment-wise as we go along. But we have to come back to that at a later stage.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Jan Erik Saugestad, Storebrand.

Jan Erik Saugestad - *Storebrand - Analyst*

Thank you, both, for very clear presentations. Anders, you mentioned renewables as an energy addition as opposed to an element in the energy transition, if I heard you correctly. Do you think the drive for energy security will actually speed up the transition of renewables? And do you regard that as an opportunity or a threat?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

I think it will vary from regions to regions. I think in Europe, we will constantly see renewables be seen as a tool to create energy security in the region, which clearly creates an opportunity for us. While in the US at the moment, we see that renewables are seen to be too expensive, particularly will create a lot of grid updates that will be too expensive for consumers, where other types of energy forms will be more seen as energy security, particularly gas, to create electricity.

So I think we will see variation in different parts of the world, which create different business opportunities in different parts of the world. And then it's all about, for us, to make sure that we are positioned well in those regions that we want to compete and compete there -- what gives us the necessary return and also where we have the competence and capabilities to compete.

I would say we see that UK continues to want offshore wind. We are well positioned there with Sheringham Shoal, Dudgeon, and there are extension possibilities. We have Dogger Bank A, B and C and then potential D and so on. And with UK's focus and the increased strike price they are indicating, that creates clearly an opportunity. And then, we will have to balance that with the cost and see that the return is necessary.

What you probably saw what we did in the US last year, we got opportunity to increase our gas production. We anticipated that the gas demand in US would increase and then divesting in some countries and then investing in US East area, such that we are enabling for the kind of increased gas demand in that area. And that's how we kind of see opportunities in different parts of the world. So the strategic direction for us is firm, at the same time, with changing politics, frameworks, business opportunities will come and arise in that respect.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Will Farrell, Federated Hermes.

Will Farrell - *Federated Hermes Limited - Analyst*

Hi. Good afternoon, and thank you for taking my question. Previously, you've cited in previous years of reporting that your breakeven price on the fossil fuel side of the business has been $35 a barrel. And we've seen in the last Capital Markets Update that that has increased to $40 a barrel.

So two questions, really. One is, is that driven by the international portfolio? And how confident are you of the cost competitiveness and resilience of pipeline oil and gas projects, particularly how sensitive the returns could be through uncertain energy transition scenarios?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Yeah. So below $40 is what we say. And you're absolutely right, it has increased slightly over the last year, also reflecting the inflation and the cost pressure in the industry, the increased investment levels in oil and gas, which is causing specific increases in equipment for developing new project. That is what we see across the board.

But of course, the lowest breakeven is still on the Norwegian continental shelf because this is where we have a lot of subsea tiebacks already invested in the host, et cetera. But we also see kind of that we work really hard on our investments in all parts of the business, including the international, to make sure that we are able to keep the robustness of our oil and gas portfolio as low as possible. So in many ways, you can say, independently of hydrogen potential project or CCS project, oil and gas project, renewable project, we constantly work to see how are we able to lower the cost, work with suppliers in a different way, bringing the suppliers in earlier to bring their technology into the planning phase to see how we are able to keep the robustness as high as possible in all parts of our projects.

I didn't really catch the last question.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

I think it was related to your conviction about the resilience of the portfolio.

Will Farrell - *Federated Hermes Limited - Analyst*

Yes, also in scenarios for oil --

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

And I think Jannicke demonstrated it in one of the slides there with very, very short payback that has not changed. Some of the projects on the Norwegian continental shelf have a payback time less than 1.5 years; our increased oil and gas wells, even shorter. And including the international portfolio, it's 2.5 years and below $40.

So I am absolutely sure that we have a very, very robust oil and gas portfolio, but it's also robust in terms of very low CO2 emissions. So even on the international business, we see levels now similar to the Norwegian continental shelf when it comes to the CO2 emission. We don't have CO2 tax there, but at least, we are very, very robust for potential CO2 taxes if it should come.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Jason Gabelman, TD Cowen.

Jason Gabelman - *TD Cowen (Research) - Analyst*

Yeah. Hey, good afternoon, and thanks for taking my question and doing this presentation. I thought you made an interesting comment about the -- I think it was $6 billion of avoided cost -- sorry, $4 billion of avoided cost over six years from the emissions reduction you're doing. And as it relates to measuring returns on these projects, is the right framework to use the returns on these renewable projects on a standalone basis? Or should we really be looking at returns on these projects based on avoided cost of emissions you would incur? Thanks.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Okay, thank you. To be very clear, when I talked about this $4 billion over the next years, that was in the oil and gas business, where on the Norwegian continental shelf we pay a CO2 tax. Half of it roughly is to ETS, EU taxes, and the rest is Norwegian CO2 tax.

So by reducing the CO2 emission while producing the oil and gas on the Norwegian continental shelf, we don't have, and using power from shore, to pay that tax. So if we hadn't done any measures about reducing CO2 while producing from 2005 until now for the last 20 years, the OpEx on the Norwegian continental shelf over the next six years would have been $4 billion higher. So that means that we don't include any of this into any renewable project. They will be on a standalone basis based on the internal rate of returns for these type of projects.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Xander Urbach, MN Investors.

Xander Urbach - *MN - Analyst*

Thank you very much, and sorry for not being there. Two questions, if I could.

The first question, in your annual report, you also give that flow chart that you provided until 2035, you also do so for 2030. And you reserve a really, I think, 50% of that reduction for the other category. And other could include carbon credits. It could include non-energy use of oil products, for example, which is already rebased. I would assume that's already happening and unknown opportunities. So what do we expect from this category? So should we prepare for massive carbon credits in your balance sheet by 2030?

And second question, maybe going back to the value-driven proposal on renewables, and I quite agree with the comments made earlier about transparency. But maybe seeing it from a different perspective, what did you learn about these projects in the last couple of years about driving

that value? And what are you doing differently now? And what will you be doing differently in the coming years to get to that return level and also then have that shown through in the numbers? Thank you.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Okay, thank you. I'll start working on answering the renewables, and if you prepare the other question, Jannicke.

So I think on the renewables side, what have we learned? First of all, we were very early into the renewable business. And this enabled us to actually get seabed leases at a very, very low cost. And at the same time, during that period, we saw that the industry came with new solutions for the VTGs, higher capacity year by year, project by project. And based on this, we saw the levelized cost of energy really kind of falling down, enabling more and more bidding and bidding up the prices for seabed leases and also for lower strike prices and so on.

We decided not to take part in the increase in the auction for seabed leases. I think that is the first learning. We saw that this went too high to give us the necessary return. So we avoided winning in the UK Round 4, US Byte auction, and the Norwegian auction here at Sørlige Nordsjø, and also in the expensive German auction. So that was the kind of the first learning. When everyone went in and got too expensive, we stayed away.

The second learning is that, during this period, I think the supplier industry actually kind of took too big bite. They developed technology too fast, never been able to standardize, do good manufacturing, enabling good maintenance, and we saw quality issues. We saw a new capacity on the marine coming in, but coming in too late, being delayed, which caused kind of delays and so on. And we have been able to stay away from that in many ways, but we are experiencing delays in commissioning on the Dogger Bank now, which is also due to kind of new technology, et cetera.

I think this industry, which is a young industry, will improve. We will see more standardized marine vessels. We will see more standardized turbines and we will see higher performance. And eventually, we will see the levelized cost of energy go down again. But we also see that governments are realizing this and we see that they are willing to pay a higher strike price to enable more offshore wind into their energy mix.

So we had to kind of, as an industry, learn all of this specific for us. We have been a part of and seen the cost increase, putting pressure on returns. But then, we have used all our capabilities for project execution from oil and gas and really used that into our portfolio. So a lot of learning that we bring with us going forward to ensure that we, over time, constantly improve the offshore wind business.

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

The first question you had was related to the other, which is, as you alluded to also, carbon and also, but it's also the petrochemical. We have not done any changes on our view, how much offset will we use in our portfolio. So we have said, since we launched this back in 2022, when we said that our Scope 1 and 2, we would use for 50%, we said it could be maximum 10% of the totality, meaning 5% in the 50%. So no changes.

We saw yesterday that there was some changes in the curves that are in the printed version. But please remember, this is shaded, so it's not like exact figure. But on that box orders, we have no other plans than what we had before. So it's the same plans in this area.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Tsitsi Griffiths, Federated Hermes.

Tsitsi Griffiths - *Federated Hermes Limited - Analyst*

Thank you very much. Appreciate the presentation. It's been very helpful. I think some of my questions just relate to some clarity around some of the reporting.

So when we look at the information given on the oil and gas portfolio, in terms of the oil and gas production, and then the associated reductions in net Scope 1 and 2 greenhouse gas emissions, for the oil and gas, we're seeing that this is reported on an equity basis. And in terms of the CO2 emissions, this is reported on an operated basis. So I think the clarity we're looking for is that why is it inconsistent in terms of how you are accounting for these two metrics? And how are you closing that gap?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Yeah. So when we -- you're right, when it comes to production, it's equity. And it's an industry standard to report the Scope 1 and 2 emissions on the operated basis, because this is where we can influence the emission, where we can actually use our operational control to drive in improvements. But when it comes to the net carbon intensity, then also equity is included in both Scope 1, 2 and 3.

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

Yeah. I could just add that, on our website, there's a very detailed explanation of the net carbon intensity, where hopefully any kind of questions related to that has been answered. At least we have tried, and if it doesn't give all the answer, please reach out and we will give you an update.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Bård Bringedal, Storebrand.

Bård Bringedal - *Storebrand - Analyst*

Yeah, I guess you touched upon this earlier on renewables. We've seen some of your global peers stepping down on their commitments, specifically on renewables as well. And given your experience and the financial outlooks for these projects, what are your competitive advantage in terms of running renewable projects? Is it credible that traditional oil and gas companies actually are the ones running these projects? I think the IEA said that it's roughly 1% of the renewables these days that's actually been run by oil majors.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Yeah, particularly because most oil and gas companies are not necessarily in onshore and the kind of the large development of solar. Yes, I think we have kind of a good knowledge to run this type of projects and we are well positioned.

I think the challenge that we have seen that the offshore wind is not specific to previous oil and gas companies running offshore wind projects. I think this is an industry-wide challenge that we see from kind of all industry players, including those that were kind of first movers into this industry. So I think this is about improving. And I think we have a lot of experience for actually how we work together with a supplier industry, improving a business.

This is exactly what we did in 2014 when the oil price went really down, where we worked together with the suppliers to see how are we able to kind of bring down the breakevens, using new technologies, working in different ways, standardized, et cetera. This is also what this industry is doing now. And I think the turbine makers can really appreciate working with a company like us in this effort.

So I think definitely we have something to do there. As I said earlier, this is a very young industry. We expect to see improvements in this industry. We are well positioned. At the same time, we don't have any projects that we won with huge cost or any commitments to deliver within a certain time. So we have the flexibility to utilize the improvements in this industry when that improves. And I think that we never get carried away to put a lot of money on the table for seabed leases enable us that we can be really kind of have a fresh continue curve on improving offshore wind portfolio with time.

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

If I could just build a little bit on Anders, because some years back people asked us, will we be able to run sort of the oil and gas frame in the very late phase of the project? And we established the FLX organization, moved some of the field, like Statfjord, Gina Krog. And it really changed the way we are working with those fields, creating massive value now compared to before.

And also that kind of way of working with suppliers, the way we are working to really reduce the OpEx and CapEx and all the projects, we are also now transferring to a REN organization. We're actually also moving people to make sure that the way of working really is changing. And we do have a culture for continuous improvement and also using technology. And I think that's also an advantage that we will take with us to renewables.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Marianne Bruvoll, Nordea.

Marianne Bruvoll - *Nordea - Analyst*

Thank you for an interesting presentation. So so far, in addition to the decarbonization part of your plan, Jannicke, you mentioned that you're also concerned for safeguarding the environment and also a just transition for people and nature.

Can you say a few words about what you're doing to establish a framework and also, I guess, for the different business areas in your portfolio to actually establish a baseline and targets on the nature and biodiversity and also kind of setting a cost on nature? And also, how do you foresee that this will impact investment decisions in the future as you have now included the cost of carbon in your investment decisions?

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

Good questions. And what we are doing or have been doing and are doing is for each field that we have in operation or project for things that will come in operation, we do assessment. So we review the situation and we also do assessment and see what can we do to improve.

And for also some of our projects, we see how we can have a positive impact. And that's not easy. We have research ongoing to see, together with also with Vårgrønn and others, to see how can we calculate. So if we are removing some trees, what kind of value should we put on that? And what can we do in addition to have a positive impact on nature?

So we have so far not included this economically as part of decision making, but we are in progress to see how can we put value because we would like to have a positive impact in nature in the future. But we don't have the answer. Nobody had the answer.

So I think, together, all companies are trying to do this. But what we do is to do an assessment upfront. And when the project is finished, we do an assessment in the end to see what's the delta and what can we do to make a difference. And of course, the most important part is to do the assessment upfront to decide what can you do to have a more neutral effect on the nature.

So thank you.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Thank you. I have a few questions in writing, so I'll take two there now. The first one is from Dominik Varga from Erste Asset Management. And it is, what is Equinor's strategy to limit Scope 3 emissions until 2050? Eventually, this would mean to scale back production.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Well, we don't have a strategy to scale back production, but we have a strategy to a balanced energy transition where we constantly want to improve how we produce oil and gas. We believe that, eventually, the demand for oil and gas will be lower, meaning that, at one point in time, and I don't know when, there will be also less production from our portfolio. But that is more related to the kind of opportunity set on the Norwegian continental shelf far into the future.

The important thing for us is to make sure that we are also profitable, investing also in renewables and low-carbon solutions, particularly like CCS, which will also offset some of the Scope 3 emissions that our customers are emitting while they're using our products. So we will continue optimizing our oil and gas portfolio, and we will continue to invest in renewables and also develop new opportunities in low-carbon solutions. In totality, you will see over time that our net carbon intensity will decrease.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Thank you. The next one, Henry Repard from DNB Asset Management. Regarding your net carbon intensity reduction target, can you confirm whether Equinor includes all CO2 captured through its CCS as a service in the NCI numerator, regardless of the emission source, or only CO2 captures from emissions that originated from Equinor-produced energy projects? So can you confirm that we both include CCS from a service in addition to storing from own operations? And then additionally, how do we ensure transparency in differentiating between the two?

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

So the first is yes. In addition -- yes, transparency, I tried to explain that in my speech as well that we will try to be transparent in all of this. We will report, and we will do our utmost to really show all these figures. We have no plan to hide anything on this. But the answer here is yes.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

And if I understand the question correctly, the CCS that we do as a service is included. When it comes to the CCS we store from our own operation, actually, it's not emitted. So it's not included into our emissions for production. But the details there about the volumes, we will have to come back to.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Yeah. There is also a very detailed methodology description available on equinor.com. So if you want to go into further detail, you can read that there.

Then, returning to the room, I have a question here on table number one in the middle here.

Christiaan Griffejoen - *Danske Bank - Analyst*

Thank you. Christiaan Griffejoen, Danske Bank. Regarding still the carbon intensity reduction target, you have a target of 15% to 20% by 2030. And then, since with the 2019 baseline, you achieved 2% reduction in the last five years. So you'd require almost a 10 times acceleration in your net intensity reduction over the next five-year period. Can you break down a little bit how you plan to achieve this acceleration?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

This acceleration is also based on investment already made, while not necessarily the power production is now ready to be produced, like Dogger Bank. Dogger Bank is in investment phase. And we are ramping up production, meaning that a lot of the work is already done and the ramp-up for that project will go fairly rapidly. The same will happen for Empire and Bałtyk.

So it's not like the first years, as you refer to, it goes very slow with 2%. Now, we will accelerate it because we have worked over the last years to actually execute on these projects, including also the Northern Lights Phase 1, which is ready as soon as the CO2 will arrive and we will start storing it, you will see that type of acceleration. Same also for some of the onshore projects that we are developing, shorter cycle, they will also come into production and that's why you see the acceleration.

So it's actually some of the investment done over the last five years that now will come with production of power and CO2 storage, and that's why we have a little more acceleration than we had the previous years. And this is also reflecting that, if you go back to 2020, only 4% of our investments were outside oil and gas and we have increased it over the years, and now, you will see effect of it over the coming years.

Christiaan Griffejoen - *Danske Bank - Analyst*

So it's a combination of the renewable portfolio and CCS?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Yeah.

Christiaan Griffejoen - *Danske Bank - Analyst*

Am I allowed to ask one more question?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Yes, please.

Christiaan Griffejoen - *Danske Bank - Analyst*

Regarding a bit more biodiversity and the cost, but maybe more on the investment side, we have seen over the last couple of years that non-price criteria have become more important to win offshore wind projects. How do you see your ability to compete on that side of tender offers?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

So non-price, that means that you will be a merchant on the market risk. At the same time, you're still exposed to the cost exposure of developing the offshore wind farm. We have seen that some of these projects that come on these terms are still challenging. So we have decided not to lean too much forward in some of those projects.

We will continue evaluating them. It's about building a broader portfolio of power such that you're able to deliver a firm power production to your customers, enabling also investments in different parts of the portfolio with offshore wind into that type of auctions.

So I think it's a little bit of the same story as we've seen for those auctions that you pay for leases. It's still not necessarily higher returns, although you get the leases for other types of commitments.

Jannicke?

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

If I could just add on more safety, security matters that I ask for in typically the auctions, on the safety part, we have good results and positive feedback. And also, within renewables, we do have a 50% reduction target or ambition level for 2040, not '50. So we have a little bit different target for the REN portfolio compared to the full business because these auctions are asking for that same reason for circularity and waste treatment and so on.

So we are meeting those goals. But as Anders said, some of them have a different cost level than what we would be willing to. But we are definitely competing very well on the sustainability parameters.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Arild Skedsmo, KLP.

Arild Skedsmo - *KLP - Analyst*

Thank you. Back to the $4 billion savings in avoided carbon costs, just curious, there are costs with conversions that you have to pay for electricity, et cetera. Is there a net saving under the Norwegian regime?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

That is gross. So it's pre-tax savings.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

The calculation here is quite simple. How much higher would the CO2 taxes be if we emitted at the same level per barrel, or if we maintained the same emissions as we had in 2005? And by reducing it, we have saved around $4 billion for that time period. It is that number, purely that number.

When we do calculations on the electrification projects and all the other energy efficiency projects, this is, of course, the income side, and then you have a cost side, including the cost of electricity. But the criteria for us is that these projects need to make economic sense, and that's what we have achieved so far.

Arild Skedsmo - *KLP - Analyst*

And NPVpositive under the Norwegian regime?

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Yes, the project that we have executed on electrification and emissions reductions, they are NPV positive, and such value creating and, of course, reduces risk in our portfolio.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

So every project that we have done is done on a standalone basis to kind of increase gas production, you can sell versus the cost, and then the electricity prices, and you calculate the net present value, and they are decided on the same basis as all of the type of projects. Due to the CO2 costs in Norway and increasing costs, they have always been NPV positive with the required returns with the hurdle rate.

Then, this was an illustration of that. If we had the same kind of CO2 emission, carbon intensity today as we had in 2005, we would have done nothing. Our cost level would have been a totally different level, and we would have to make sure that we are able to lower the cost level in other ways. So this is an illustration that all the investments we have done in electrification gives a positive outcome on the OpEx and SG&A.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Anders Rosenlund, SEB.

Anders Rosenlund - *SEB Equities - Analyst*

Thank you. Does nuclear have a place in your Energy Transition Plan?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

No.

Jannicke Nilsson - *Equinor ASA - Executive Vice President - Safety, Security & Sustainability*

It's like the internal townhalls.

Anders Rosenlund - *SEB Equities - Analyst*

But you are invested in nuclear companies, so how come you invest in companies if it's not part of your plan?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

What are you referring to then?

Anders Rosenlund - *SEB Equities - Analyst*

I'm referring to your fusion investments.

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Fusion is a venture investment, and it's quite different to the fusion technology. It's a totally new technology. To be investing in a technology, that might be something. But if your question is about will we invest in nuclear plants or SMRs, the answer is no.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Marianne Bruvoll, Nordea.

Marianne Bruvoll - *Nordea - Analyst*

Thank you. Moving back to decarbonization levers. So the challenges that we see in Norway around the grid capacity expansion and your electrification of your assets, both offshore and onshore, can you say a few words about the status and also the impact and mitigation that you have if, for example, Melkøya is not electrified according to plan?

Anders Opedal - *Equinor ASA - President, Chief Executive Officer*

Yeah, thank you. So of course, there is a debate about, in Norway, should we use the electric power to decarbonize the oil and gas production or should it be used for other means, or do we have the necessary growth in the power production in Norway to meet the demands -- the increased power demands. As I said in my speech earlier today, there has been kind of high political support for decarbonizing the oil and gas industry driven by putting a high CO2 tax on the industry. We have followed this because, as I gave in my previous answer, this gave net positive value, NPV positive, for all our projects, enabling us to actually now have a lower OpEx.

We see now that, and I think Jannicke illustrated in one of her slides, that there are three more projects than we see we will reach the 50% ambitions. And we don't think any further electrifications will be worthwhile in terms of creating values because some of these installations will be retired over time and we will have consolidations of platforms in different clusters, enabling us to actually take up more value, longevity of the oil and gas production with less operational cost in the future.

I see the debate about Melkøya. I appreciate that discussion. But as I said, it's very challenging for this industry when already approved sanctioned projects are challenged in the Parliament. That is a totally new development in our industry. And I think strongly that Melkøya will pass and be implemented. So I don't think too much about what we need to do instead. But it might be pushed a little bit out in time because, as you remember from the governmental decision, we need to keep the gas turbines available in case of power shortage in that local county.

But we do expect a debate around the next three projects in terms of grid connections, and we need to take that into account when we work further. So far, what we have approved from the government is to do early investments in cables and the items you need to order in long time advance. So we are moving forward. We think we will get a positive outcome of this, but it's challenging. And we need to have the flexibility that this also could be changed.

Bard Pedersen - *Equinor ASA - Senior Vice President Equinor, Norway and Head of Investor Relations*

Thank you. Then, we ran out of time. I want to thank Anders and Jannicke, of course, and also everybody for participating, both in the room and on the webcast. Thank you particularly for your engagement and your questions. That is highly appreciated.

As always, the investor relations team remain available. So if there is anything that you want to discuss in the follow-up or you have additional questions, you are always free to reach out to us.

So with that, thank you very much, everybody, and have a good rest of the afternoon. Thank you.