Press release 7 February, 2024

Equinor fourth quarter and full year 2023 results

Equinor delivered adjusted earnings* of USD 8.68 billion and USD 1.88 billion after tax in the fourth quarter of 2023. Net operating income was USD 8.75 billion and net income was USD 2.61 billion.

The fourth quarter and full year were characterised by:
- Strong financial performance
- 2.1% production growth in 2023
- Continued optimising of oil and gas portfolio, sanctioning projects for future growth
- Growth in onshore renewables power production and portfolio
- Cost focus and capital discipline

Competitive capital distribution
- Proposed increase in ordinary cash dividend to USD 0.35 per share, set ambition to grow quarterly cash dividend by 2 cents per year
- Proposed extraordinary cash dividend of USD 0.35 per share
- Announced two-year share buy-back programme of USD 10-12 billion, with USD 6 billion for 2024
- Expected total capital distribution in 2024 of USD 14 billion

Equinor is well positioned for profitable growth towards 2035
Key ambitions:
- Stronger cash flow and sustaining competitive returns. Growing cash flow from operations after tax* towards 2030 and 2035 by adding material contribution from renewables and low carbon solutions on top of stable cash flow from oil, gas and trading.
- Broader energy. Maintaining high oil and gas production, significant profitable growth in renewable power, decarbonised energy and CO_2 storage.
- Lower emissions. Reducing operated emissions and increasing production of low carbon energy and CCS to reduce carbon intensity.

Anders Opedal, president and CEO of Equinor ASA:
"In 2023 we continued to contribute to energy security in Europe and delivered 2.1% production growth. Solid operational performance and cost focus yielded strong financial results and cash flow. We delivered competitive capital distribution, while investing in a profitable portfolio that will contribute to future growth."

«Equinor is well positioned to deliver profitable growth. We expect to grow our cash flow and sustain competitive returns. We are extending the outlook for stable contribution from oil and gas to 2035. By 2030 we expect material and rapidly growing cash flow from our renewables and low carbon business."

"We will provide a broader energy offering with lower emissions. We aim to grow renewables and decarbonised energy to more than 80 terawatt hours by 2035 and have increased our ambition for carbon storage."

Financial information		Quarters		Change		Full year	
(unaudited, in USD million)	Q4 2023	Q3 2023	Q4 2022	Q4 on Q4	2023	2022	Change
Net operating income/(loss)	**8,748**	7,453	16,584	(47%)	**35,770**	78,811	(55%)
Adjusted earnings*[1)]	**8,681**	8,024	17,014 [1)]	(49%)	**36,220**	76,921 [1)]	(53%)
Net income/(loss)	**2,608**	2,501	7,897	(67%)	**11,904**	28,744	(59%)
Adjusted earnings after tax*[1)]	**1,879**	2,731	4,719 [1)]	(60%)	**10,371**	22,680 [1)]	(54%)
Cash flows provided by operating activities	**2,736**	5,236	4,267	(36%)	**24,701**	35,136	(30%)
Cash flow from operations after taxes paid*	**2,787**	7,594	6,800	(59%)	**19,741**	39,752	(50%)
Net cash flow*	**(3,262)**	1,479	1,669	N/A	**(8,340)**	23,388	N/A
Operational information							
Group average liquids price (USD/bbl) [1]	**75.7**	80.3	80.4	(6%)	**75.0**	94.1	(20%)
Total equity liquids and gas production (mboe per day) [4]	**2,197**	2,007	2,046	7%	**2,082**	2,039	2%
Total power generation (GWh) Equinor share	**1,241**	883	1,332	(7%)	**4,235**	2,661	59%
Renewable power generation (GWh) Equinor share	**694**	373	517	34%	**1,937**	1,649	17%

* For items marked with an asterisk throughout this report, see Use and reconciliation of non-GAAP financial measures in the Supplementary disclosures
1) Restated. For more information, see Amended principles for Adjusted earnings in the section 'Use and reconciliation of non-GAAP financial measures' in the Supplementary disclosures.

Health, safety and the environment

	Full year 2023	Full year 2022	
Serious incident frequency (SIF)	**0.4**	0.4	
	Full year 2023	**Full year 2022**	
Upstream CO_2 intensity (kg CO_2/boe)	**6.7**	6.9	
	Full year 2023	**Full year 2022**	
Absolute scope 1+2 GHG emissions (million tonnes CO_2e)	**11.6**	11.4	
Net debt to capital employed adjusted*	**31 December 2023**	**31 December 2022**	**%-point change**
Net debt to capital employed adjusted*	**(21.6%)**	(23.9%)	2.3
Dividend (USD per share)	**Q4 2023**	**Q3 2023**	**Q4 2022**
Ordinary cash dividend per share	**0.35**	0.30	0.30
Extraordinary cash dividend per share	**0.35**	0.60	0.60

In 2023 Equinor settled shares in the market under the share buy-back programmes of USD 1.95 billion and USD 3.64 billion for the Norwegian government's share of the 2022 programme and the first tranche of the 2023 programme.

Strong operational performance

Equinor delivered strong production for the fourth quarter of 2,197 mboe per day, up from 2,046 in the same quarter of 2022, driving production growth for 2023 to 2.1%, above the updated guidance of 1.5%.

Equity liquids and gas production was up 14% and 1% respectively, from the same quarter in 2022. The production increase was mainly driven by strong production at the Johan Sverdrup field and new wells in production. The production increase was also driven by contributions from the international portfolio with the Peregrino field reaching plateau production and strong performance from US offshore assets.

Power production from renewable energy sources reached 694 GWh in the quarter, up 34% from the same quarter last year. This increase was mainly driven by onshore production from Rio Energy in Brazil and Wento in Poland, along with production from Hywind Tampen. In the UK, the world's largest offshore windfarm, Dogger Bank, delivered first power in the fourth quarter and is currently ramping up production. Including the UK gas-to-power, total power production ended at 1,241 GWh for the quarter.

Strong financial results

Equinor delivered strong adjusted earnings* of USD 8.68 billion and USD 1.88 billion after tax in the fourth quarter. Gas prices are significantly down compared to the extraordinary price levels seen in 2022, and more than offset the contribution from increased production.

In the fourth quarter, Equinor recognised net impairments of USD 328 million, mainly related to the announced sale of assets and exit from Azerbaijan.

Cash flow provided by operating activities, before taxes paid and working capital items, amounted to USD 10.89 billion for the fourth quarter. Cash flow from operations after tax* ended at USD 2.79 billion for the fourth quarter, bringing the cash flow from operations after tax* to USD 19.7 billion for the year.

Equinor paid two ordinary NCS tax instalments in the fourth quarter and an extra instalment in October, totalling at USD 7.9 billion. One ordinary instalment of USD 3.7 billion[1)], will be paid in the first quarter of 2024.

Organic capital expenditure* was USD 2.99 billion for the quarter, and USD 10.2 billion for the full year. Total capital expenditure was USD 3.77 billion for the fourth quarter and USD 14.5 billion for 2023.

After taxes, capital distribution to shareholders and investments, net cash flow* ended at negative USD 3.26 billion for the fourth quarter and at negative USD 8.34 billion for the full year. Equinor retains a strong financial position with adjusted net debt to capital employed ratio* at negative 21.6% by the end of the fourth quarter, compared to negative 22.9% at the end of the third quarter of 2023.

Progressing on strategy and enabling future growth
As the largest energy provider to Europe, Equinor continues to develop its broad portfolio to contribute to energy security.

On the NCS Equinor increased its ownership share to 50% in the Linnorm discovery in the Norwegian Sea, which is the largest undeveloped gas discovery on the NCS. The Breidablikk field ramped up successfully towards its plateau production of around 60 mboe per day at 100%. In a response to Europe's need for long-term, reliable energy supply, Germany's state owned energy company SEFE entered into a long-term gas sales agreement with Equinor. Under the contract Equinor will deliver 10 bcm of gas annually at least to 2034 and pursue large scale hydrogen supplies. Equinor made final investment decision on the partner-operated Sparta field in the US Gulf of Mexico, the third large investment decision in the international upstream business of the year. The Sparta field has estimated resources above 250 million boe and is designed for a production capacity of 100 mboe per day. Equinor continued to focus its international oil and gas, with the announced sale of assets in Nigeria and Azerbaijan. These assets have delivered profitable production to Equinor over the last decades.

In the UK, operations recently started at Blandford Road battery asset, the company's first commercial power storage asset. Danske Commodities will provide market access and optimisation, providing further value creation in a power market with a high share of intermittent renewable power.

Equinor has announced its intention to take full ownership of the Empire Wind projects in the US through a swap transaction with bp, where bp takes full ownership to the Beacon Wind projects.

Equinor completed 12 exploration wells offshore with 9 commercial discoveries in the quarter. At the quarter end, 4 wells were ongoing.

In 2023 Equinor added proved reserves mainly through sanctioning of new field developments, resulting in an organic reserve replacement ratio (RRR) of 104%, and an organic three-year average of 107%, excluding purchase and sales.

Equinor progressed several projects to reduce emissions from production, and the average CO2-emission from the operated upstream production, on a 100% basis, was 6.7 kg per boe for 2023. Absolute greenhouse gas emissions scope 1 and 2 was 11.6 tonnes CO2 equivalents for the full year.

The twelve-month average serious incident frequency (SIF) for 2023 was 0.4, stable from the previous year.

Competitive capital distribution
The board of directors proposes to the annual general meeting on 14 May 2024 an ordinary cash dividend of USD 0.35 per share for the fourth quarter 2023, an increase of USD 0.05 per share from the third quarter of 2023, and sets an ambition to grow the quarterly cash dividend by 2 cents per year. Based on the strong earnings in 2023 and the robust financial position of the company, the board of directors further proposes an extraordinary cash dividend of USD 0.35 per share for the fourth quarter of 2023. Equinor share will trade ex-dividend on Oslo Børs and New York Stock Exchange from and including 15 May 2024.

The interim cash dividends for the first, second and third quarter of 2024, to be decided by the board of directors on a quarterly basis in line with the company's dividend policy, subject to existing and renewed authorisation from the annual general meeting, are expected to be at the same level as for the fourth quarter of 2023.

The fourth tranche of the share buy-back programme for 2023 was completed on 19 January 2024 with a total value of USD 1.67 billion. Following this, the total share buy-backs under the share buy-back programme for 2023 amounts to USD 6 billion.

The board of directors has decided to announce a two-year share buy-back programme for 2024-2025 of USD 10-12 billion in total, with up to USD 6 billion for 2024. The share buy-back programme will be subject to market outlook and balance sheet strength. The first tranche of up to USD 1.2 billion of the 2024 share buy-back programme will commence on 8 February and end no later than 5 April 2024. Commencement of new share buy-back tranches after the first tranche in 2024 will be decided by the board of directors on a quarterly basis in line with the company's dividend policy and will be subject to existing and new board authorisations for share buy-back from the company's annual general meeting and agreement with the Norwegian State regarding share buy-back.

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(1) NOK 37 billion, USD estimate based on a USD/NOK exchange rate assumption of 10.

Capital markets update: Profitable growth towards 2035
With a firm strategy and strong portfolio of projects, Equinor is well positioned for profitable growth with a stronger cash flow, a broader energy offering and lower emissions towards 2035[1].

Key ambitions:

- Stronger cash flow:
  Grow cash flow from operations after tax* to around USD 23 billion by 2030 and to more than USD 26 billion by 2035. Deliver high returns while transitioning with a ROACE* above 15% towards 2030 and target to sustain a level of around 15% through 2035.
- Broader energy:
  Produce more than 80 TWh from renewables and decarbonised energy and deliver transport and storage of 30-50 million tonnes CO_2 annually by 2035. Maintain oil and gas production of around 2 million barrels per day through 2030 and produce around 1.2 million barrels per day from the Norwegian Continental Shelf in 2035.
- Lower emissions:
  50% net reduction of operated emissions by 2030, and 40% reduction in net carbon intensity by 2035, in line with our Energy transition plan[2].

Equinor is contributing to energy security, while driving decarbonisation and energy transition.

Stronger cash flow
Equinor expects to sustain an annual average cash flow from operations after tax* from oil, gas and trading of around USD 20 billion through 2035. Renewables and low carbon solutions are expected to deliver a material contribution with around USD 3 billion in 2030 and above USD 6 billion in 2035.

Equinor will continue to optimise the oil and gas portfolio and invest in a profitable project portfolio coming on stream the next ten years, with an average breakeven price of around USD 35 per boe, 30% internal rate of return, 2.5 years payback time and an upstream operated scope 1 CO_2 intensity below 6 kg per boe. Equinor expects to deliver above 5% production growth for oil and gas from 2023 – 2026 and maintain production of around 2 million barrels per day in 2030.

Broader energy offering
Equinor is set to broaden the energy offering and aims to deliver above 80 TWh from renewables and decarbonised energy by 2035. Based on extensive experience from CCS and project pipeline progress, Equinor also increases the ambition for annual CO_2 storage to 30-50 million tonnes in 2035.

For the renewables portfolio, Equinor expects real base project returns of 4-8%. CCS projects are also expected to deliver real base project returns of 4-8%, with potential for higher returns as markets mature.

Lower emissions
Equinor continue to progress according to the Energy transition plan. Gross investments in renewables and low carbon solutions increased to 20% in 2023 and Equinor is on the path to reach the ambition of above 50% by 2030. Equinor's operated emissions are 30% lower in 2023 compared to 2015. The company is on track to deliver on the 2030 ambition of net 50 percent reduction in operated scope 1 & 2 CO_2 emissions. Reduced emissions, growth in renewables, decarbonised energy and CCS, underpins the ambition to reduce net carbon intensity by 20% by 2030 and 40% by 2035.

Updated outlook for 2024:

- Organic capex* of around USD 13 billion[3].
- Stable oil and gas production from 2023.
- Doubling of annual power production from renewable sources compared to 2023.

This press release contains Forward Looking Statements. Please see the Forward Looking Statement disclaimer published on Equinor.com/investors/cmu-2024-forward-looking-statements

[1] All forward looking financial numbers are based on Brent blend 75 USD/bbl, Henry Hub 3.5 USD/mmbtu and European gas price 2024/25: 13 USD/mmbtu, and 2026 onwards: 9 USD/mmbtu
[2] See Equinor Energy transition plan at https://www.equinor.com/magazine/our-plan-the-energy-transition
[3] USD/NOK exchange rate assumption of 10.

GROUP REVIEW

Financial information (unaudited, in USD million)	Q4 2023	Quarters Q3 2023	Q4 2022	Change Q4 on Q4	Full year 2023	2022	Change
Total revenues and other income	**29,054**	26,024	34,321	(15%)	**107,174**	150,806	(29%)
Adjusted total revenues and other income*1)	**28,483**	25,735	35,501 1)	(20%)	**105,871**	151,891 1)	(30%)
Total operating expenses	**(20,306)**	(18,571)	(17,737)	14%	**(71,404)**	(71,995)	(1%)
Adjusted purchases* [5]	**(13,672)**	(12,392)	(12,781)	7%	**(48,003)**	(54,415)	(12%)
Adjusted operating and administrative expenses*	**(3,235)**	(2,703)	(3,032)	7%	**(11,540)**	(10,530)	10%
Adjusted depreciation, amortisation and net impairments*	**(2,518)**	(2,426)	(2,279)	11%	**(9,374)**	(8,879)	6%
Adjusted exploration expenses*	**(377)**	(190)	(396)	(5%)	**(734)**	(1,146)	(36%)
Net operating income/(loss)	**8,748**	7,453	16,584	(47%)	**35,770**	78,811	(55%)
Adjusted earnings*1)	**8,681**	8,024	17,014 1)	(49%)	**36,220**	76,921 1)	(53%)
Capital expenditures and Investments	**3,031**	2,652	2,376	28%	**10,575**	8,758	21%
Cash flows provided by operating activities	**2,736**	5,236	4,267	(36%)	**24,701**	35,136	(30%)
Cash flows from operations after taxes paid*	**2,787**	7,594	6,800	(59%)	**19,741**	39,752	(50%)

Operational information	Q4 2023	Quarters Q3 2023	Q4 2022	Change Q4 on Q4	Full year 2023	2022	Change
Total equity liquid and gas production (mboe/day)	**2,197**	2,007	2,046	7%	**2,082**	2,039	2%
Total entitlement liquid and gas production (mboe/day)	**2,065**	1,879	1,919	8%	**1,954**	1,901	3%
Total Power generation (GWh) Equinor share	**1,241**	883	1,332	(7%)	**4,235**	2,661	59%
Renewable power generation (GWh) Equinor share	**694**	373	517	34%	**1,937**	1,649	17%
Average Brent oil price (USD/bbl)	**84.1**	86.8	88.7	(5%)	**82.6**	101.2	(18%)
Group average liquids price (USD/bbl)	**75.7**	80.3	80.4	(6%)	**75.0**	94.1	(20%)
E&P Norway average internal gas price (USD/mmbtu)	**11.45**	8.83	27.22	(58%)	**12.20**	31.22	(61%)
E&P USA average internal gas price (USD/mmbtu)	**1.76**	1.08	4.73	(63%)	**1.77**	5.55	(68%)

1) Restated. For more information, see Amended principles for Adjusted earnings in the section 'Use and reconciliation of non-GAAP financial measures' in the Supplementary disclosures.

Operations and financial results

Equinor delivers strong production increases in the fourth quarter, securing a robust financial performance despite the impact of lower commodity prices relative to 2022.

Sustained high production levels and efficiency from Johan Sverdrup on the NCS, including phase 2 which came onstream in December 2022, contributed substantially to the increased production within E&P Norway for the fourth quarter and full year of 2023. The growth in production was also supported by the international portfolio with Peregrino in Brazil reaching plateau during the quarter and Caesar Tonga in the US making notable contributions following added capacity from the first quarter of 2023.

New volumes from Buzzard in the UK following the Suncor UK acquisition, early start-up of Breidablikk on the NCS in the fourth quarter and the ramp-up of partner operated Vito in the US in the first half of the year all positively contributed to production growth. These increases were partially offset by the effects of the divestments from Corrib in early 2023 and in Martin Linge and Ekofisk in the third quarter of 2022.

Operational challenges, turnarounds and extended maintenance activities, particularly affecting NCS gas assets earlier in 2023, impacted an otherwise solid full year operational performance for Equinor. The decline in full year production from the NCS, was more than offset by strong production from the international assets securing a full year increase compared to the high levels reported for 2022.

Power generation from Rio Energy and the continued maturation of both onshore and offshore projects within the Renewable portfolio contributed well to Equinor's power generation in the fourth quarter of 2023. The increase from the Brazilian acquisition was offset by decreased gas-to-power in the fourth quarter, attributed to decreased clean spark spread. Full year 2023 power generation increase is primarily driven by the acquisition of Triton Power in the second half of 2022 and Rio Energy in 2023.

Solid production growth combined with high realised prices drove strong revenue and results for the fourth quarter and full year 2023. Realised commodity prices, particularly gas, were markedly reduced from the elevated levels in 2022, and as such more than offset the production increase, resulting in a decline in revenue relative to the prior year. The Marketing, Midstream and Processing segment supported the total group results through a sound delivery within Gas and Power trading and optimisation. However, reduced refinery margins and absence of favourable arbitrage opportunities captured in prior quarters resulted in a lower contribution to group results.

Throughout the year Equinor has increased production capacity leading to an increase in operating and maintenance costs in the quarter and for the full year of 2023. The reduction in energy prices from the highs experienced in 2022 has reduced transportation tariffs partially offsetting the increase.

The prevailing inflationary pressures and a number of one-off costs have also impacted the upward movement in operating expenses in the fourth quarter of 2023. The USD remains strong against the NOK thereby limiting the visibility of these increases in the reported costs.

Adjusted depreciation, amortisation and net impairments* increased in the quarter and for the full year compared to 2022 primarily due to investments in producing fields, and strong production from Peregrino in Brazil, partially offset by a reduced rate of depreciation in E&P Norway resulting from prior quarter impairments.

Successful near-field exploration activity on the NCS has balanced limited commercial discoveries internationally during 2023. During the fourth quarter of 2023 exploration expenses included costs related to unsuccessful exploration wells in the Gulf of Mexico. The prior year fourth quarter included the expense of previously capitalised well costs for the E&P International segment.

In the fourth quarter of 2023 net operating income was negatively impacted by impairments of USD 328 million, primarily relating to the planned exit from Azerbaijan. In comparison, net impairment reversals totalling USD 1,094 million impacted the results in the fourth quarter of 2022. In the full year of 2023 net impairments of USD 1,320 million were recognised in contrast to net impairment reversals of USD 2,429 million in the full year 2022, contributing to the relative decrease in net operating income for 2023.

Taxes

The reported effective tax rate was 72.1% for the fourth quarter of 2023 (45.4% for the fourth quarter of 2022) and 68.6% for the full year 2023 (63.4% for the full year 2022). The change in reported tax rates for the fourth quarter and full year has been influenced by recognition of previously unrecognised deferred tax assets in the US in the fourth quarter of 2022.

The effective tax rate on adjusted earnings of 78.4% for the fourth quarter of 2023 and 71.4% for the full year increased compared to 72.3% and 70.5% in 2022 due to higher prior period adjustments in 2023 compared with 2022 and by the recognition of the US deferred tax assets in the fourth quarter of 2022.

Cash flow, net debt and capital distribution

Strong financial results from the business during the fourth quarter of 2023, driven by a strong operational performance, generated cash flow provided by operating activities before taxes paid and working capital items of USD 10,890 million. The downward movement in commodity prices drove this decrease of USD 10,098 million from the prior year.

Taxes paid of USD 8,103 million in the fourth quarter have reduced from the prior year outflow of USD 14,188 million. The payment primarily consists of two Norwegian corporation tax instalments in addition to an extra payment of USD 930 million (NOK 10,000 million) resulting from updated results when compared to previous estimates. The reduction in payment compared to the same period in the prior year reflects the relatively lower pricing environment of 2023. NCS tax instalments totalling NOK 111 billion are expected to be paid in the first half of 2024.

A working capital increase of USD 51 million negatively impacted the cash flow in the fourth quarter 2023, compared to an increase of USD 2,532 million in the fourth quarter of 2022.

Net cash flow* decreased by USD 4,741 million from the prior quarter to an outflow of USD 3,262 million primarily reflecting the increased NCS tax instalments. Full year cash flow from operations after taxes paid* concluded at USD 19,741 million inflow, with net cash outflow* of USD 8,340 million demonstrating a significant increase in shareholder distribution.

A decrease in liquid assets in the quarter with stable equity caused a slight increase in the net debt to capital employed adjusted ratio* at the end of 2023 from negative 22.9% at the end of September 2023 to negative 21.6%.

The board of directors proposes to the annual general meeting on 14 May 2024 an ordinary cash dividend of USD 0.35 per share for the fourth quarter 2023, an increase of USD 0.05 per share from the third quarter of 2023, and sets an ambition to grow the quarterly cash dividend by 2 cents per year. Based on the strong earnings in 2023 and the robust financial position of the company, the board of directors further proposes an extraordinary cash dividend of USD 0.35 per share for the fourth quarter of 2023. Equinor share will trade ex-dividend on Oslo Børs and New York Stock Exchange from and including 15 May 2024.

The interim cash dividends for the first, second and third quarter of 2024, to be decided by the board of directors on a quarterly basis in line with the company's dividend policy, subject to existing and renewed authorisation from the annual general meeting, are expected to be at the same level as for the fourth quarter of 2023.

The fourth tranche of the share buy-back programme for 2023 was completed on 19 January 2024 with a total value of USD 1.67 billion. Following this, the total share buy-backs under the share buy-back programme for 2023 amounts to USD 6 billion.

The board of directors has decided to announce a two-year share buy-back programme for 2024-2025 of USD 10-12 billion in total, with USD 6 billion for 2024. The share buy-back programme will be subject to market outlook and balance sheet strength. The first tranche of up to USD 1.2 billion of the 2024 share buy-back programme will commence on 8 February and end no later than 5 April 2024. Commencement of new share buy-back tranches after the first tranche in 2024 will be decided by the board of directors on a quarterly basis in line with the company's dividend policy and will be subject to existing and new board authorisations for share buy-back from the company's annual general meeting and agreement with the Norwegian State regarding share buy-back.

Based on adjusted earnings after tax and average capital employed, calculated **return on average capital employed (ROACE)*** was 24.9 % for the 12-month period ended 31 December 2023 and 55.1 % for the 12-month period ended 31 December 2022.

Organic capital expenditures* amounted to USD 10.2 billion for the full year 2023. Total capital expenditures were USD 14.5 billion for the full year 2023.

Estimated **Proved reserves** at the end of 2023 were 5,214 million barrels of oil equivalent (boe), a net increase of 23 million boe compared to 5,191 million boe at the end of 2022.

The net increase was mainly due to more volumes being added through extensions and discoveries, with a net increase of 507 million boe in 2023 compared to 278 million boe in 2022. The net increase was mainly due to sanctioning of the Raia field in Brazil, the Rosebank field in UK and the Sparta field in the USA. Revisions and improved recovery projects added to the increase, with a net increase of 232 million boe in 2023 compared to a net increase of 344 million boe in 2022. The net effect of the purchase and sale of reserves slightly reduced the proved reserves by 4 million boe in 2023.

The entitlement production in 2023 was 711 million boe compared to 695 million boe in 2022.

This results in a reserve replacement ratio (RRR) of 103% and an organic RRR excluding purchase and sale of 104% in 2023 compared to 76% and 89% in 2022. The corresponding three-year average replacement ratio was 98%, and the organic three-year average was 107% at the end of 2023 compared to 62% and 70% at the end of 2022.

The RRR measures the estimated proved reserves added to the reserve base, including the effects of sales and purchases, relative to the amount of oil and gas produced.

All reserves numbers are preliminary and include equity accounted entities.

Health, safety and the environment

The twelve-month average serious incident frequency (SIF) for the period ending 31 December 2023 remained stable with the prior year at 0.4.

Absolute scope 1+2 GHG emissions for Equinor's operated production, on a 100% basis, were 11.6 million tonnes CO_2e for the full year 2023. This is an increase from the prior year of 0.2 million tonnes CO_2e. Resumption of activity at the Hammerfest LNG facility in Norway and the return to normal operations of production at the Peregrino field in Brazil contributed to the increase.

OUTLOOK

- **Organic capital expenditures*** are estimated at around USD 13 billion for 2024[4].
- **Oil & gas production** for 2024 is estimated to be stable compared to the 2023 level [6].
- **Renewable power generation** for 2024 is estimated to double compared to the 2023 level.
- Equinor's ambition is to keep the **unit of production cost** in the top quartile of its peer group.
- **Scheduled maintenance activity** is estimated to reduce equity production by around 60 mboe per day for the full year of 2024.

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. Deferral of production to create future value, gas off-take, timing of new capacity coming on stream and operational regularity and levels of industry product supply, demand and pricing represent the most significant risks related to the foregoing production guidance. Our future financial performance, including cash flow and liquidity, will be affected by the extent and duration of the current market conditions, the development in realised prices, including price differentials and other factors discussed elsewhere in the report. For further information, see section Forward-looking statements in the report.

References

To see end notes referenced in main table and text please download our complete report from our website - https://www.equinor.com/quarterlyreports

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[4] USD/NOK exchange rate assumption of 10.