

# Delivering growth and value

Capital Markets Update

13 March 2024



vår energi



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# Capital Markets Update

- 14:00 Creating value
- 14:30 Delivering growth
- 14:55 Sustaining production
- 15:15 Break
- 15:30 Accelerating decarbonisation
- 15:40 Ensuring resilient returns
- 15:55 Concluding remarks
- 16:00 Q&A

## Leadership team presenting today



Nick Walker  
CEO



Stefano Pujatti  
CFO



Torger Rød  
COO



Ellen W. Hoddell  
EVP Safety &  
Sustainability



Rune Oldervoll  
SVP Production

## Moderators



Ida Marie Fjellheim  
Head of Investor  
Relations



Stian Seipæjævi  
Investor Relations  
Analyst

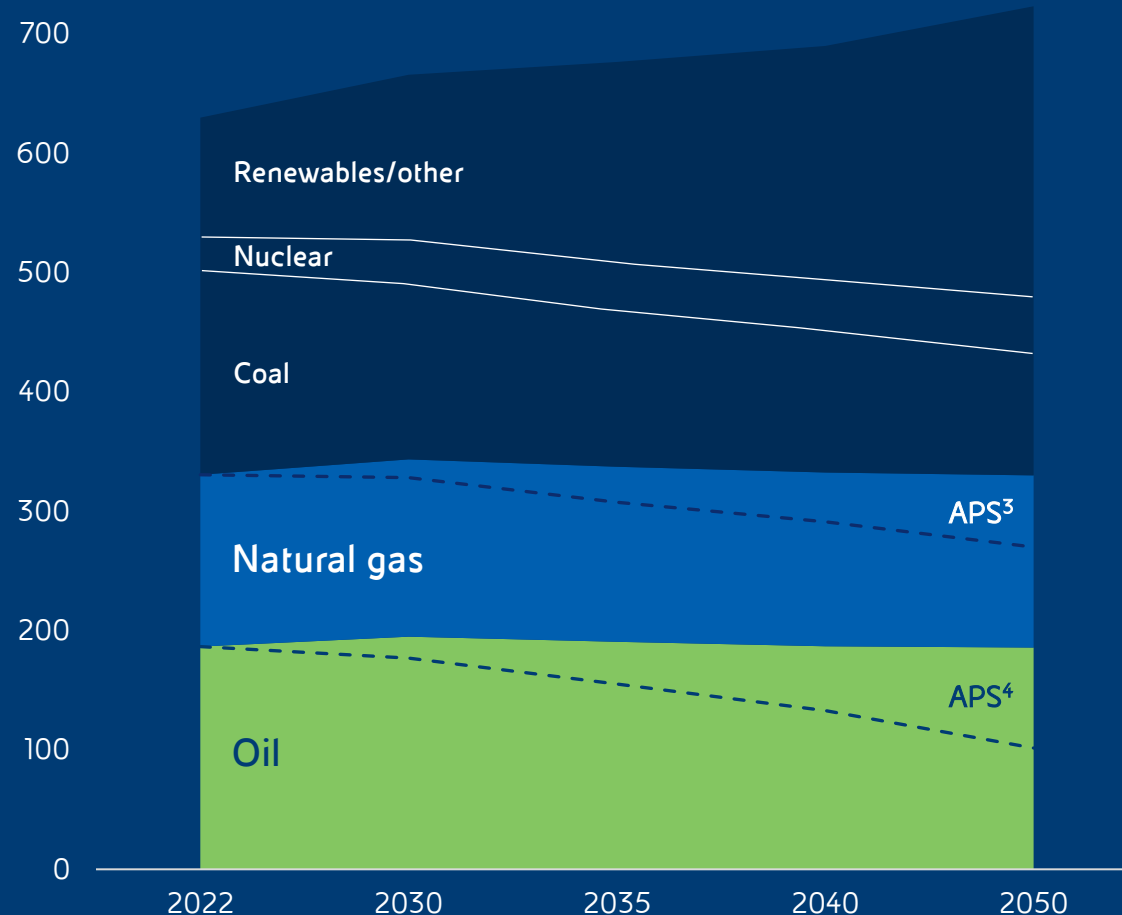


# Oil and gas essential for world energy supply

Oil demand  
above 95 Mb/d<sup>1</sup>  
towards 2050

Gas critical  
transition fuel

## Stated Policies Scenario (EJ)<sup>2</sup>



1. Million barrels per day

2. IEA World Energy Outlook 2023, EJ = Exajoule, 10<sup>18</sup> Joule

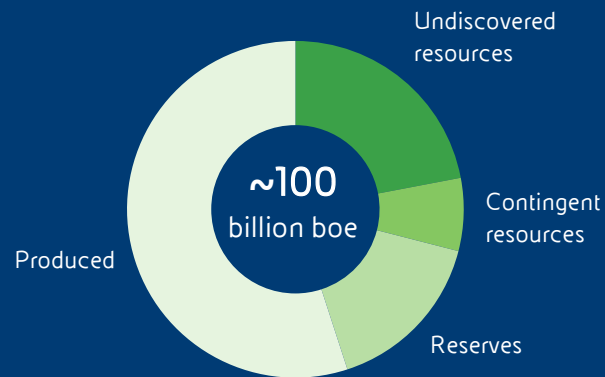
3. IEA Announced Pledges Scenario, gas supply

4. IEA Announced Pledges Scenario, natural oil supply



# Highly competitive NCS<sup>1</sup>

## Significant resources<sup>2</sup>

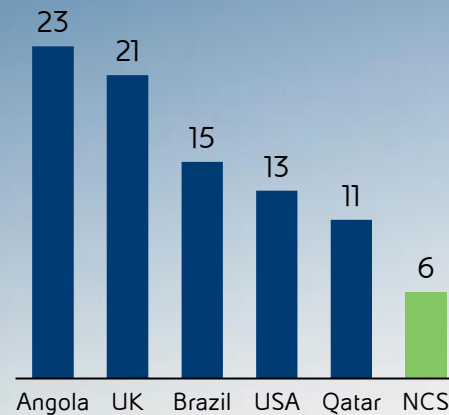


## Stable and reliable provider of energy to Europe

1. Norwegian Continental Shelf  
2. Source: Norwegian Offshore Directorate, Reserves report 2023  
3. Source: Rystad Energy estimates

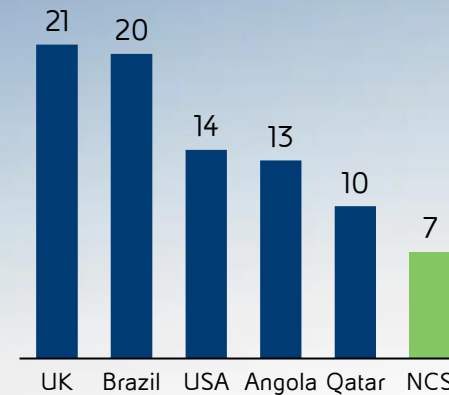
## Low cost

Opex 2023 (USD/boe)<sup>3</sup>



## Low emissions

Carbon intensity 2023  
(kg CO<sub>2</sub>/boe produced)<sup>3</sup>



## Reliable framework and fiscal regime

Score "Transparency International's"  
Corruption Perception Index, 2023

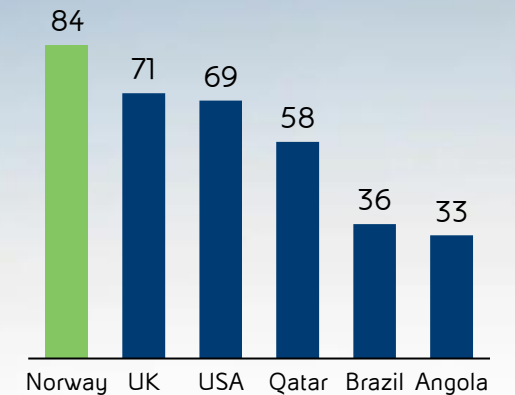


Image: Hammerfest LNG facility, Norway



# Clear strategy for growth and value creation

Reliable and secure supplier of energy to Europe

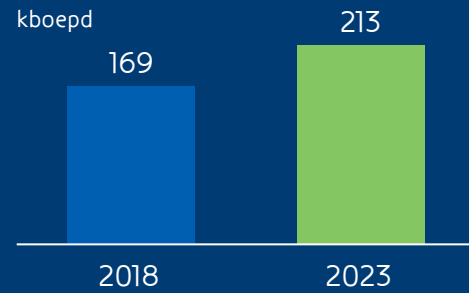
Pure play oil and gas company on the NCS

Safe and responsible

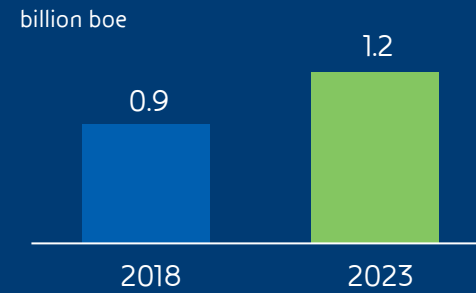


# Track record of value creation

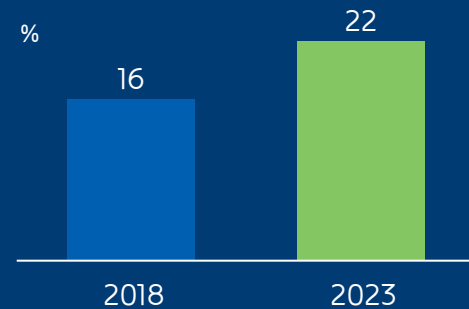
## Production



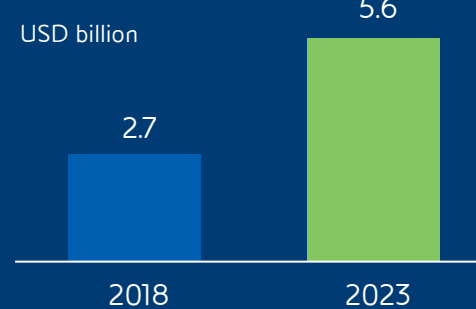
## 2P reserves<sup>1</sup>



## ROACE<sup>2</sup>



## EBITDAX<sup>3</sup>



**USD ~2.2 billion**

returned to shareholders  
since IPO

Built on strong heritage



ExxonMobil



1. Proved plus probable (2P) reserves, including Neptune portfolio end-2023, from Annual statement of reserves

2. Return On Average Capital Employed

3. Earnings Before Interest, Taxes, Depreciation, Amortisation and Exploration Expense





# Entrepreneurs and value creators

Clear strategy  
and common  
values

High  
performing  
team

Deep and  
unique NCS  
expertise

Leading  
exploration  
track record

Leveraging  
strong  
partnerships



# A stronger pure-play E&P

## Neptune a perfect fit

- ✓ Adds scale, diversification and longevity
- ✓ Cash-generative portfolio from day one
- ✓ Strengthening future dividend capacity
- ✓ Additional synergies identified post announcement

## Increased identified synergy potential

USD **~500** million<sup>1</sup>

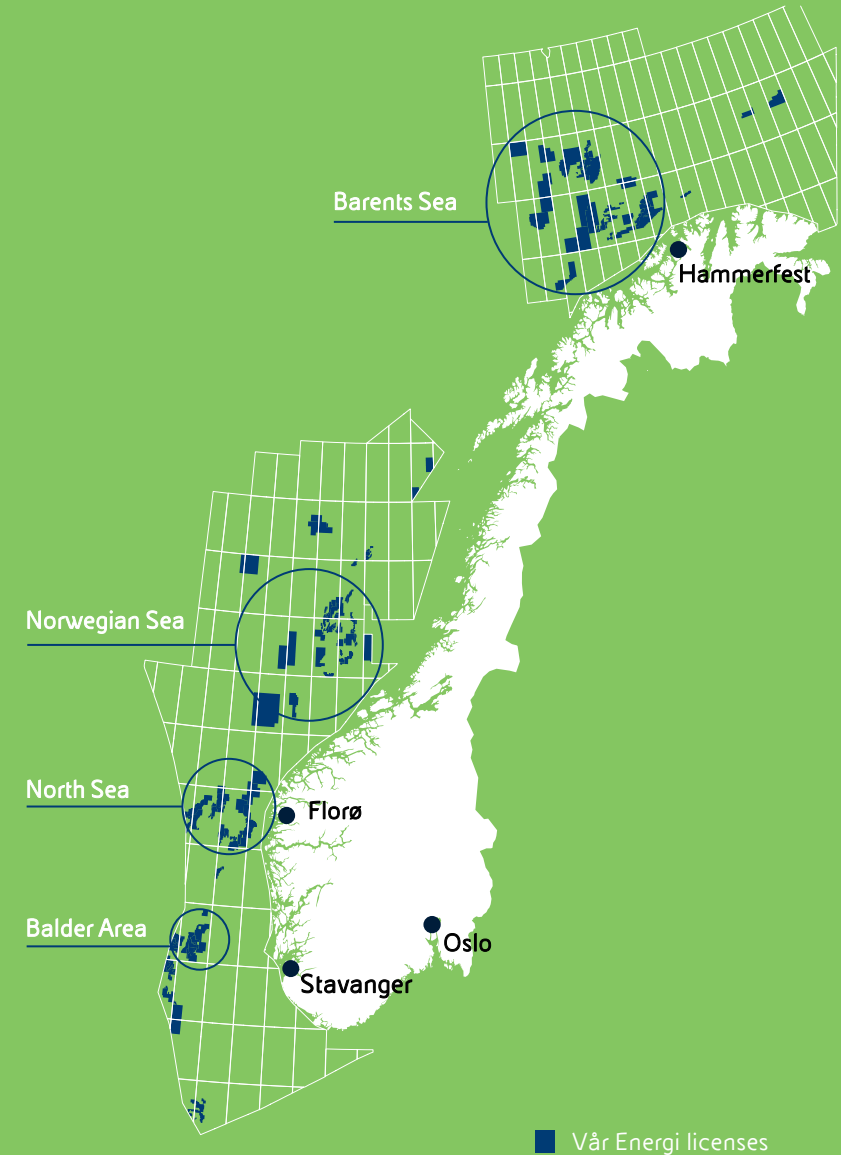
(up from USD >300 million)

~200  
licenses  
68 operated

47 fields  
7 operated

4 hub  
areas

3<sup>rd</sup> largest  
NCS producer



# Strengthened gas position

**2<sup>nd</sup> largest**

exporter of gas from Norway<sup>1</sup>

**35%**

gas share of production<sup>2</sup>

**Flexible gas sales  
strategy to capture  
upsides**

**USD ~1 billion**

additional gas revenues  
above spot price in 2023<sup>3</sup>

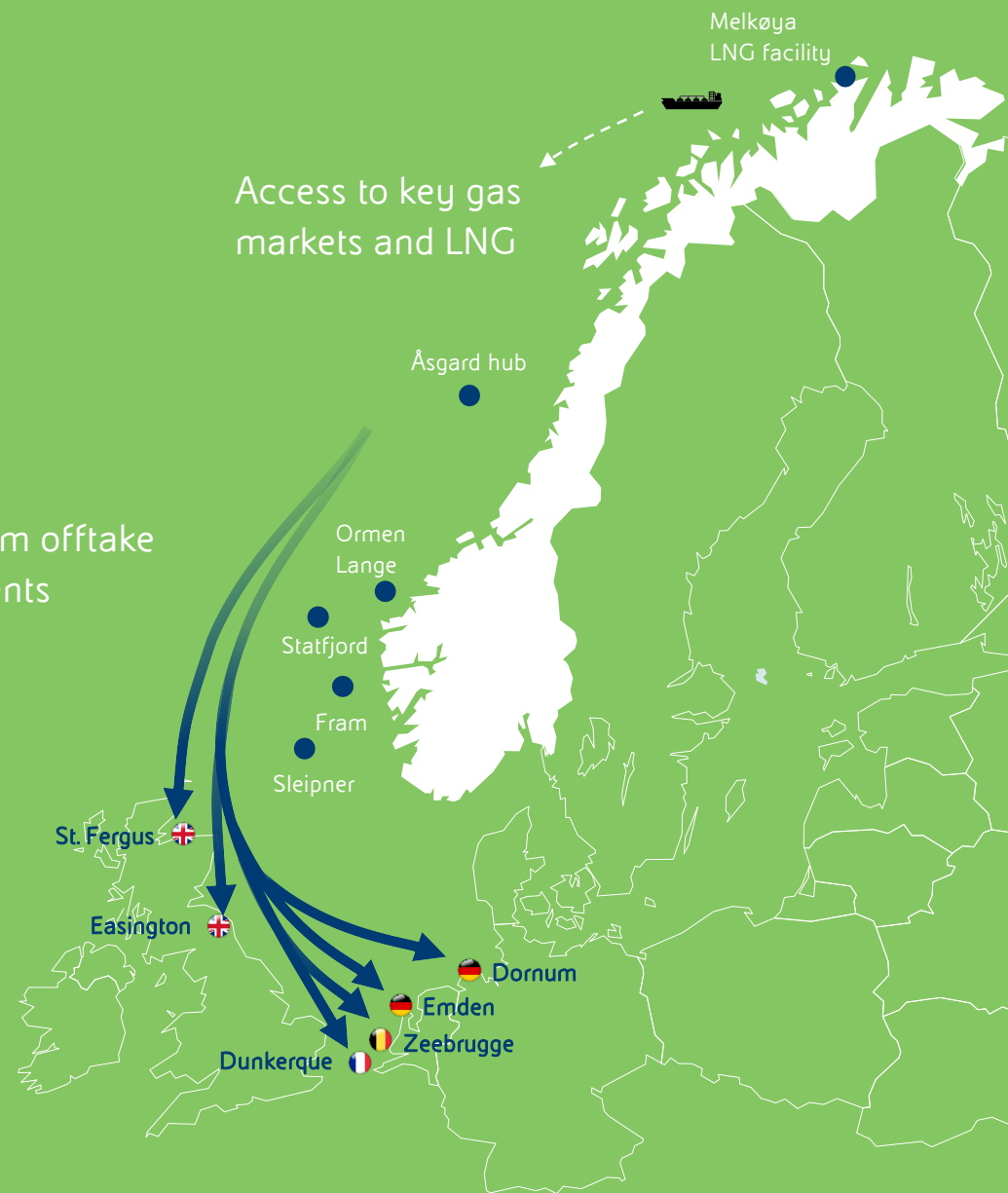
- 1. 2023 production of gas and natural gas liquids (NGL), including Neptune portfolio
- 2. 2023 production, including Neptune portfolio
- 3. Compared to average spot price for THE, TTF, NBP and PEG in 2023

Image: Norsesea Gas Terminal in Emden, Germany



Long-term offtake  
agreements

● Main gas  
producing assets





# Creating value and growth



Reserves<sup>1</sup>  
**1.24** billion boe

**10** projects coming  
on stream and high  
quality assets

Contingent resources<sup>2</sup>  
**0.75** billion boe

**>20** early phase  
projects

Prospective resources<sup>3</sup>  
**>1** billion boe

**~60** exploration  
wells next four years

1. 2023 Annual statement of reserves - Proved plus probable (2P) reserves

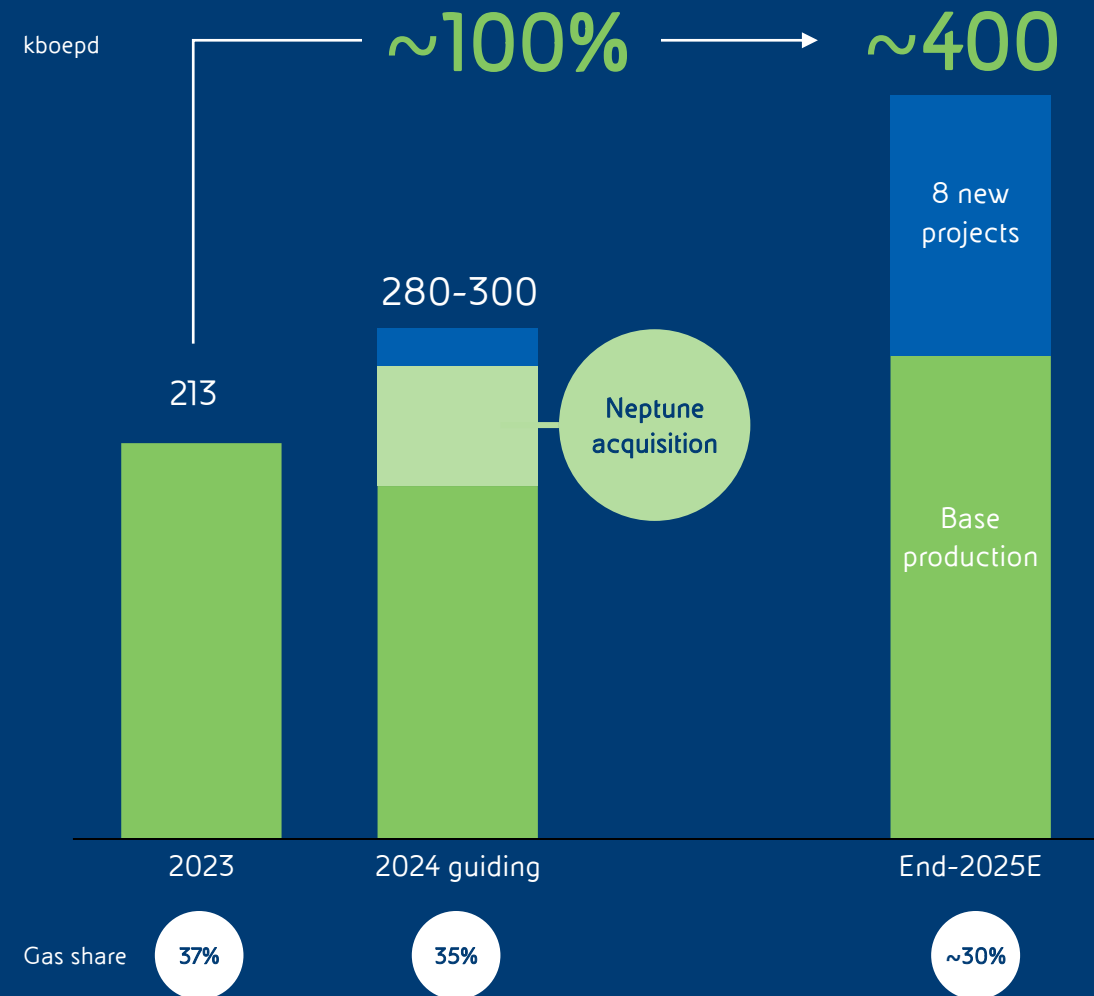
2. 2C contingent resources

3. Net risked exploration resources

# Doubling production with high value barrels



11 Image: Jotun FPSO at Worley Rosenberg yard in Stavanger, Norway

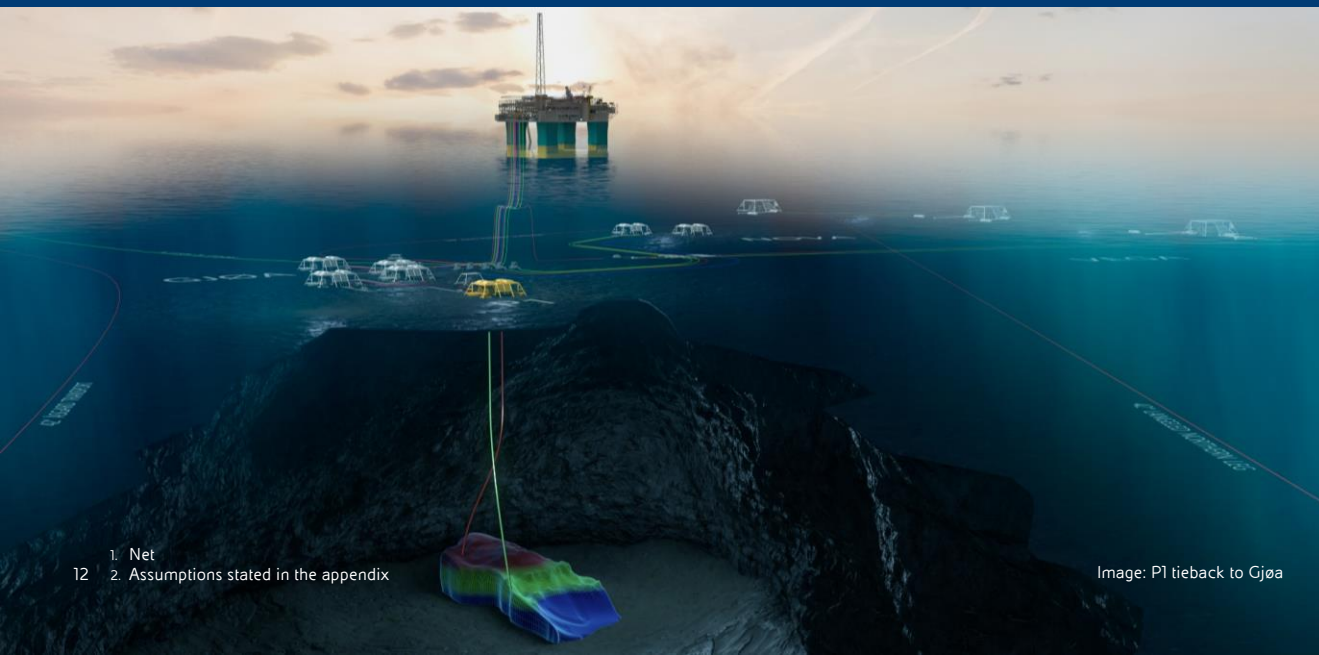


# Stepping up activity

>20 early phase projects with ~400 mmmboe<sup>1</sup> close to existing infrastructure, with short time to market

Capital discipline for new projects:

Breakeven of USD ~35/boe and IRR of >25%<sup>2</sup>



~60

exploration wells  
next 4 years<sup>3</sup>

~15%

high-impact  
wells



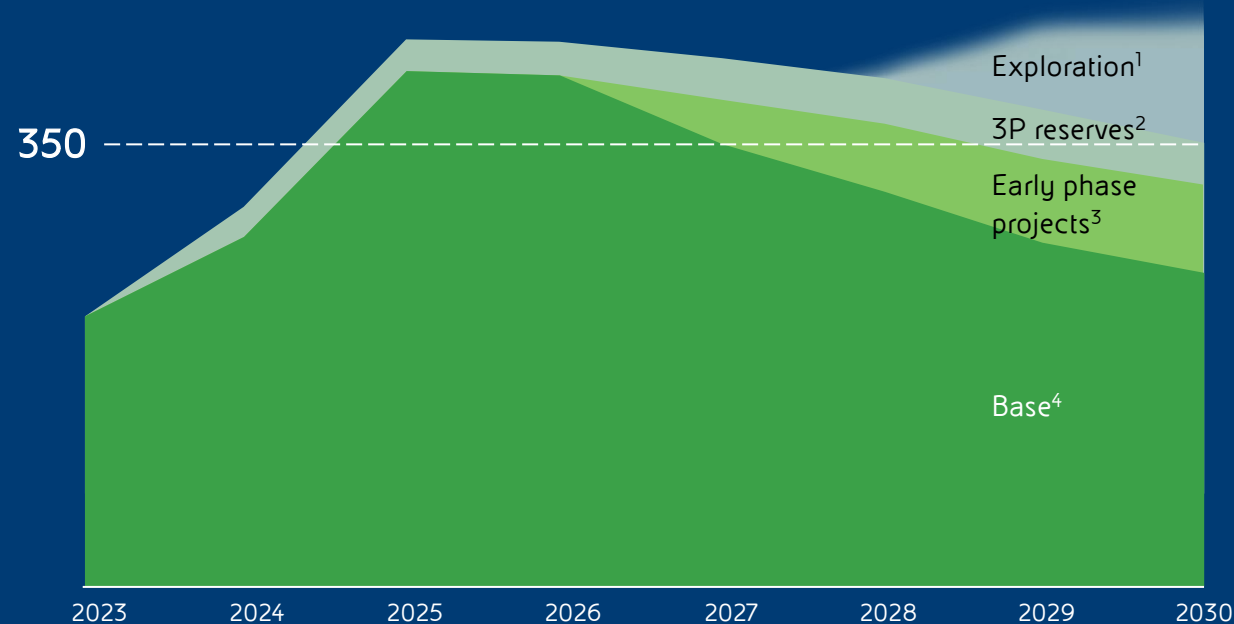
● Indicated drilling  
programme 2024-2027



# Sustaining 350-400 kboepd towards 2030

## Production outlook

kboepd



- 1. Net risk exploration resources
- 2. Possible upside on 2P reserves
- 3. 2C contingent resources
- 4. 2P reserves
- 5. Net

13

## Maximise recovery and infill drilling

>30 kboepd annually towards 2030

## Efficient project maturation and sanctioning

Over 20 early phase projects targeting >400 mmboe<sup>5</sup>

## Near-field and high-impact exploration

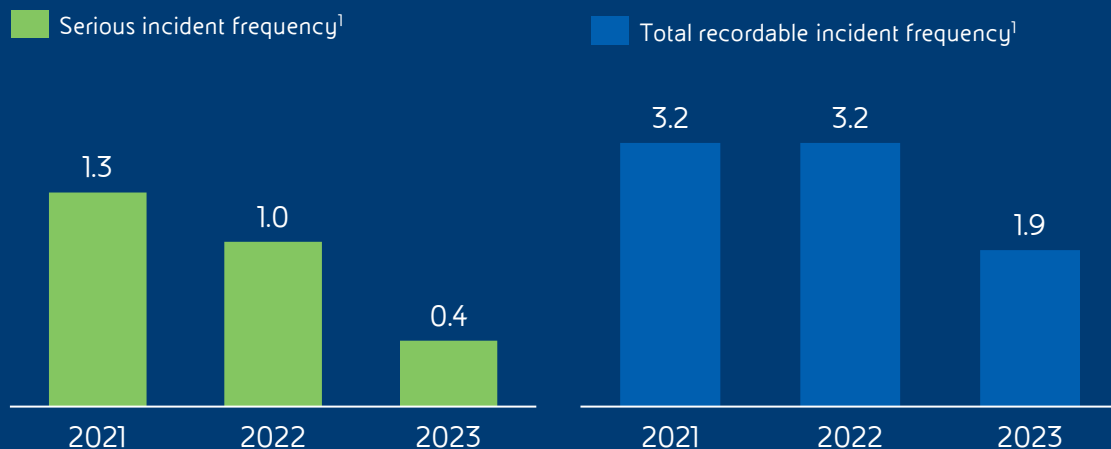
Accelerated exploration targeting >60 wells next four years

## Value accretive M&A

Building on proven track record

# Safe and responsible

## Safety metrics



## 2023 performance

**Zero**

Serious injuries

**Zero**

Process safety incidents

**Zero**

Material environmental incidents

**SUSTAINALYTICS**

**Top 5%**  
in the industry<sup>2</sup>

**Position Green<sup>®</sup>**

**A+**  
Top 100 Oslo Børs<sup>3</sup>



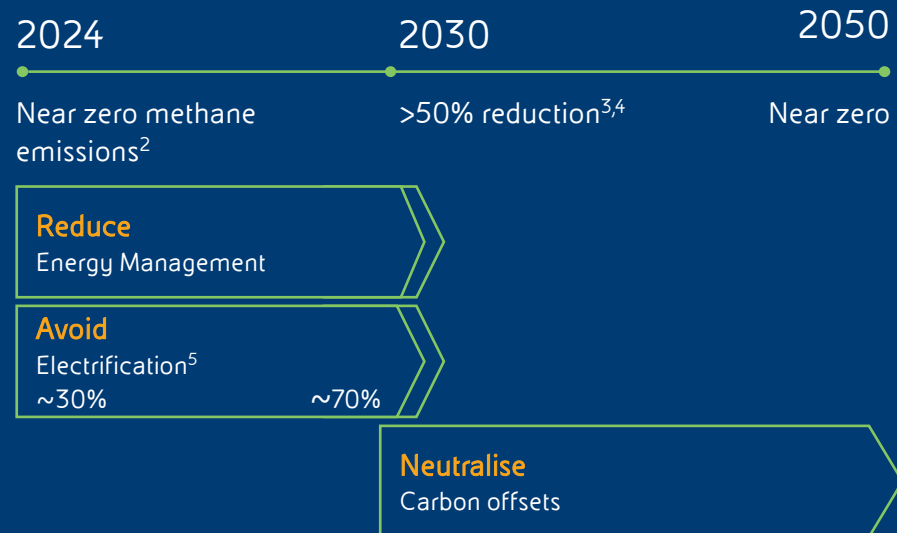
**B**  
rating<sup>4</sup>

# Accelerated decarbonisation

Top quartile of industry<sup>1</sup>

Simplified - Aligned targets - Clear pathway

## Scope 1



## Scope 2

Purchased electricity from 2024<sup>2</sup>

- Renewable sources
- Covered by guarantees of origin

## Scope 3

Own use - offset from 2024<sup>2</sup>

Assessing CCS<sup>6</sup>

25% of R&D spend on low carbon solutions

1. 2023 net carbon intensity  
2. Operational control net  
3. Equity share  
4. Compared to 2005 baseline  
5. Share of production electrified  
6. Carbon capture and storage



# Long-term foundation for sustainable returns

**350-400**

kboepd end-2025 to 2030

Sustained  
high production

High margin  
barrels

**~45** USD/boe

FCF neutral, 2024-2028

**20-30%**

of CFFO after tax

Attractive and  
predictable dividends

Strong FCF  
generation

**4.5-8**

USD billion, 2024-2028<sup>2</sup>

Value creation and  
shareholder return

Investment Grade balance sheet  
0.5x leverage ratio end-2023<sup>1</sup>

16 1. Net interest-bearing debt (NIBD) per end-2023 over rolling 12 months EBITDAX  
2. Scenario Brent 70 USD/boe and 90 USD/boe. Excluding net risked exploration resources and net Neptune consideration of USD 1.2 billion

# Our investment proposition

## Growth

Production target end-2025  
**~400** kboepd

Sustaining towards 2030  
**350-400** kboepd

## Value

High value projects  
USD **~35**/boe breakeven

Emission reduction by 2030<sup>1</sup>  
**>50%**

## Returns

Free cash flow potential 2024-28<sup>2</sup>  
USD **4.5-8** billion

Dividend guidance  
**20-30%** of CFFO (after tax)

1. Scope 1, equity share compared to 2005 baseline

17 2. Scenario brent 70 USD/boe and 90 USD/boe. Excluding net risked exploration resources and net Neptune consideration of USD 1.2 billion



Delivering  
growth





## Delivering growth

10 projects  
in execution

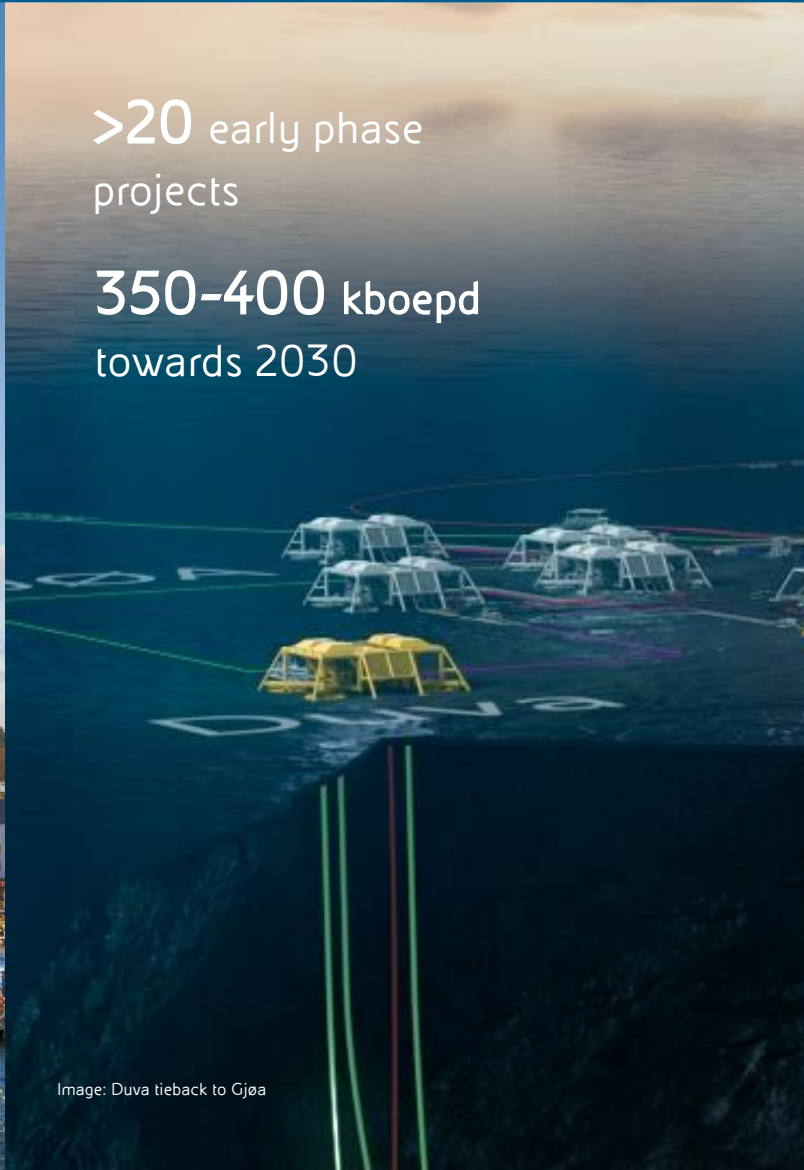
~400 kboepd  
by end-2025



## Sustaining production

>20 early phase  
projects

350-400 kboepd  
towards 2030



## Unlocking future value

~60 wells next four  
years

Accelerated  
exploration



# Growth underway

## 2024 key priorities

Deliver key projects

Integrate Neptune

>90% production efficiency

Well deliveries

Production guidance 2024

**280-300<sup>1</sup>** kboepd

Gas share

**35%**

kboepd

~300

yTD February<sup>2</sup>

Q1

Q2

Q3

Q4

Upper range

Lower range

1. Before impact of planned disposal package  
2. Including Neptune from 1 January 2024



## Delivering growth

# Projects in execution

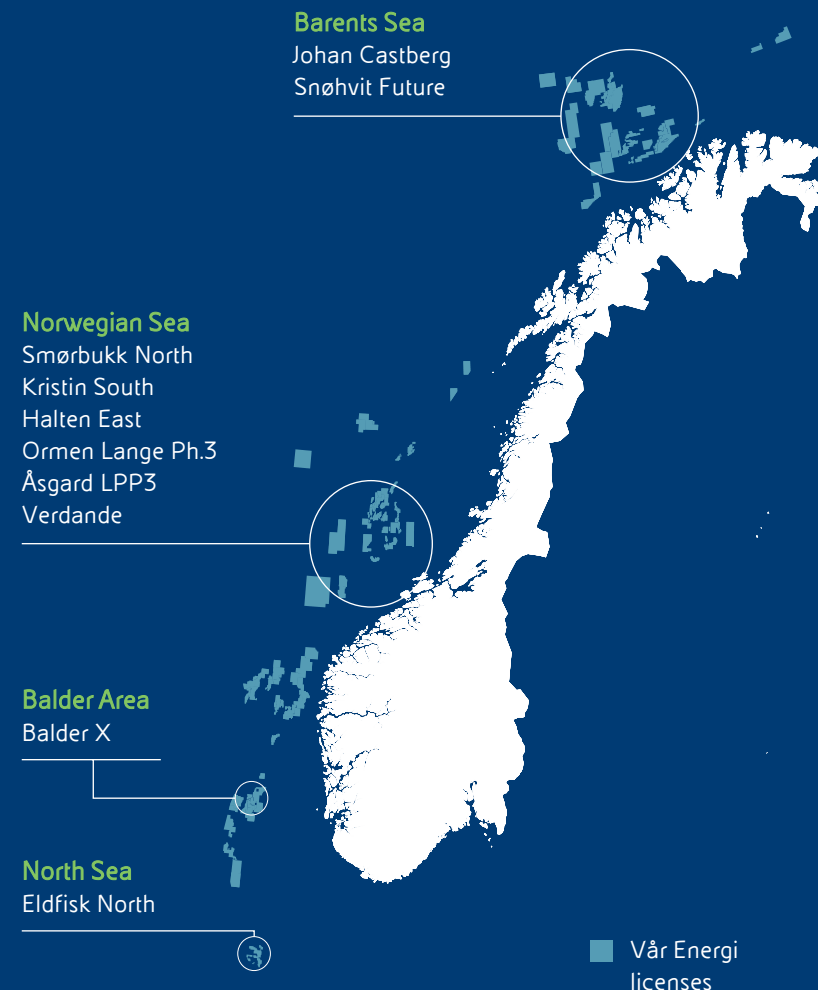
10 projects developing >400 mmboe<sup>1</sup>

USD ~35 per boe  
Breakeven

~2 years  
Pay-back<sup>2</sup>

>25%  
IRR across portfolio<sup>2</sup>

>50% complete  
7 of 10 projects



1. Net  
2. Assumptions stated in the appendix



# Balder X nearing first oil

Production for decades  
in the Balder area

~80 kboepd

at peak production<sup>1</sup>, gross

~150 mmboe

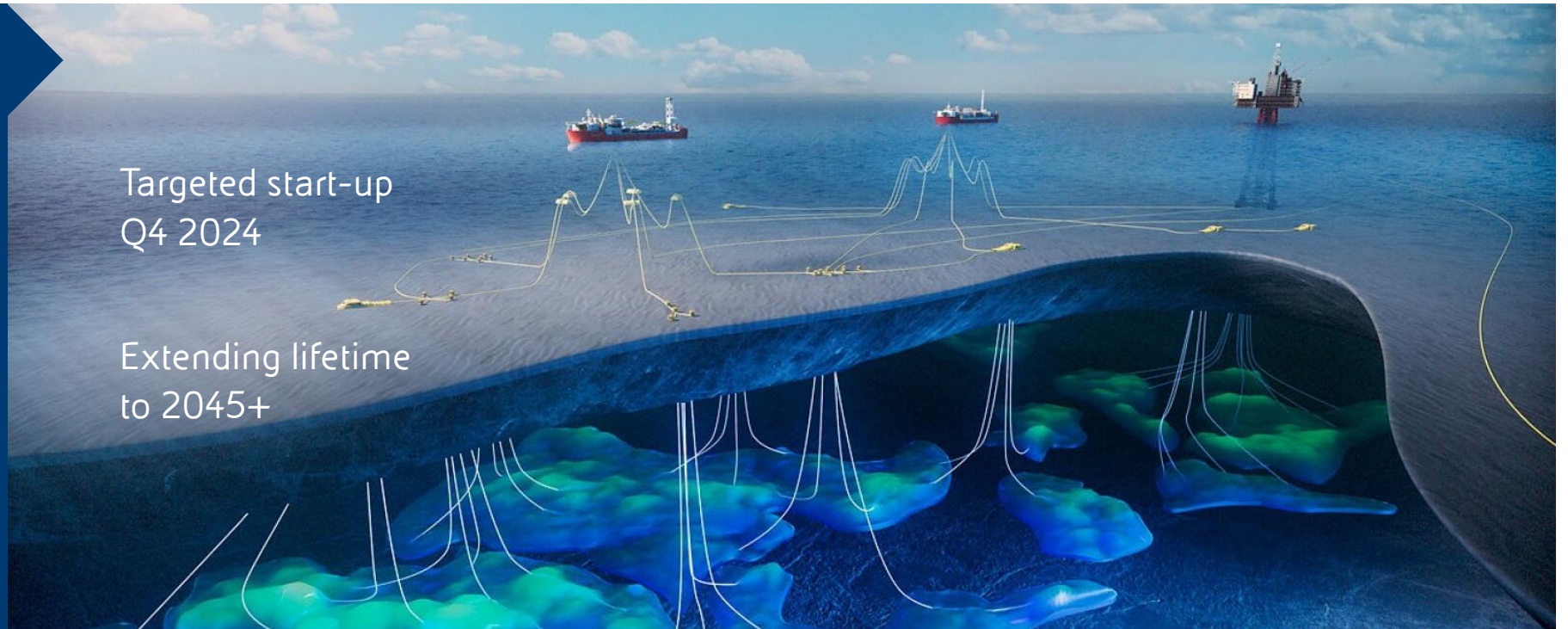
2P reserves<sup>1</sup>, gross

~5 USD/bbl

production cost

Targeted start-up  
Q4 2024

Extending lifetime  
to 2045+



SPS/SURF<sup>2</sup> >85% complete

Majority of subsea equipment installed

Jotun FPSO >90% complete

High construction activity at yard

Drilling >75% complete

10 of 14 production wells completed

# Johan Castberg on track

Capturing long term value  
from the prolific Barents Sea

**190** kboepd

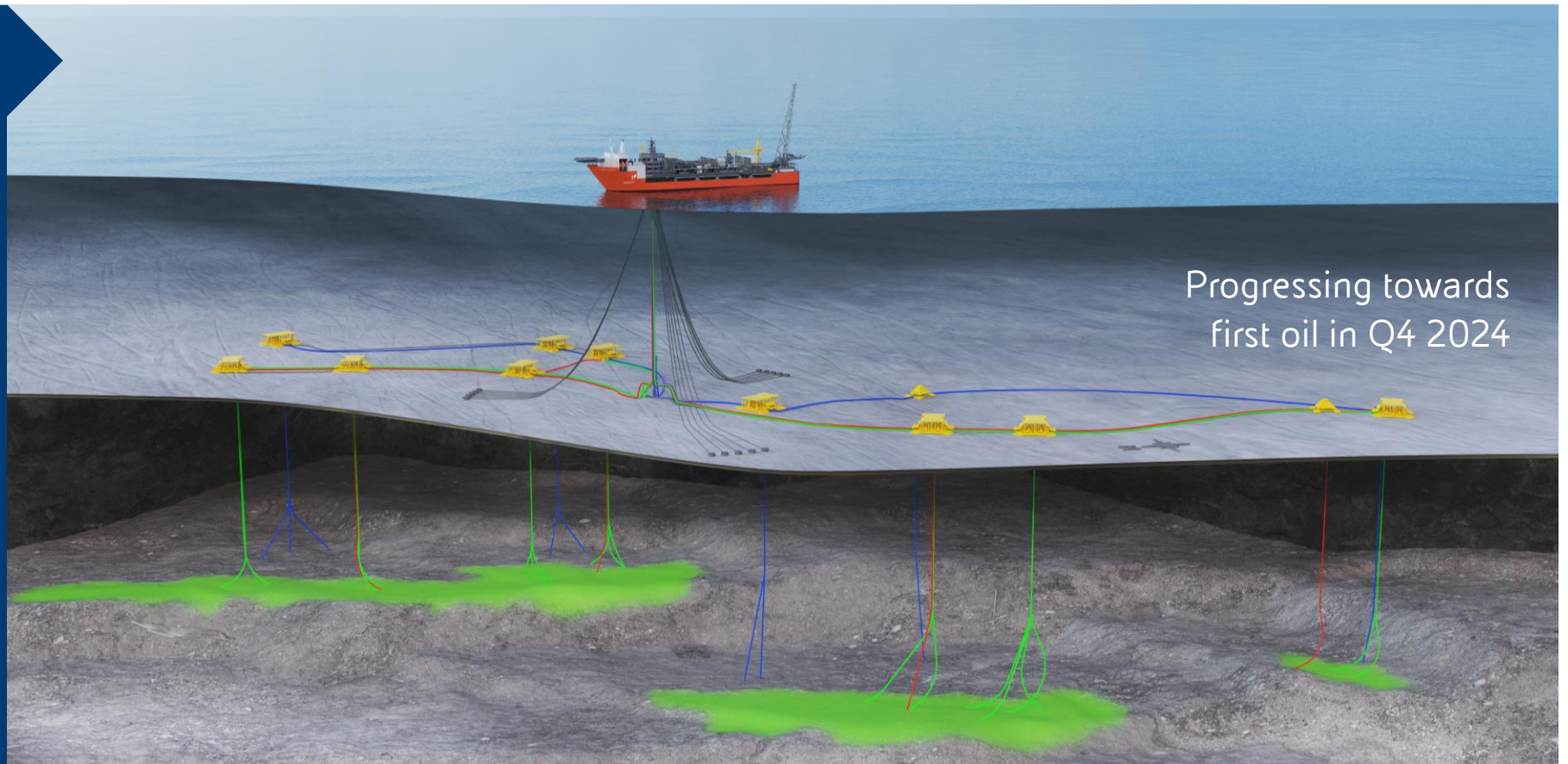
vessel capacity production<sup>1,2</sup>, gross

**450-650** mmboe

recoverable resources<sup>1,2</sup>, gross

**~4** USD/bbl

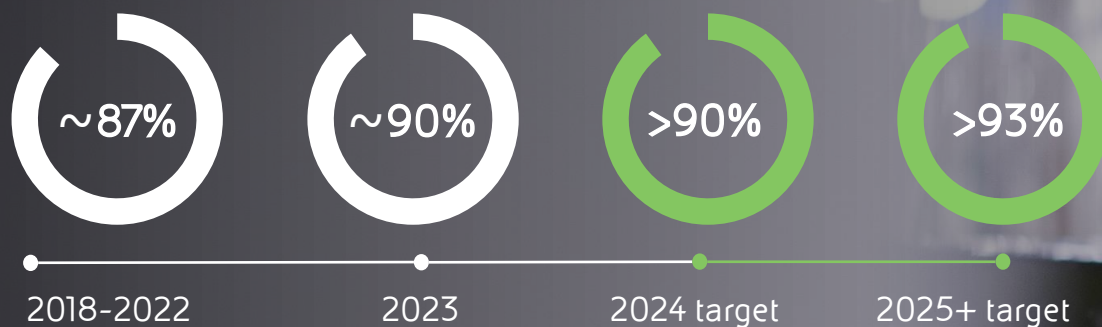
production cost





# Operational excellence

## Production efficiency<sup>1</sup>



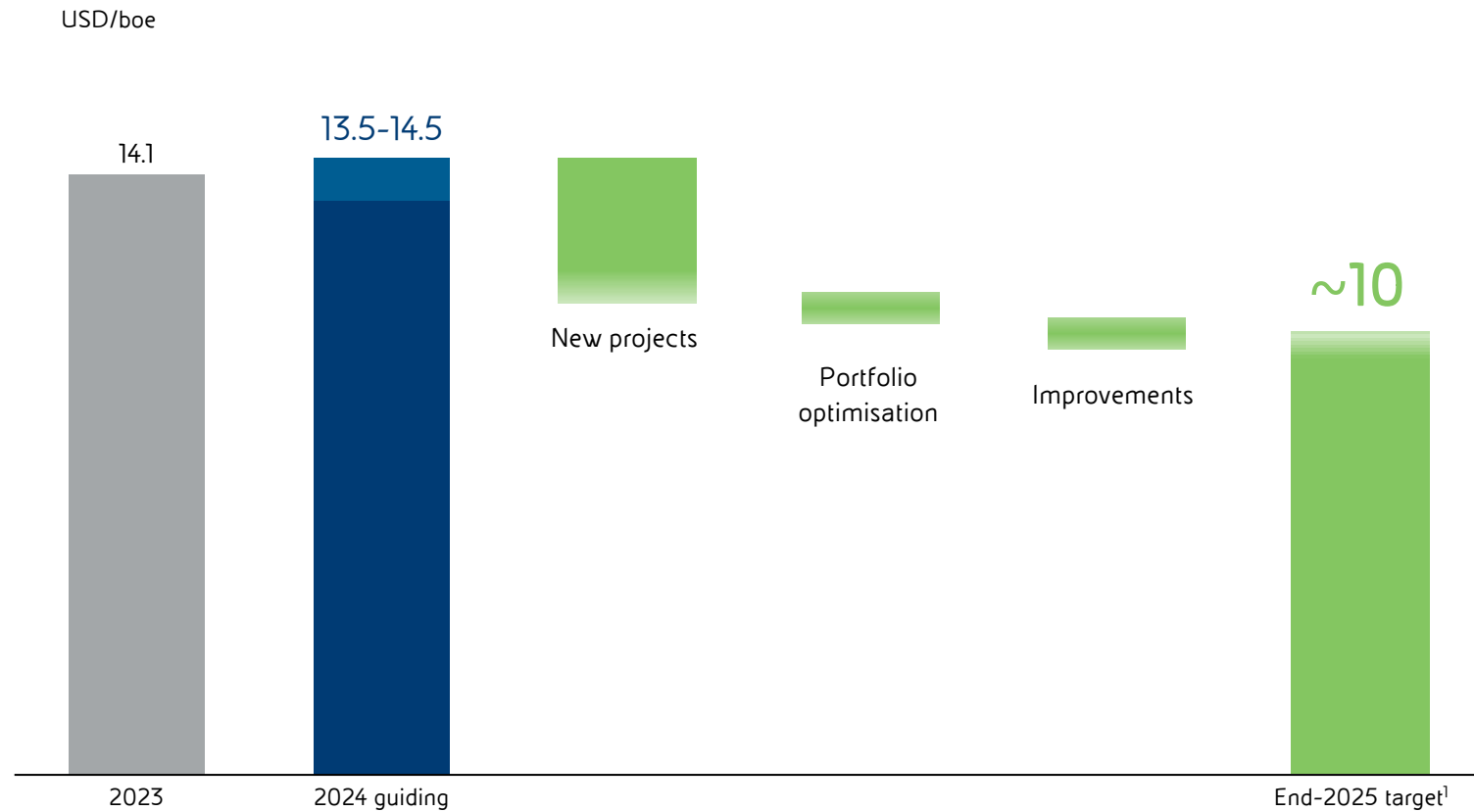
Reliability improvement program

Efficient maintenance execution

Optimal spare part strategy



# Production cost per barrel



Key sanctioned projects on stream

**~4 USD**

average opex per boe

High-grading the portfolio

Realising **improvements and synergies** across portfolio

# Stepping up activity

2024 wells

~50

development  
wells<sup>1</sup>

~40

infill  
wells

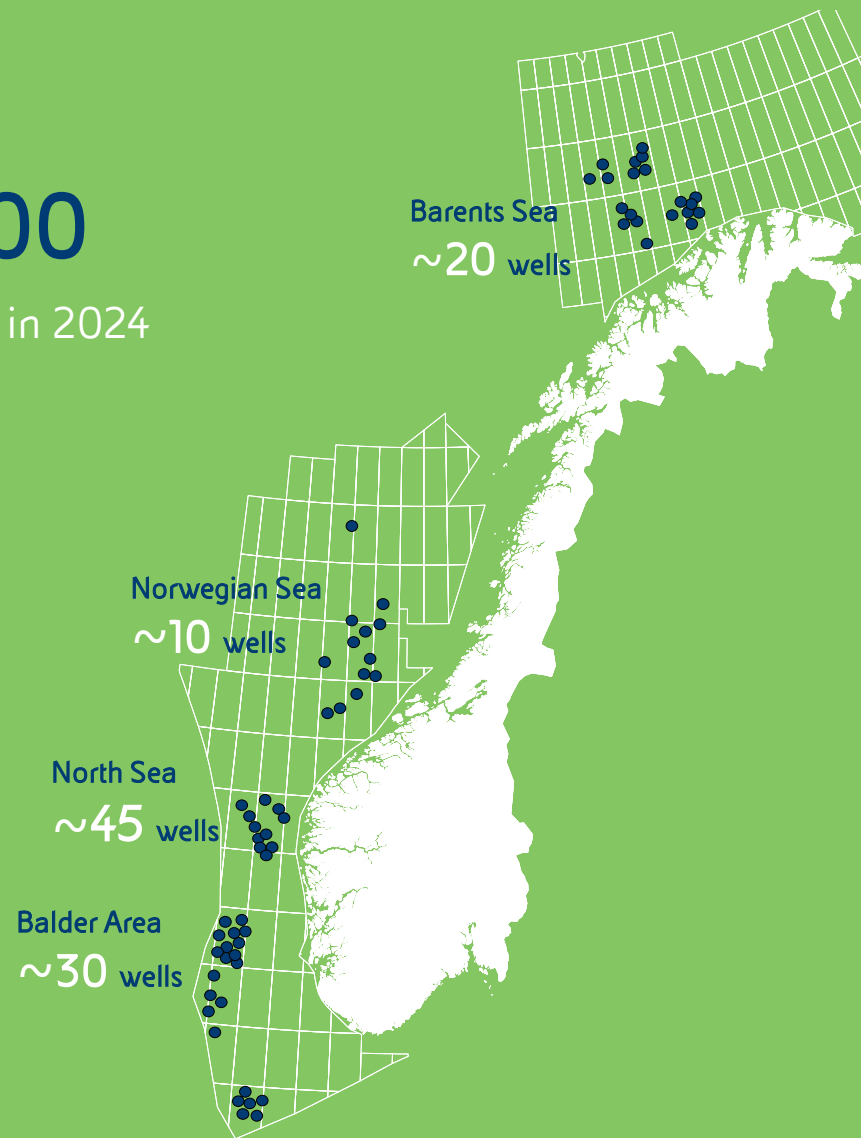
16

exploration  
wells

5 operated rig  
lines at peak



>100  
wells in 2024



# Efficient well deliveries

Secured high-performing rigs

Unlocking reserves with multilateral wells

Data and technology driven

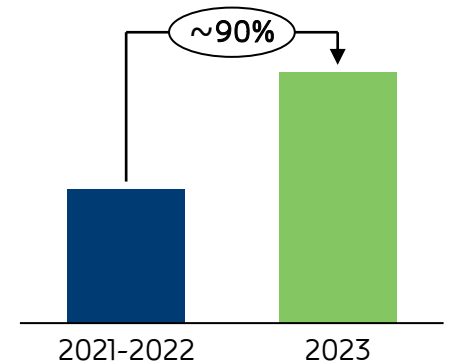
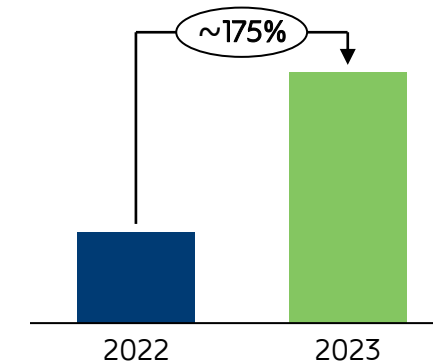
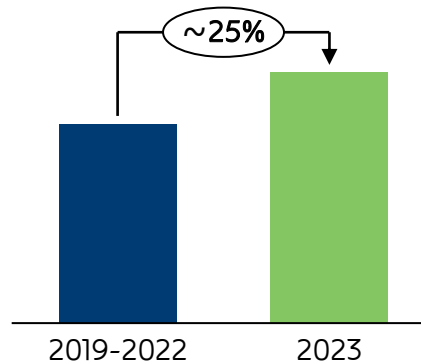
Strong capabilities

## Improved drilling efficiencies<sup>1</sup>

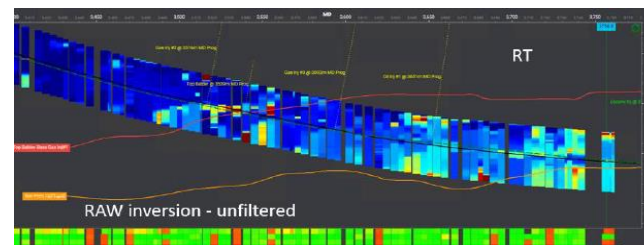
Meter/dry hole day

# of wells annually

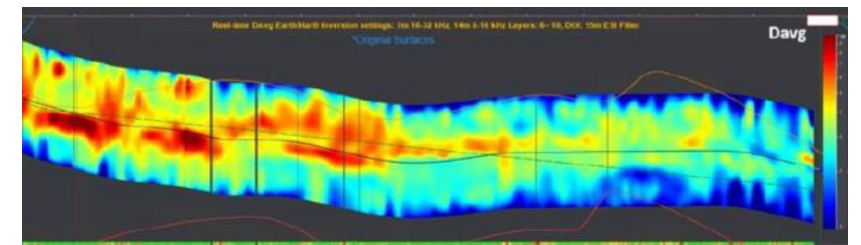
Longest completion length at Balder



## Enhanced visualisation driving performance



Imaging without wired-pipe



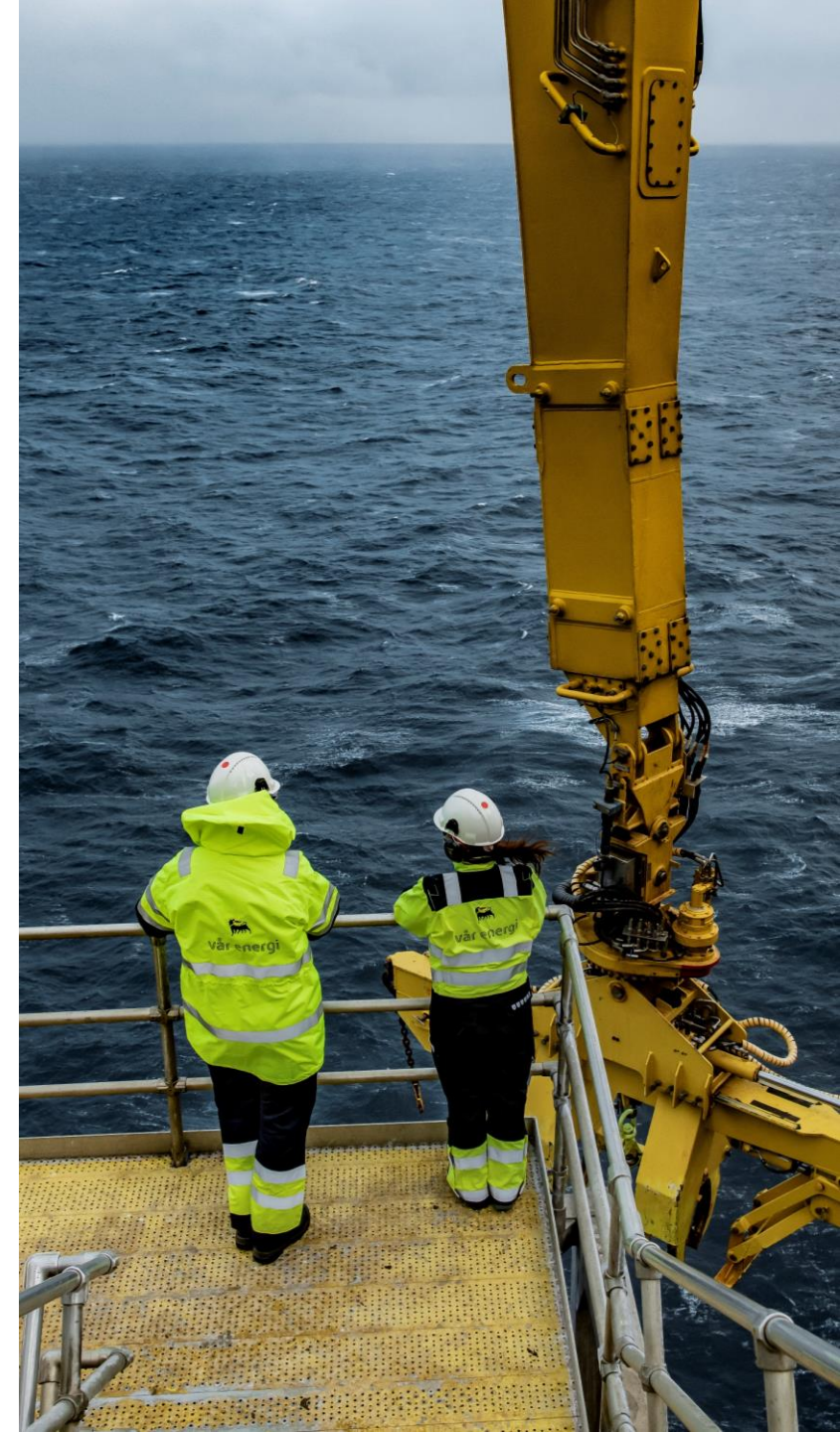
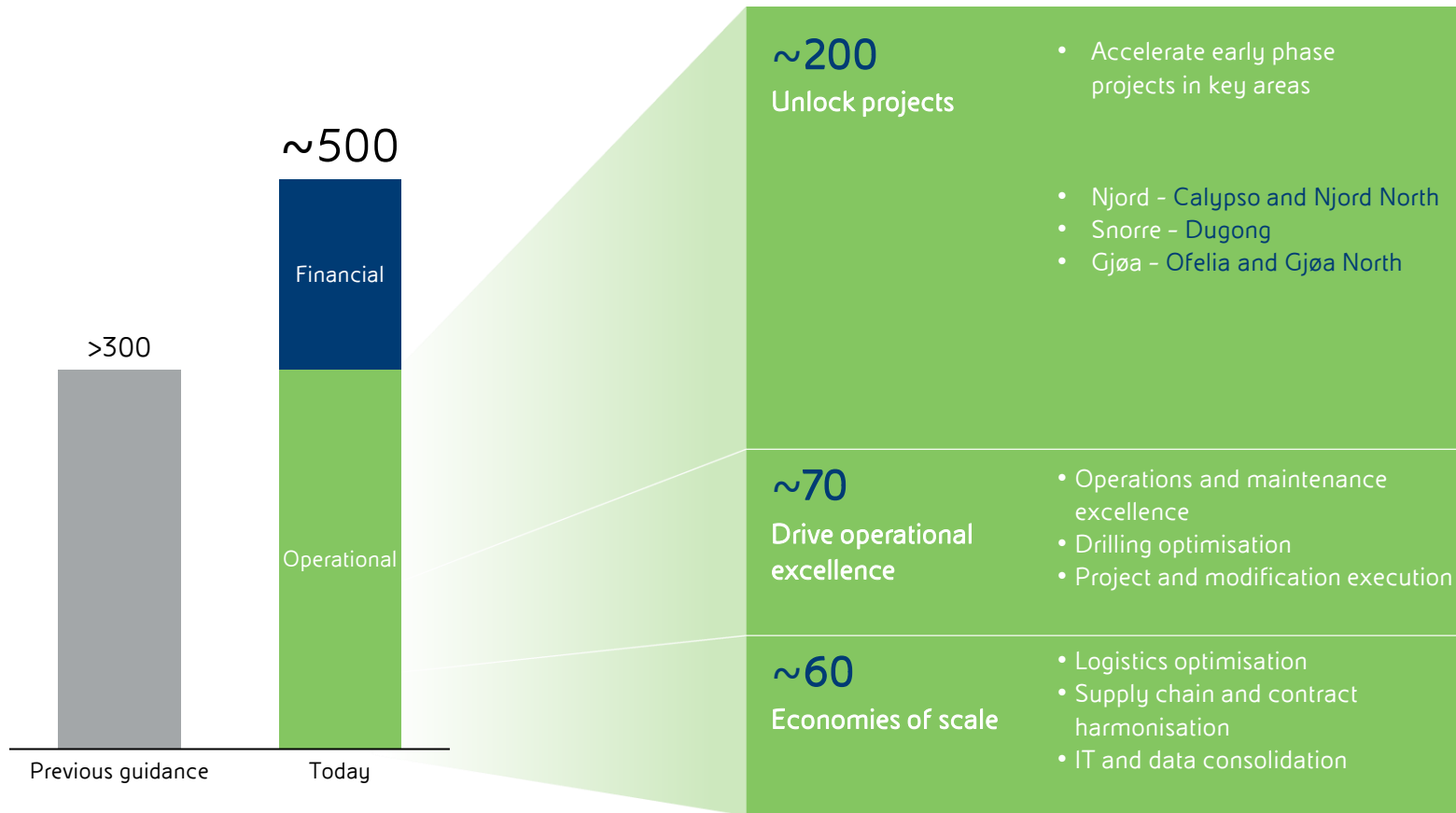
Real-time data on Goliat infill drilling using wired-pipe



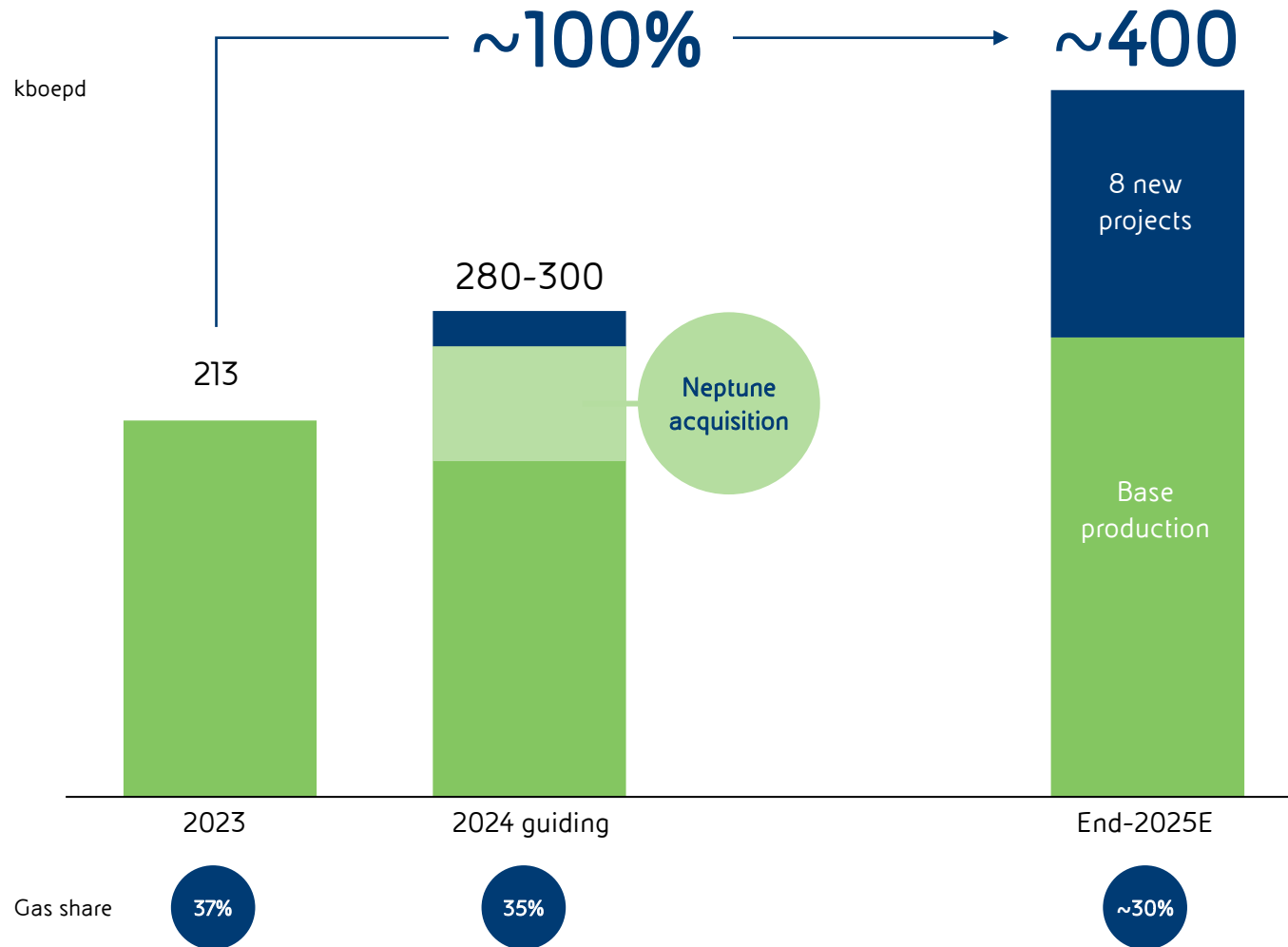
# Neptune increased operational synergies

## Increased value realisations from acquisition

(USD million, NPV<sup>1</sup>)

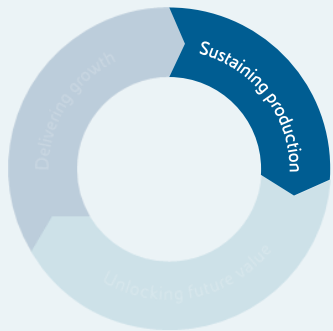


# Doubling production by end-2025



## Sustaining production beyond 2025

- Operational excellence and improved recovery
- A high value project portfolio
- Leading exploration capabilities
- Value accretive M&A



1. Start-up Q4 2024

# Longevity on the NCS

## Big fields getting bigger

Technology  
advances

Infrastructure lead  
developments

Continuous  
infill drilling

Life-time  
extensions

## Vår Energi with a strong position

Ownership in  
**>50%**  
of NCS fields<sup>1</sup>

Participating in  
**~40%**  
of NCS exploration wells<sup>2</sup>

1. Per end 2023  
2. In 2024, according to Offshore Norge



# Secured capacity across the value chain

## Subsea



OceanInstaller

## Drilling



HALLIBURTON

COSL

## Topside



Improved safety

Short time-to-market

Cost-efficient solutions

Lower emissions

Standardisation



>20 early phase projects being matured

The chart displays the development of various oil and gas fields from 2026 to 2030, categorized into four regions. Each field is represented by a blue bar indicating its operational period.

Region	Field Name	Start Year (approx.)	End Year (approx.)
Balder area	Balder Phase VI	2026	2028
	Grane gas export and electrification	2029	2030
	Balder future phases	2028	2030
	King Phase 1	2027	2029
Barents Sea	Goliat Gas	2026	2027
	Countach	2029	2030
	Johan Castberg Cluster 1	2027	2029
North Sea	Johan Castberg Cluster 2	2029	2030
	Fram South	2027	2029
	Beta	2028	2030
	Sleipner LPP	2026	2028
	Dugong	2028	2030
	Gjøa North	2027	2029
	Grosbeak	2028	2030
	Ofelia	2027	2029
Norwegian Sea	Garantiana	2029	2030
	Afrodite	2029	2030
	Calypso	2028	2030
	Njord North	2029	2030
	Heidrun Extension	2027	2029
	Åsgard A ULP	2026	2028
	Tyrihans North	2026	2028

## Leveraging strategic partnerships



Sustaining production

# Flexible and robust early phase projects

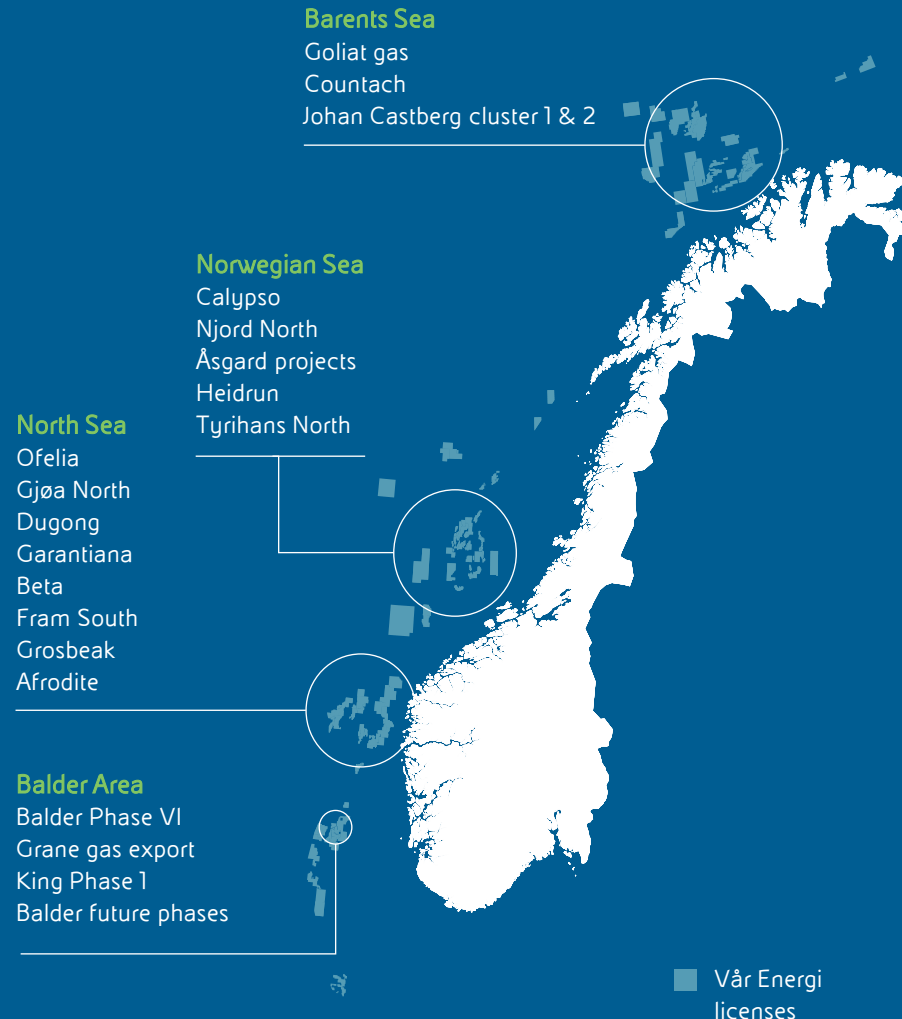
>20 projects targeting ~400 mmboe<sup>1</sup>

Internal rate of return<sup>2</sup>  
>25%

Breakeven  
~35  
USD/boe

Close to existing  
infrastructure across NCS

Short time  
to market



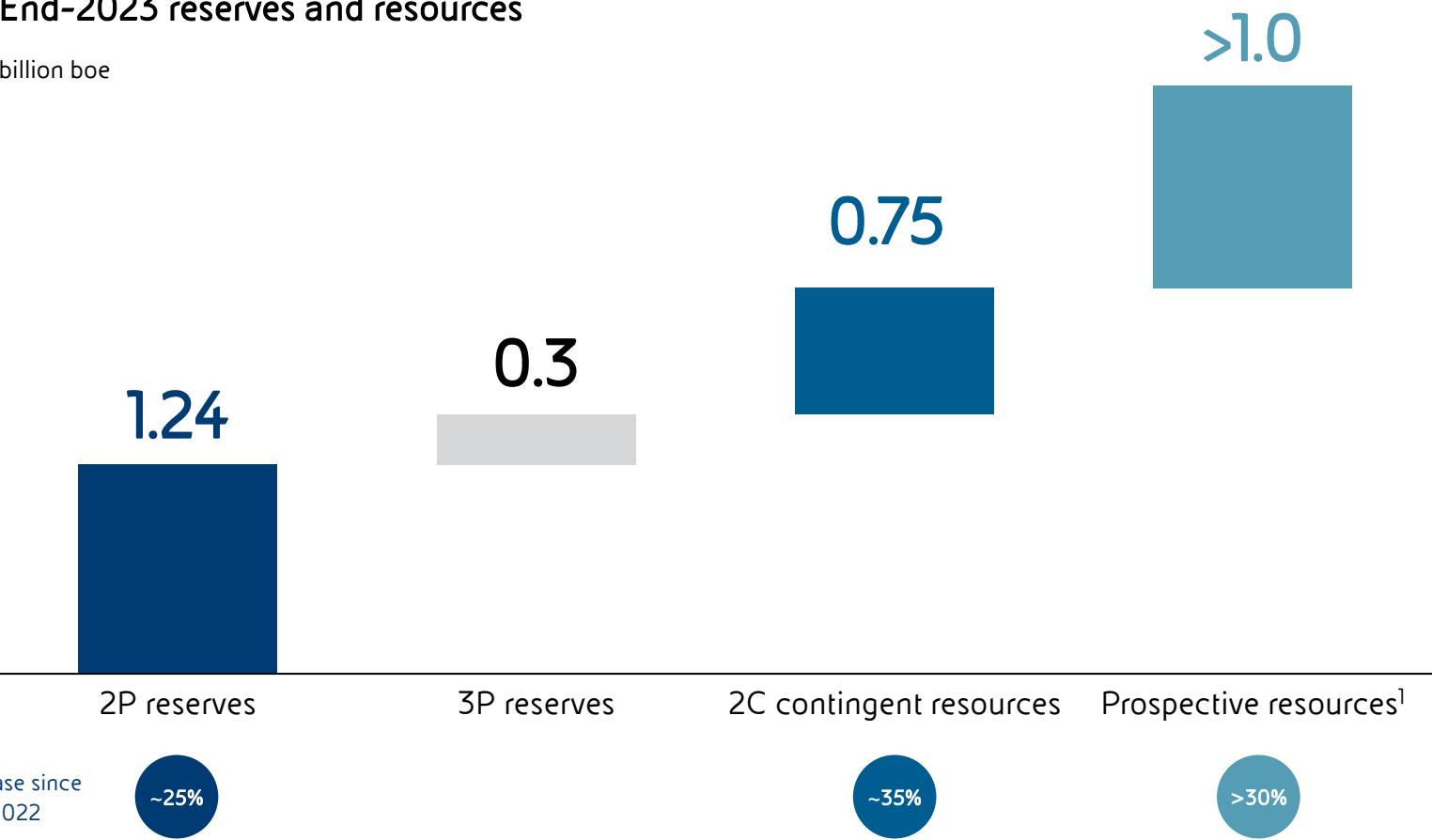
1. Net  
2. Assumptions stated in the appendix



# Significant value potential

## End-2023 reserves and resources

billion boe



R/P

>12 years

in 2023²

Reserves replacement ratio

~130%

last five years³

Increase since  
end-2022

~25%

~35%

>30%

1. Net risked explorations resources  
2. 2P reserves year-end 2023 divided by 2023 production, including Neptune  
3. Including inorganic growth

Unlocking future value

# Strong foundation for future value

## Exploration portfolio

~200 licences<sup>1</sup>

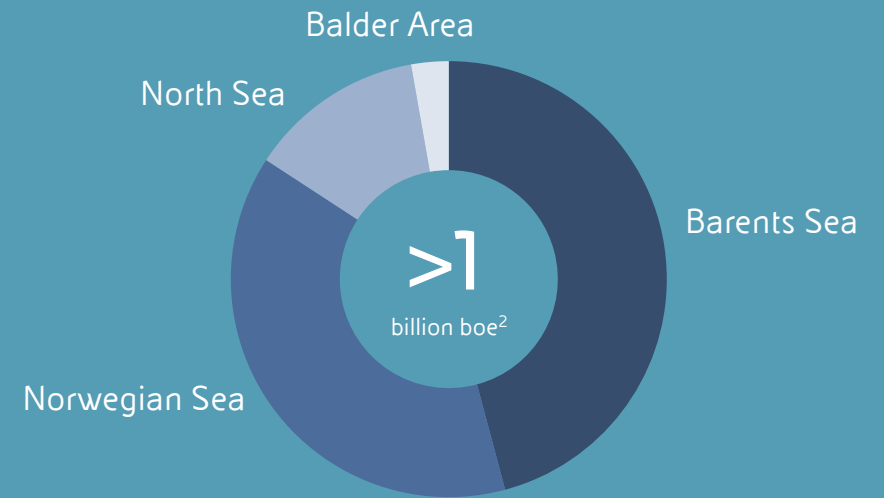
~35% operated

>5 billion boe

Net unrisked prospective resources

~40% gas share

in exploration portfolio



1. Including Neptune and 2024 APA licenses  
2. Net risked exploration resources

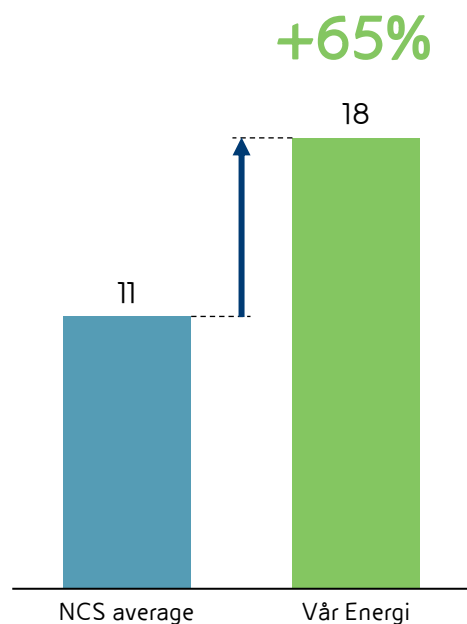


# Proven exploration track-record

## Rystad Energy benchmark 2019-2023

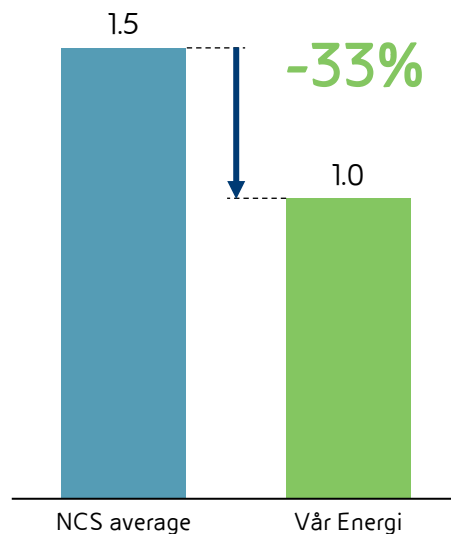
### Discovered resources

Average mmboe discovered per well drilled<sup>1</sup>



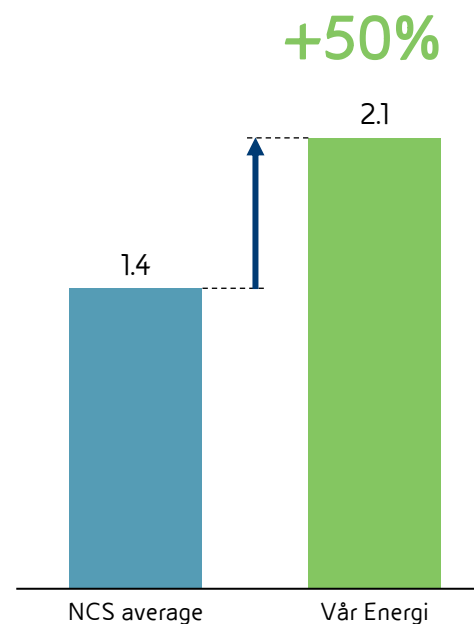
### Exploration cost

USD per boe<sup>2</sup>



### Returns

USD in return per USD spent on exploration<sup>3</sup>



## Vår Energi results 2019-2023

>150 mmboe

2C resource additions

>50%

discovery rate

<1 USD/boe

finding cost

1. Companies with activity in two or more years  
2. Companies with more than 75 mmboe discovered  
3. Assumed oil price of real USD 50

# Doubling number of exploration wells in 2024<sup>1</sup>

Net risked resources

~150  
mmboe

Wells

16

Exploration spend<sup>2</sup>

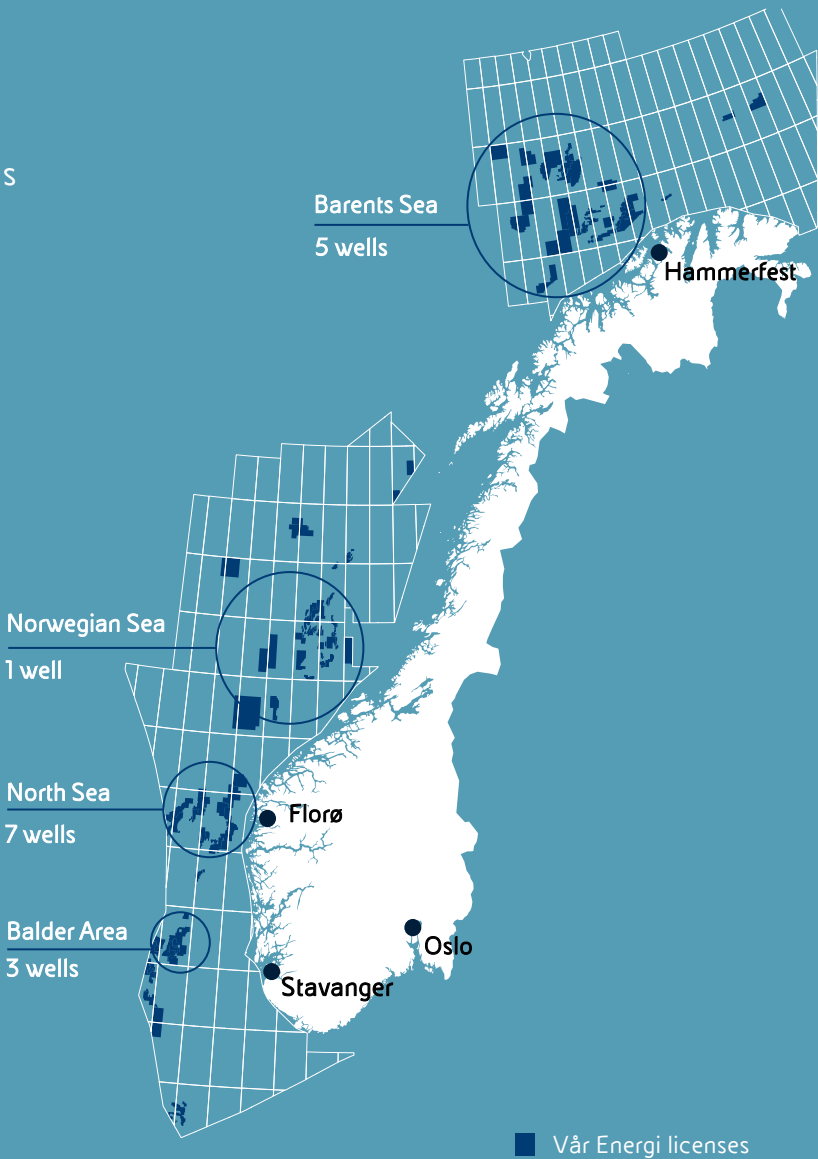
~300  
USD million

14

near-field exploration wells

2

high-impact wells



1. Compared to seven wells in 2023  
2. Pre tax



# ~60 exploration wells next four years

## Near-field wells

---

**11-14** per year

Extend production plateau  
of existing hubs

High margin barrels  
close to existing infrastructure

---

## High-impact wells

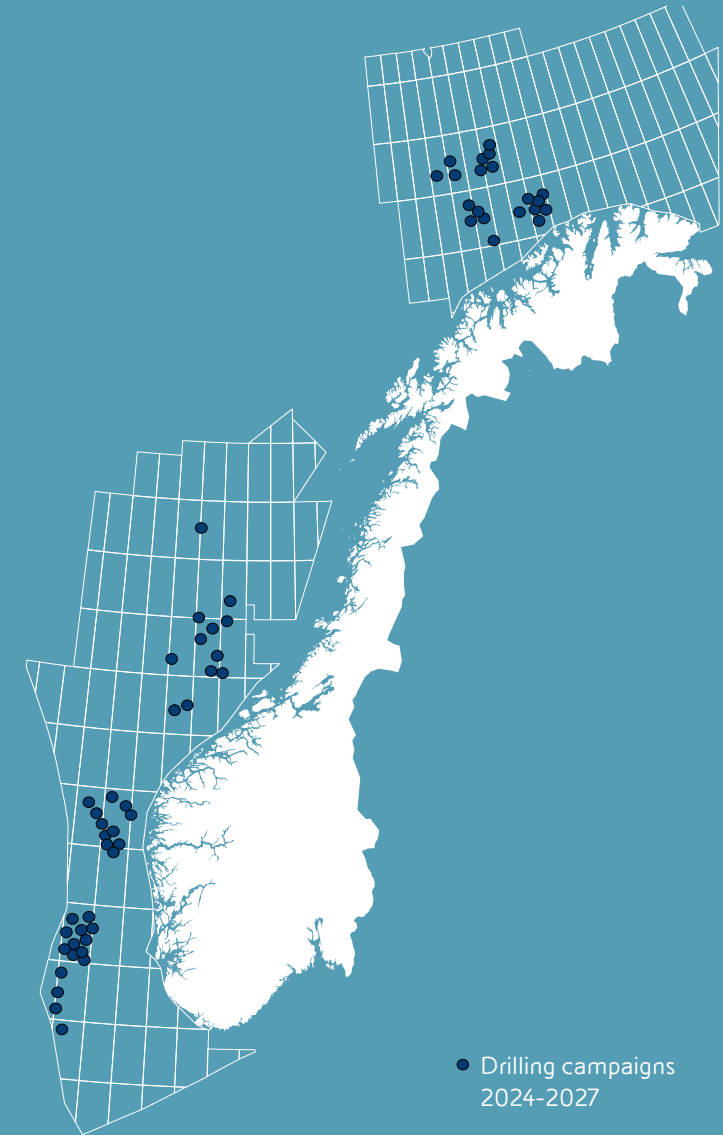
---

Up to **3** per year

Play openers

Deliver new core  
assets/areas

---



● Drilling campaigns  
2024-2027

## Delivering growth

10 projects  
in execution

~400 kboepd  
by end-2025



## Sustaining production

>20 early phase  
projects

350-400 kboepd  
towards 2030



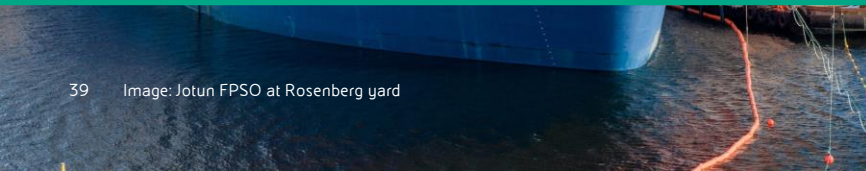
## Unlocking future value

~60 wells next four  
years

Accelerated  
exploration



## Sustained value creation





Sustaining  
production



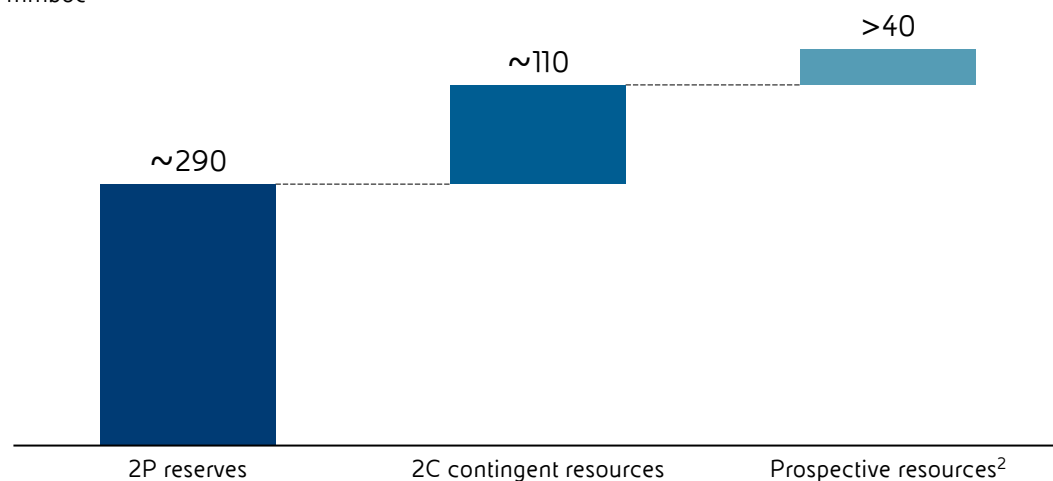


Balder area

# Production for decades

Large opportunity space for infill and future phases

mmb<sup>1</sup>



Jotun FPSO extending lifetime **beyond 2045**

Area electrification by 2030

1. Net  
2. Net risk exploration resources



Image: Balder FPSO

## Balder area

# Utilising new infrastructure

Early phase projects targeting **>100** mmboe<sup>1</sup>

Balder Phase VI

Balder electrification

Grane infill

King development

Grane gas export and electrification

Balder future phases

**>70** infill drilling  
targets identified

**~10** exploration  
targets next 4 years

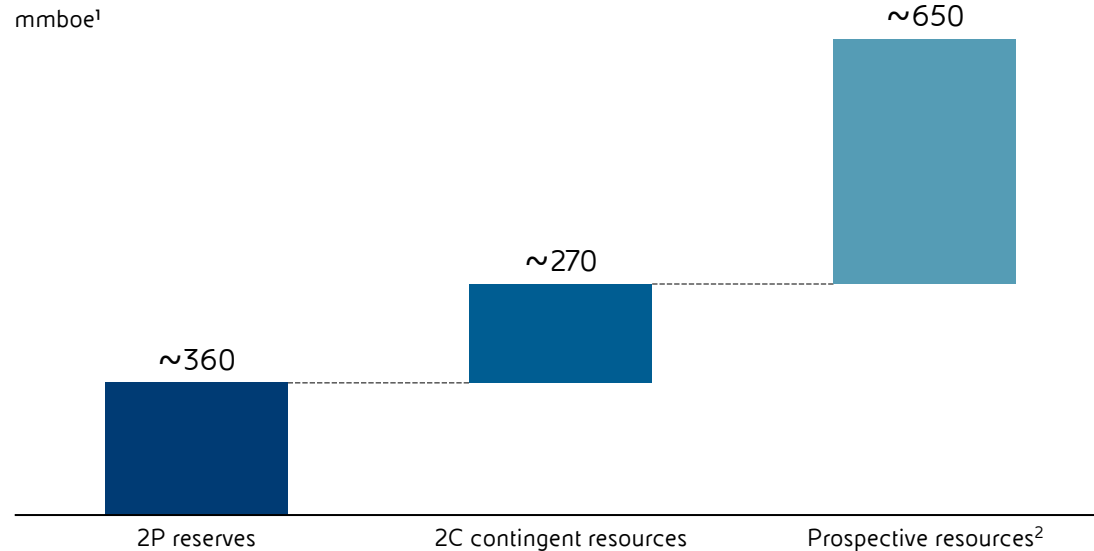




## Barents Sea

# Capturing value in prolific area

## The most unexplored and prospective NCS area



Strong asset base – present in **all key assets**

**Filling** the facilities

**Accelerating exploration** to unlock value

1. Net  
2. Net risked exploration resources





## Barents Sea

# Significant upside potential

Early phase projects targeting **>100 mmbœ<sup>1</sup>**

Goliat Gas Export

Johan Castberg Cluster 1

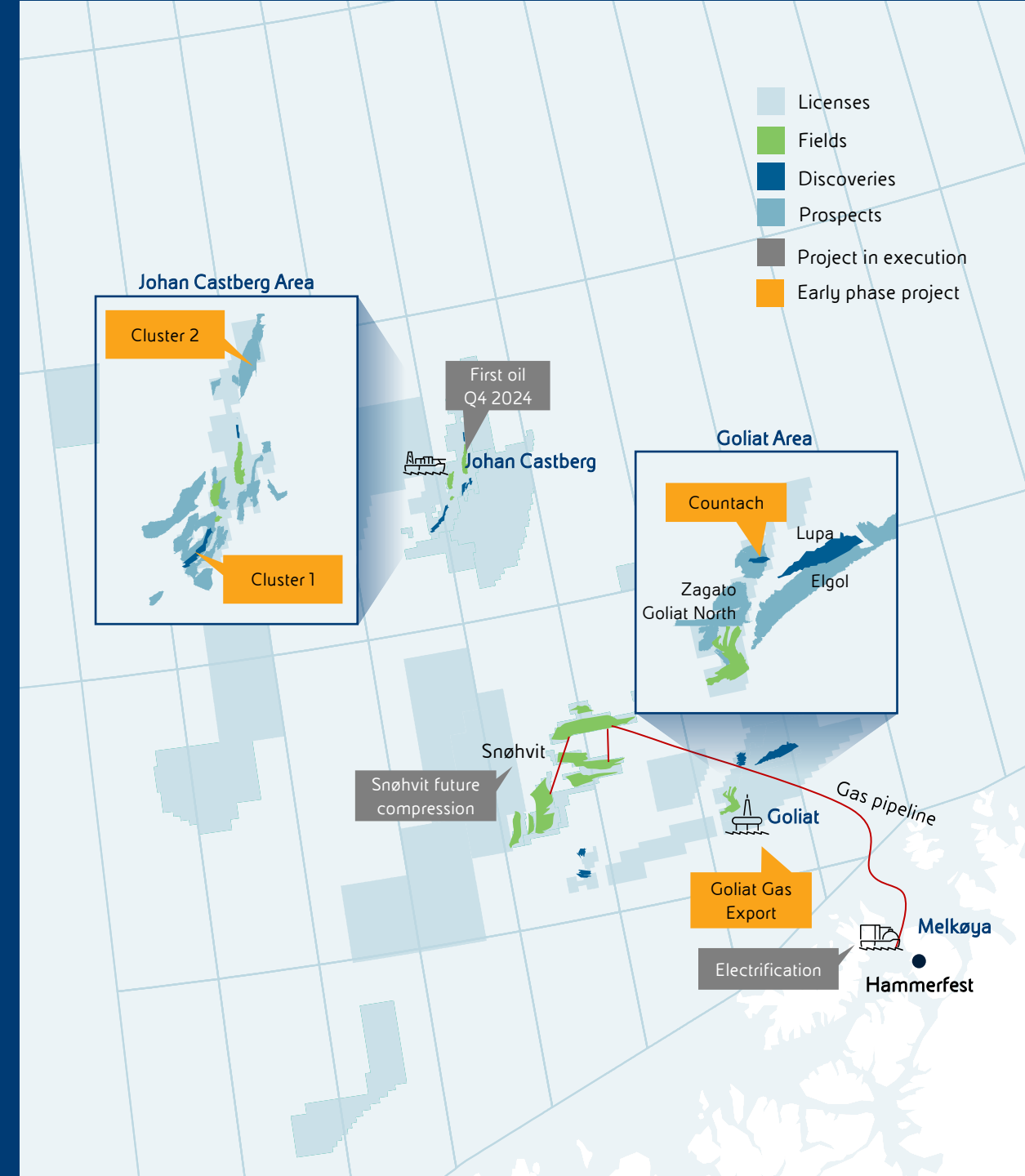
Countach

Johan Castberg Cluster 2

Johan Castberg first oil Q4 2024 - **key area enabler**

Goliat gas targeted **start-up in 2026**

Snøhvit Future - **electrified by 2030**



Barents Sea

# Accelerating area exploration

Targeting

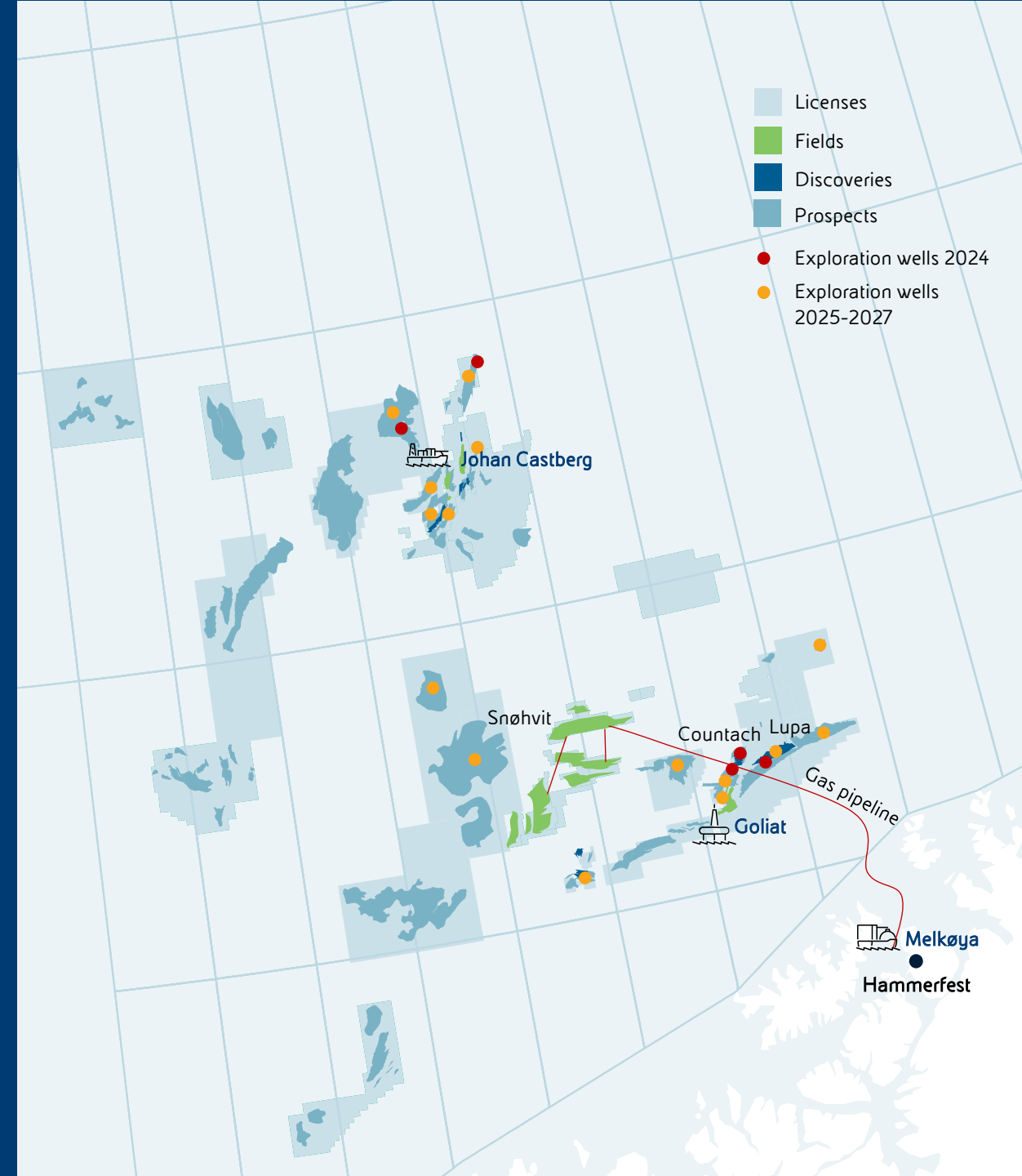
~20 wells

next four years

Secured rig with Equinor 2024-2026

Estimated gas resources in the area >6 billion boe<sup>1</sup>

Potential new gas export solution a significant play opener

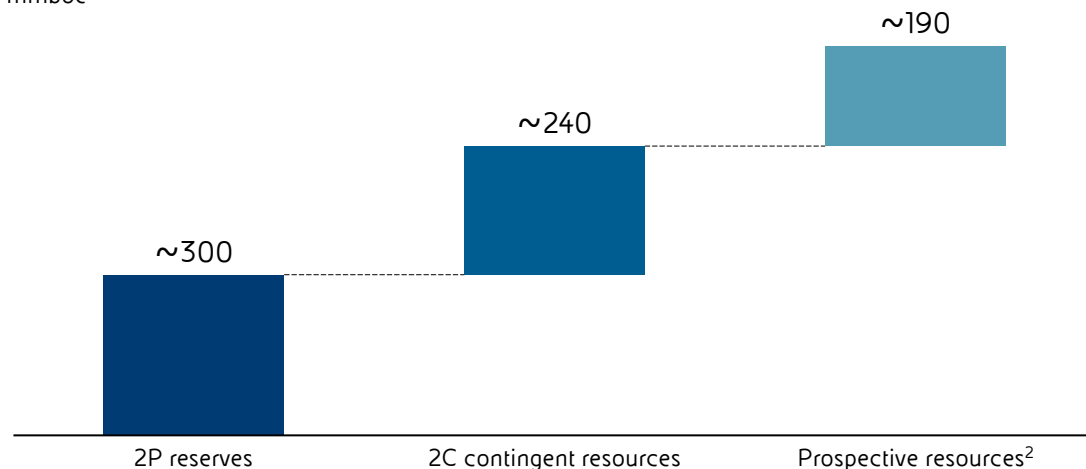


## North Sea

# Sustained high production

## Continuous development of NCS giants

mmbœ<sup>1</sup>



Strengthened presence with **Gjøa operatorship**

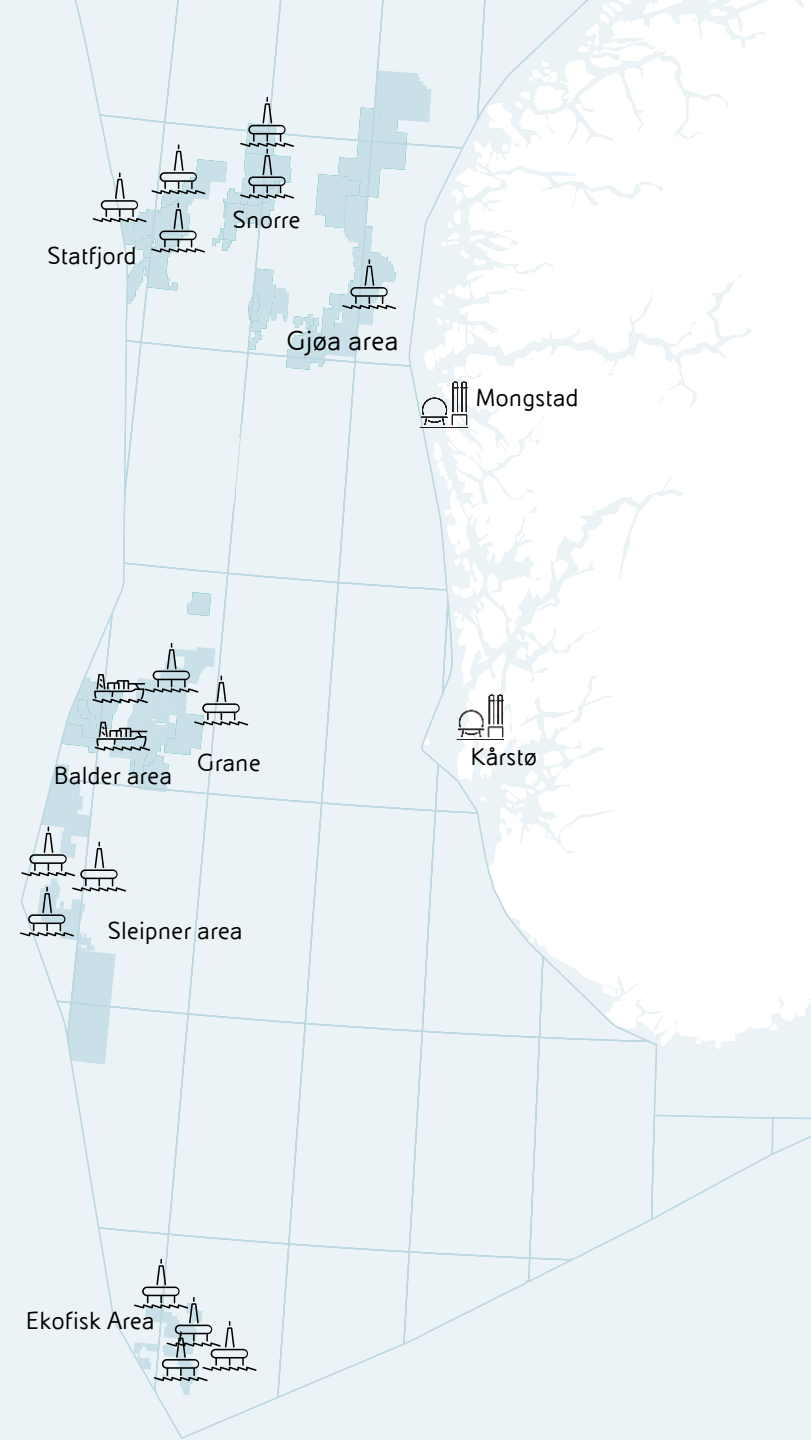
Sustaining **~100 kboepd** towards 2030

Extending **lifetime beyond 2050**

**Near-field exploration** to unlock value

1. Net  
2. Net risk exploration resources

Licenses





North Sea

# Set for growth and expansion

Early phase projects targeting >150 mmmboe<sup>1</sup>

Fram South

Gjøa North

Ofelia

Dugong

Beta

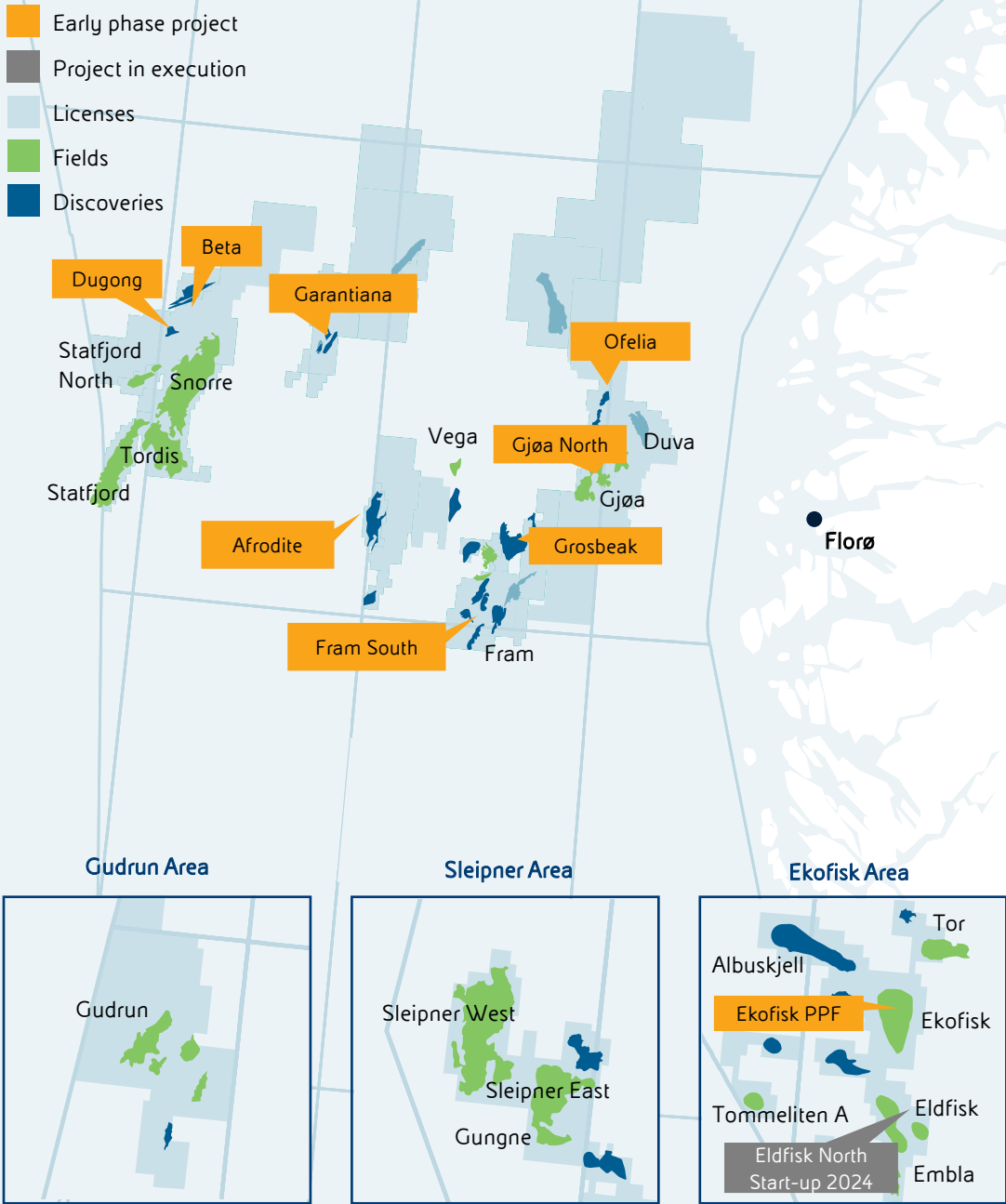
Grosbeak

Ekofisk PPF<sup>2</sup>

Garantiana

Targeting ~15 exploration wells next four years

Short time to market with extensive infrastructure

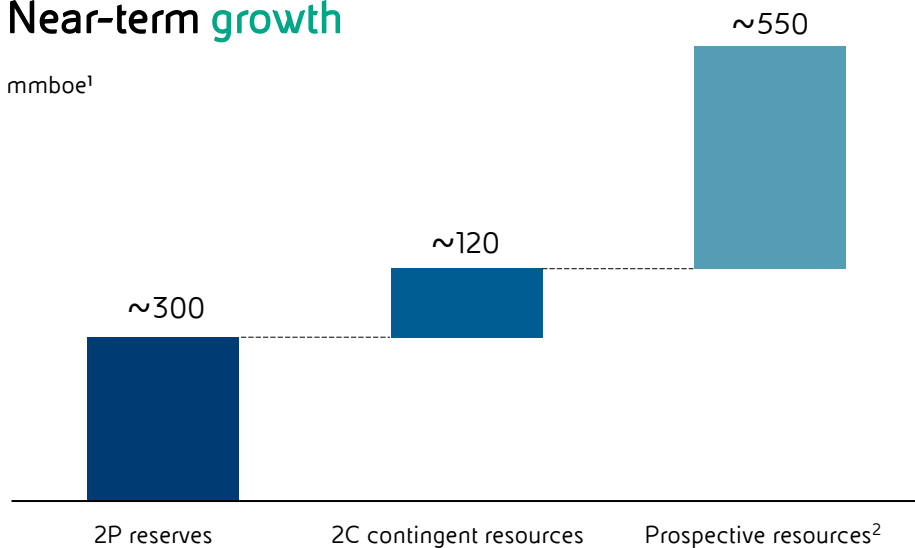


## Norwegian Sea

# High-value assets

### Near-term growth

mmboe<sup>1</sup>



Producing **~100 kboepd** with strong gas position

Six projects **nearing completion**

Highly **flexible** infrastructure, **rapid** developments

1. Net  
2. Net risk exploration resources

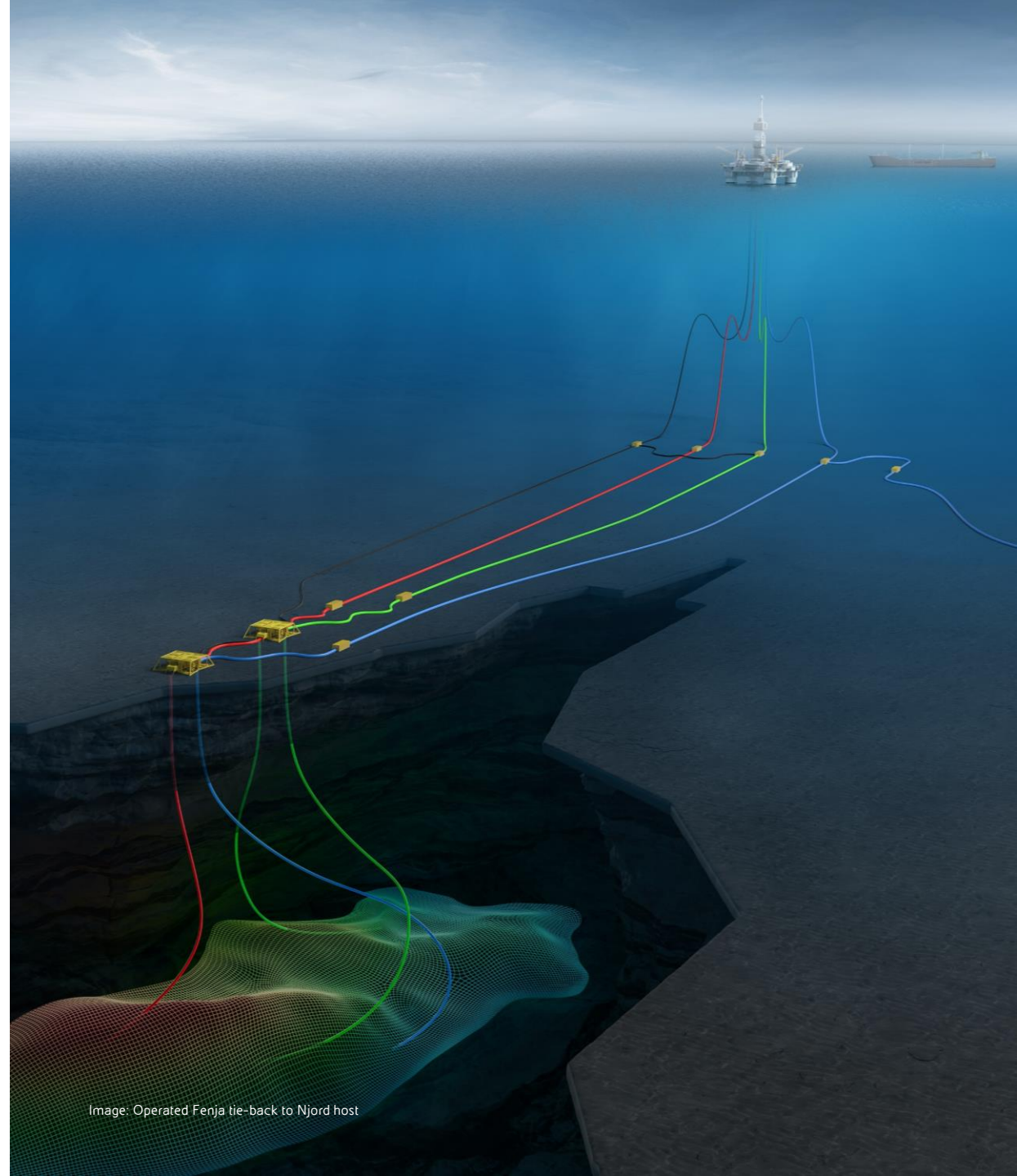


Image: Operated Fenja tie-back to Njord host

## Norwegian Sea

# Leveraging significant infrastructure

6 projects in execution adding **>40** kboepd<sup>1</sup>

Early phase projects targeting **>40** mmboe<sup>1</sup>

Tyrihans Ile North

Calypso

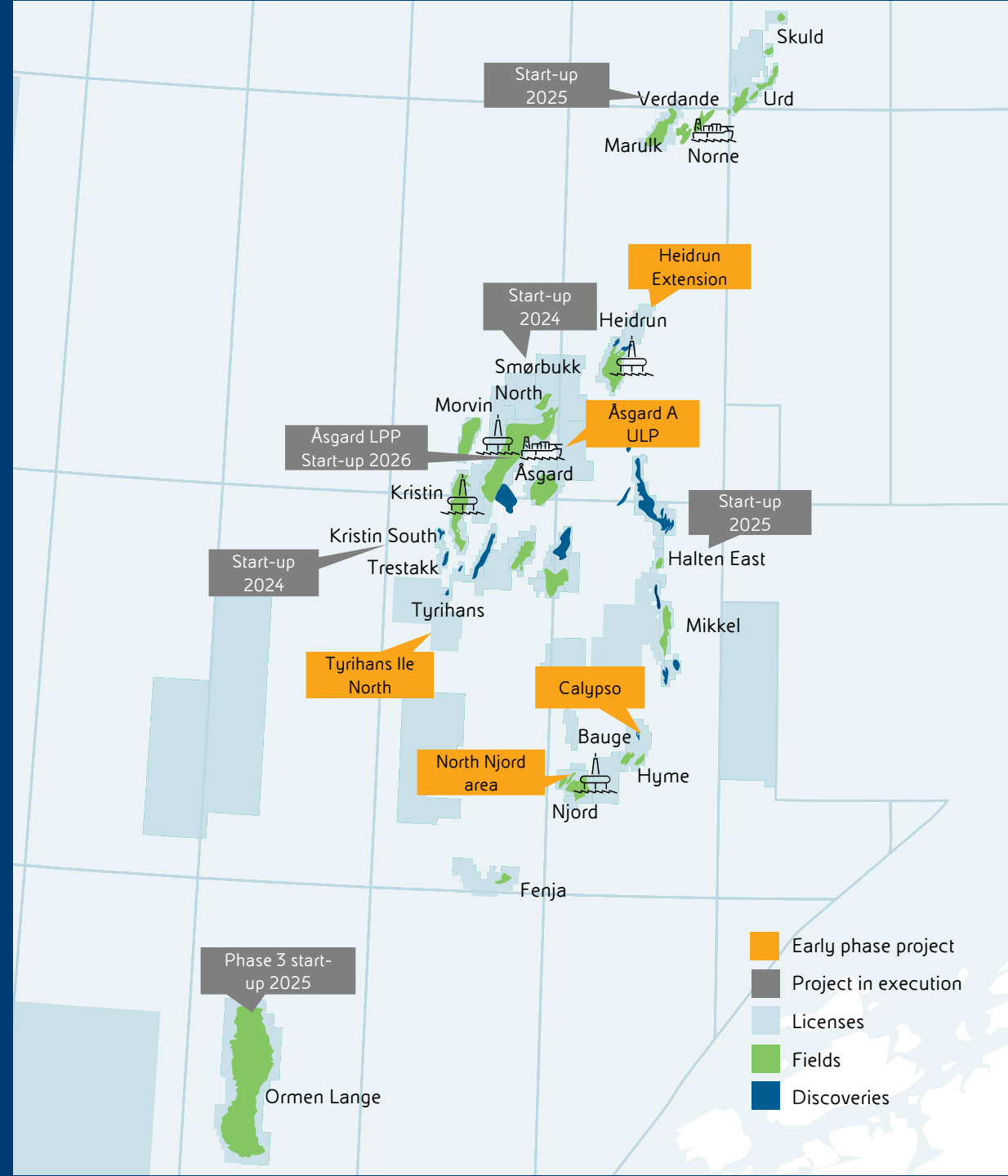
Heidrun Extension

North Njord Area

Åsgard A ULP<sup>2</sup>

Heidrun, Åsgard, Kristin power from shore

Targeting **>10** exploration wells next four years





# Sustaining 350-400 kboepd towards 2030

Balder area

**Production for decades**

Barents Sea

**Capturing value in prolific area**

Norwegian Sea

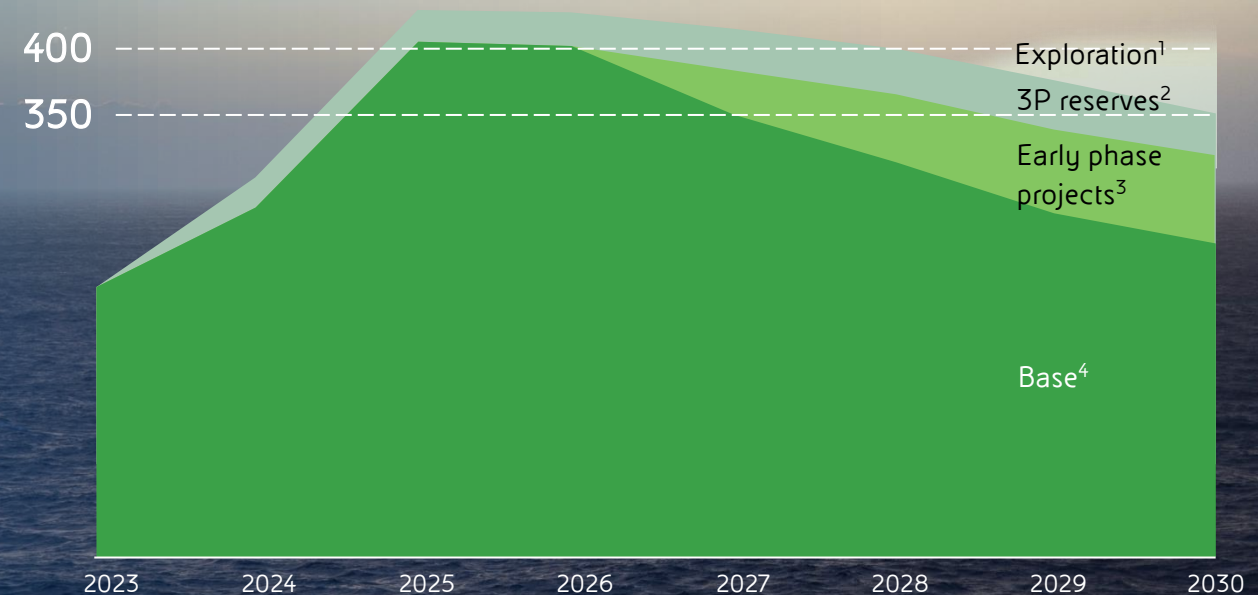
**High-value assets**

North Sea

**Sustained high production**

Production outlook

kboepd



1. Net risk exploration resources

2. Possible upside on 2P reserves

3. 2C contingent resources

4. 2P reserves



A photograph of two workers in high-visibility yellow and black safety gear, including helmets and communication equipment, standing on a metal platform over a dark, choppy sea. The worker in the foreground is wearing a yellow helmet and blue earmuffs, while the worker in the background is wearing a white helmet with a headlamp and large black earmuffs. Both are looking towards the right. The background shows the dark, textured surface of the ocean under a dim sky.

# Accelerating decarbonisation

# Accelerated decarbonisation

Top quartile of industry<sup>1</sup>

## Scope 1

**>50%**

emission reduction by 2030<sup>2,3</sup>

**Near zero**

methane emissions in 2024<sup>4</sup>

## Scope 2

**Zero emissions**

**100%**

of electricity consumption  
certified renewable<sup>4</sup>

## Scope 3

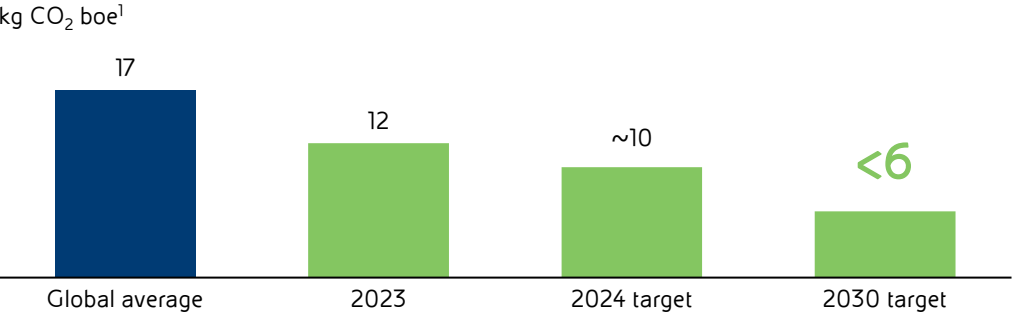
**Offsetting**

Vår Energi use in  
the value chain<sup>4</sup>

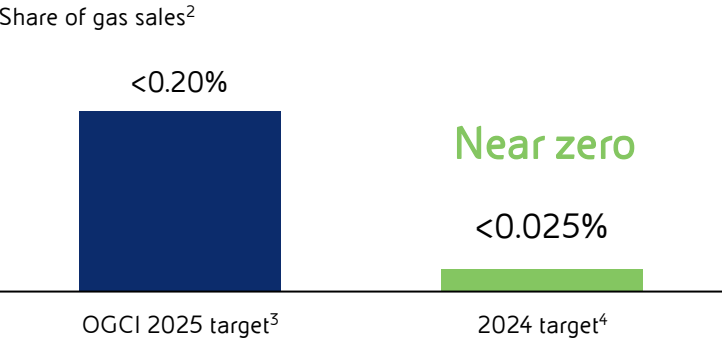


# Low-emission barrels

## Carbon intensity



## Methane intensity



Goliat and Gjøa electrified



5-10% reduction p.a. through energy management



Hywind Tampen floating windfarm



Sustainability weighted up to 30% in contract awards



Low-emission rig awards



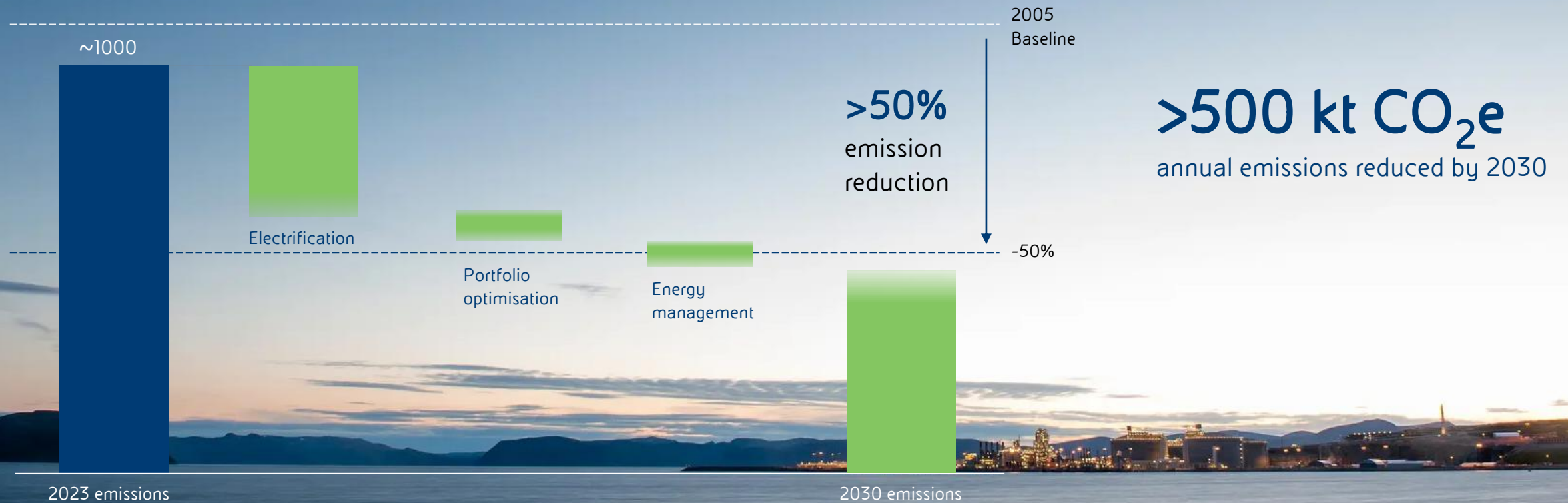
NCS logistics project targeting 30% emission reduction

1. Equity share  
2. Operational control  
3. Key performance indicator for OGCi's 2025 upstream methane target is well below 0.2%  
4. Methane intensity calculated according to OGCi methodology including Neptune based on 2024 prognosis for emissions and sold gas

# Clear decarbonisation plan

## Scope 1 emission reduction plan<sup>1</sup>

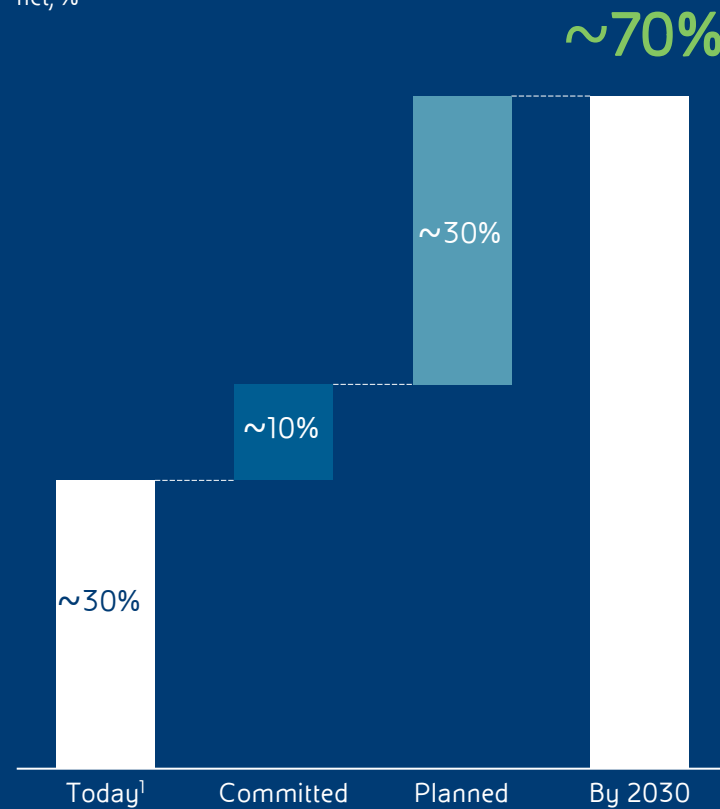
kt CO<sub>2</sub>



# Value-driven electrification

## Electrified share of production

net, %



USD ~2.5 billion  
benefits<sup>2</sup>

Increased gas sales

Higher production efficiency

Reduced environmental taxes

USD ~1.2 billion  
capex<sup>2</sup>





# Creating CCS optionality

>80 gigatonnes NCS storage potential<sup>1</sup>

Value-driven approach

Enabler for large-scale emission reductions

Assessing further licensing and partnerships

Trudvang CO<sub>2</sub> storage license in the North Sea<sup>2</sup>

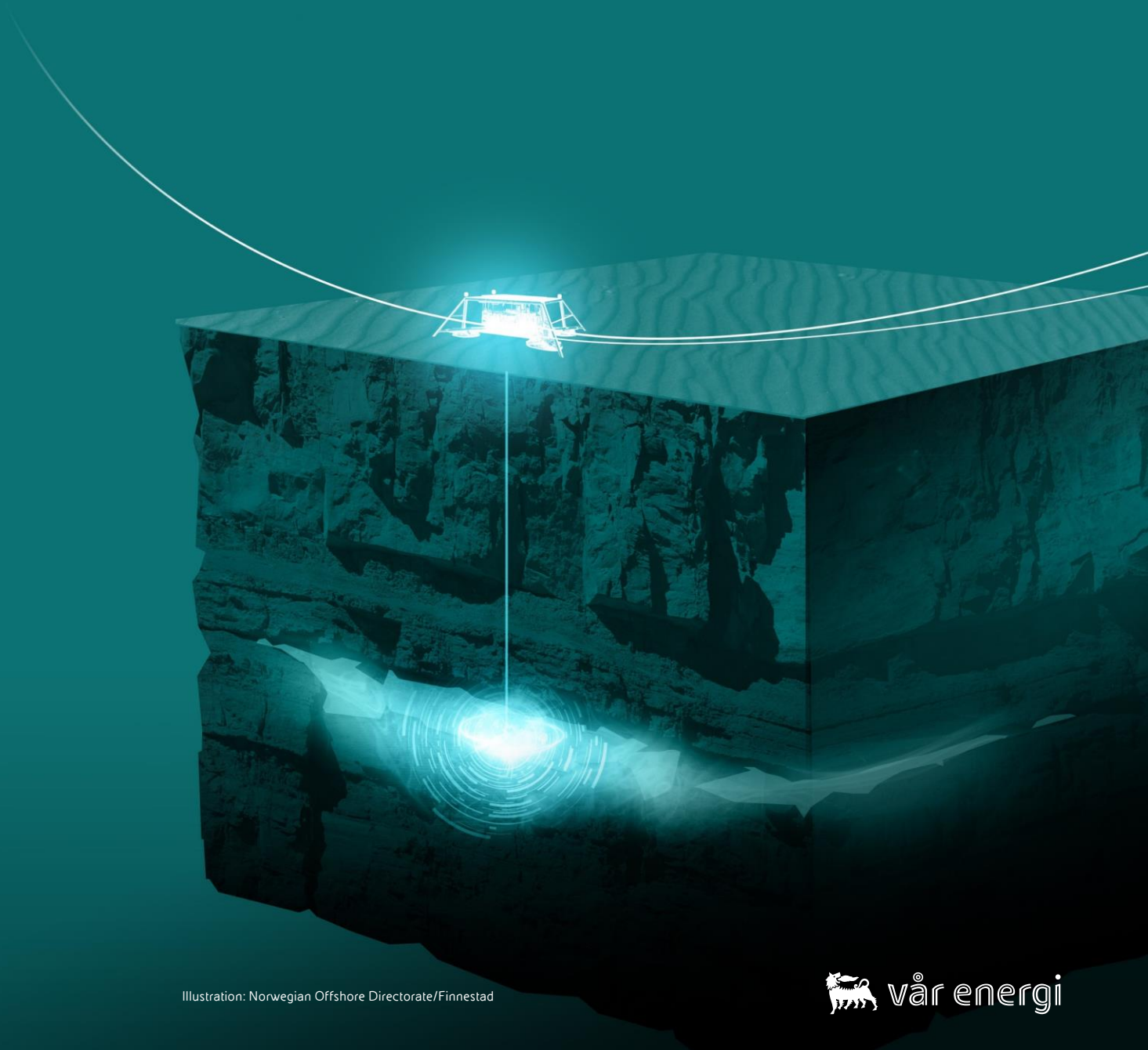
~225

million tons storage potential<sup>3</sup>

>4x

Norway annual emissions<sup>4</sup>

- 1. Norwegian Offshore Directorate estimate
- 2. License part of Neptune acquisition
- 3. Gross
- 4. Statistics Norway, 2022 emissions



# Delivering value while reducing emissions

## Scope 1

2024

Near zero  
methane  
emissions

2030

>50% emission reduction

- Electrification
- Portfolio optimisation
- Energy management

2050

Near zero

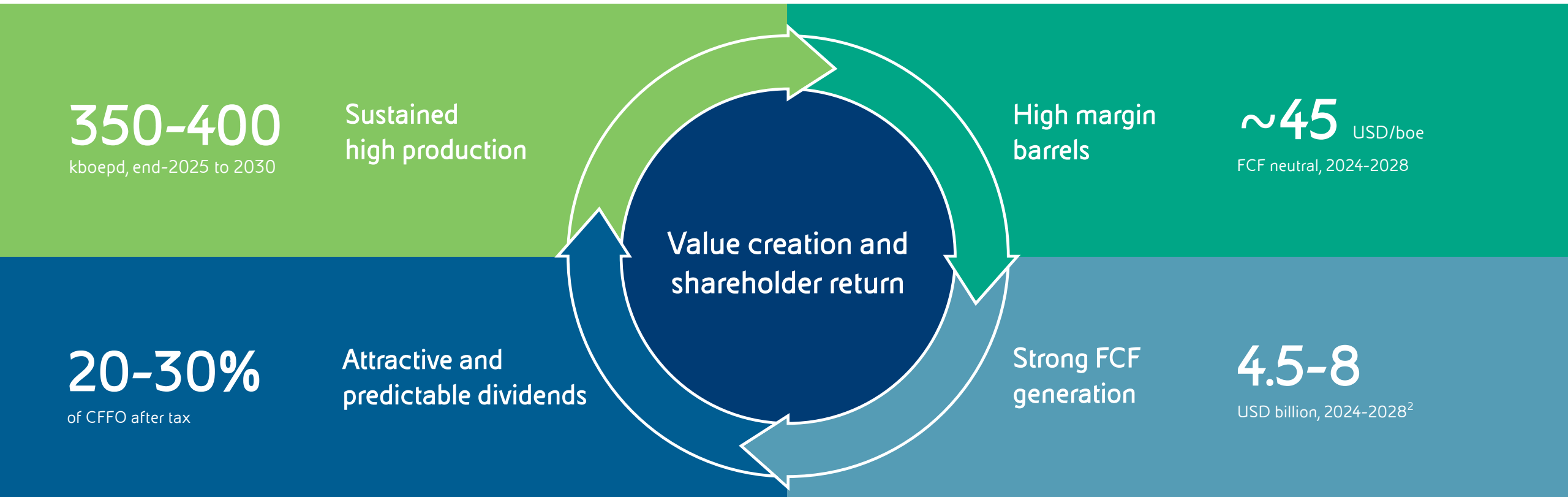


Ensuring  
resilient returns





# Long-term foundation for sustainable returns



Investment Grade balance sheet  
0.5x leverage ratio<sup>1</sup>

59 1. Net interest-bearing debt (NIBD) per end-2023 over rolling 12 months EBITDAX  
2. Scenario Brent 70 USD/boe and 90 USD/boe. Excluding net risked exploration resources and net Neptune consideration of USD 1.2 billion

# Predictable capital allocation framework

**Sustain production**  
of existing portfolio

**Fund capex** of existing  
developments and new  
value-creating projects



**Pay dividends**  
according to stated policy

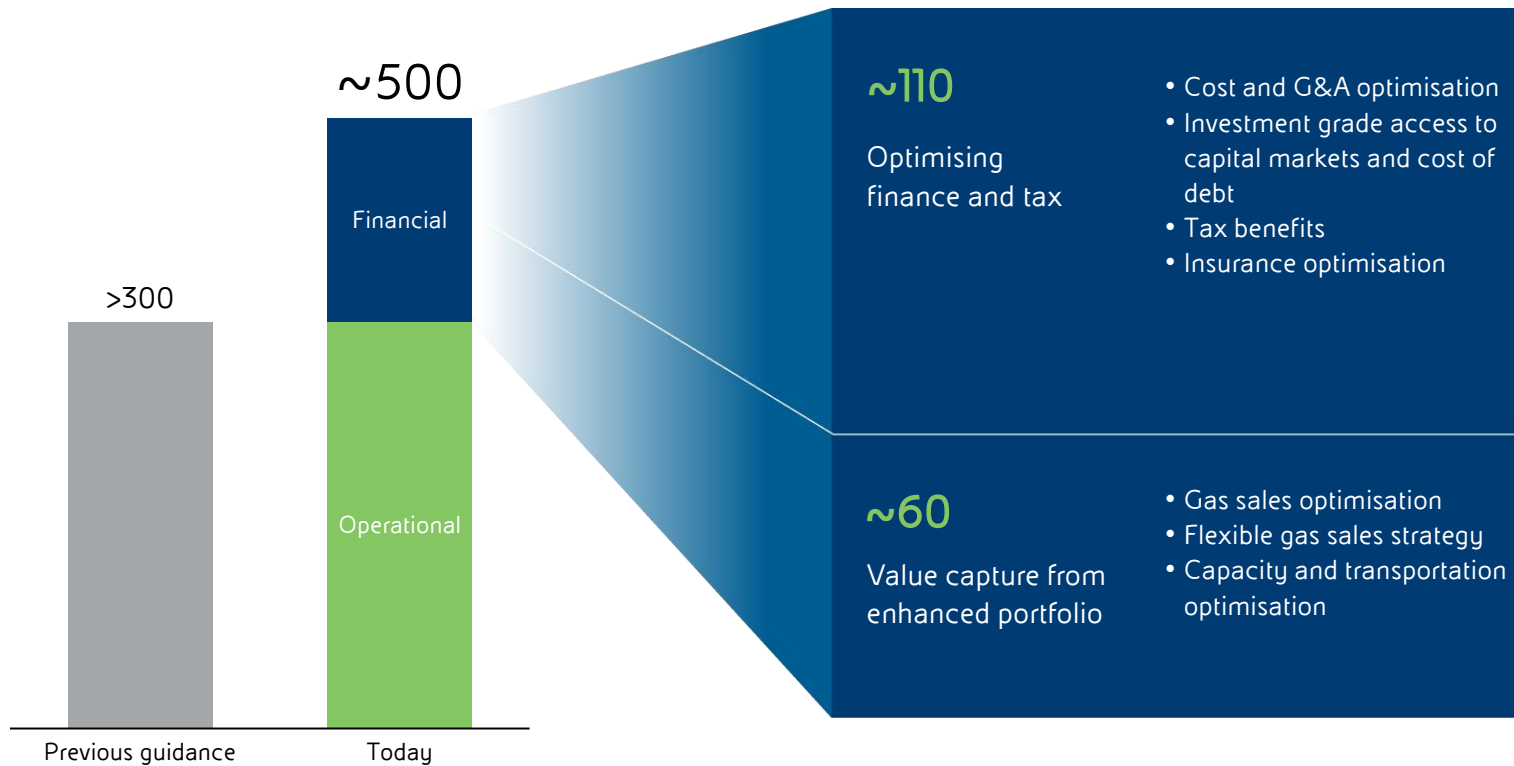
Additional shareholder  
**distributions and  
debt repayment**

**Maintain an investment grade balance sheet**

# Neptune increased financial synergies

## Increased value realisations from acquisition

(USD million, NPV<sup>1</sup>)





# Robust gas sales strategy

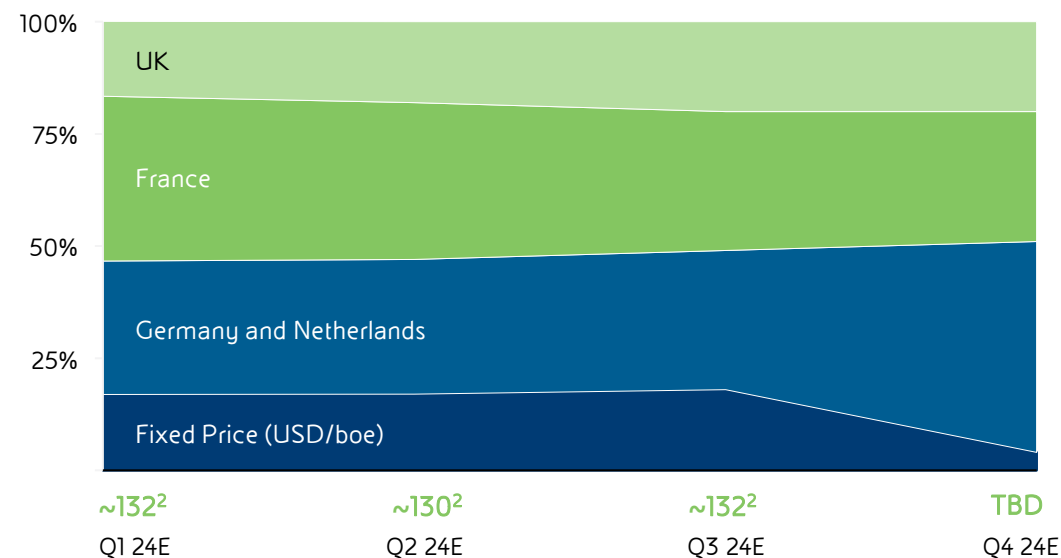
Flexible sales arrangements allowing for arbitrage  
Actively capturing upsides whilst managing volatility  
Long-term offtake contracts with reliable buyers  
Neptune adding diversity, scale and synergies

Additional sales revenue generated in 2023<sup>1</sup>

**USD ~1 billion**

## Indicative gas sales portfolio

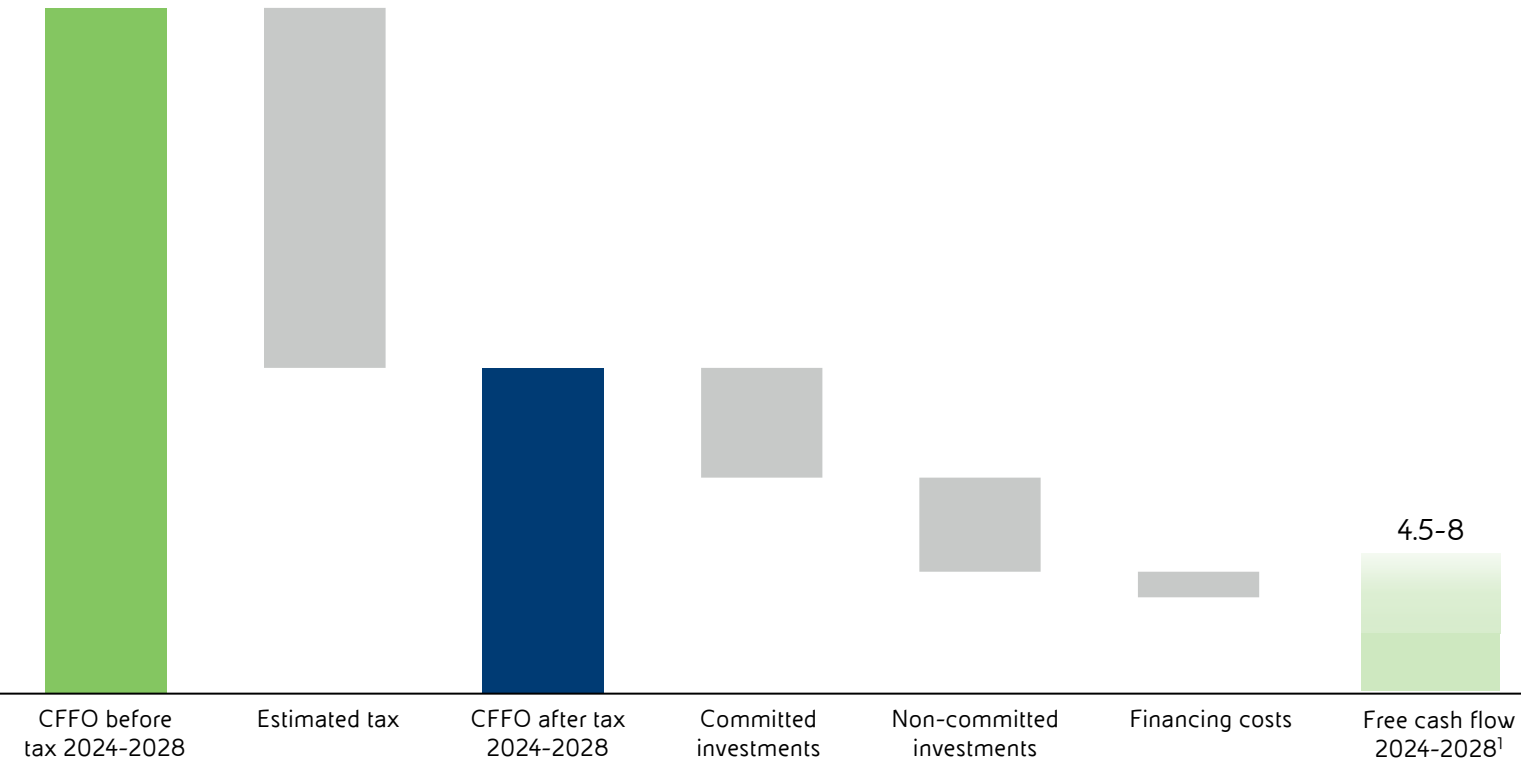
Gas sales split (%)



# Strong cash flow in high investment period

## Estimated cumulative free cash flow generation, 2024 - 2028

USD billion



USD 4.5-8 billion

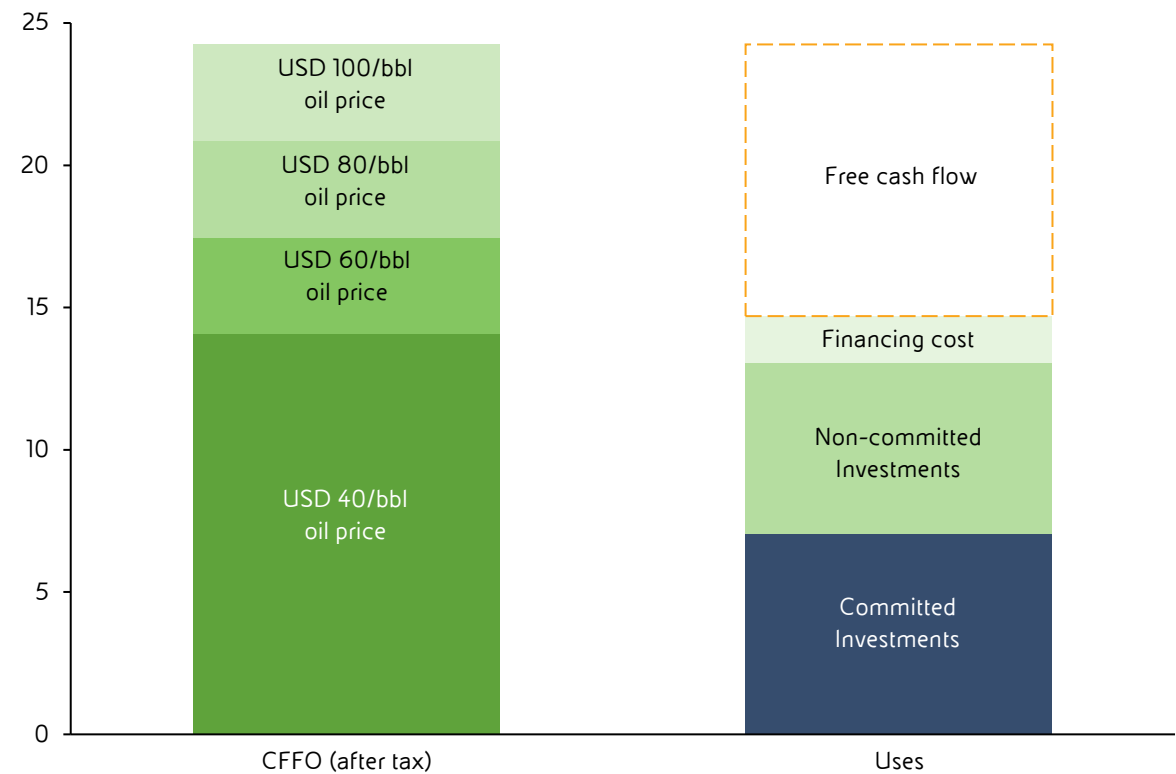
Free cash flow available for shareholder distributions and debt repayment

63 1. Scenario brent 70 USD/boe and 90 USD/boe. Excluding risked exploration resources and net Neptune consideration of USD 1.2 billion

# Resilient dividend capacity

## Cash flow generation 2024-2028<sup>1,2</sup>

USD billion, cumulative



High free cash flow generation in capex-light years

Flexible investment plans for end-of decade organic growth

Resilient dividend capacity

Cash flow neutral 2024-28

~45

USD/boe<sup>1,2</sup>

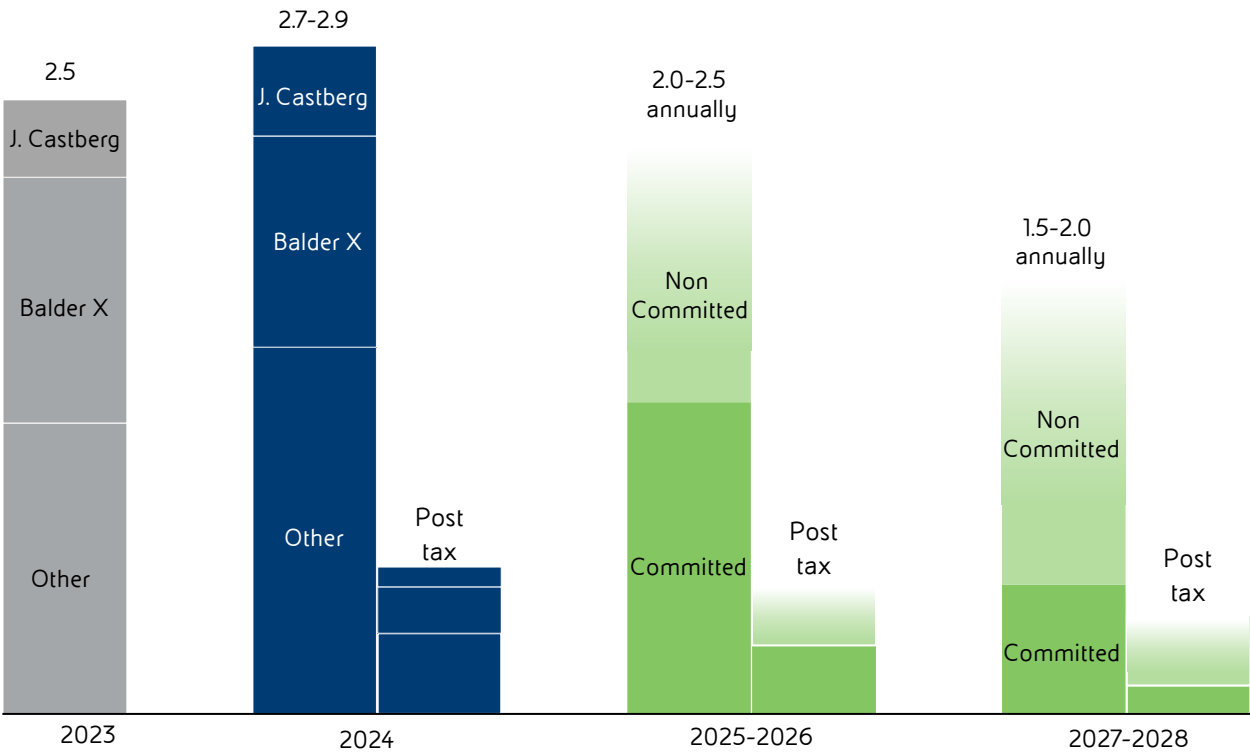
64 1. Oil and gas prices Jan-June 2024 USD 80/boe, sensitivity cases applied thereafter. Realised gas prices at parity with oil until 2025, 20% discount thereafter  
2. Excluding risked exploration resources and net Neptune consideration of USD 1.2 billion



# Disciplined investments in high value barrels

## Capex outlook 2024 - 2028

USD billion, annual average<sup>1</sup>



De-risked sanctioned project portfolio

Significant capex flexibility

78% tax deduction

Capital discipline for new projects:

Breakeven

~35

USD/boe

Internal rate of return<sup>2</sup>

>25%

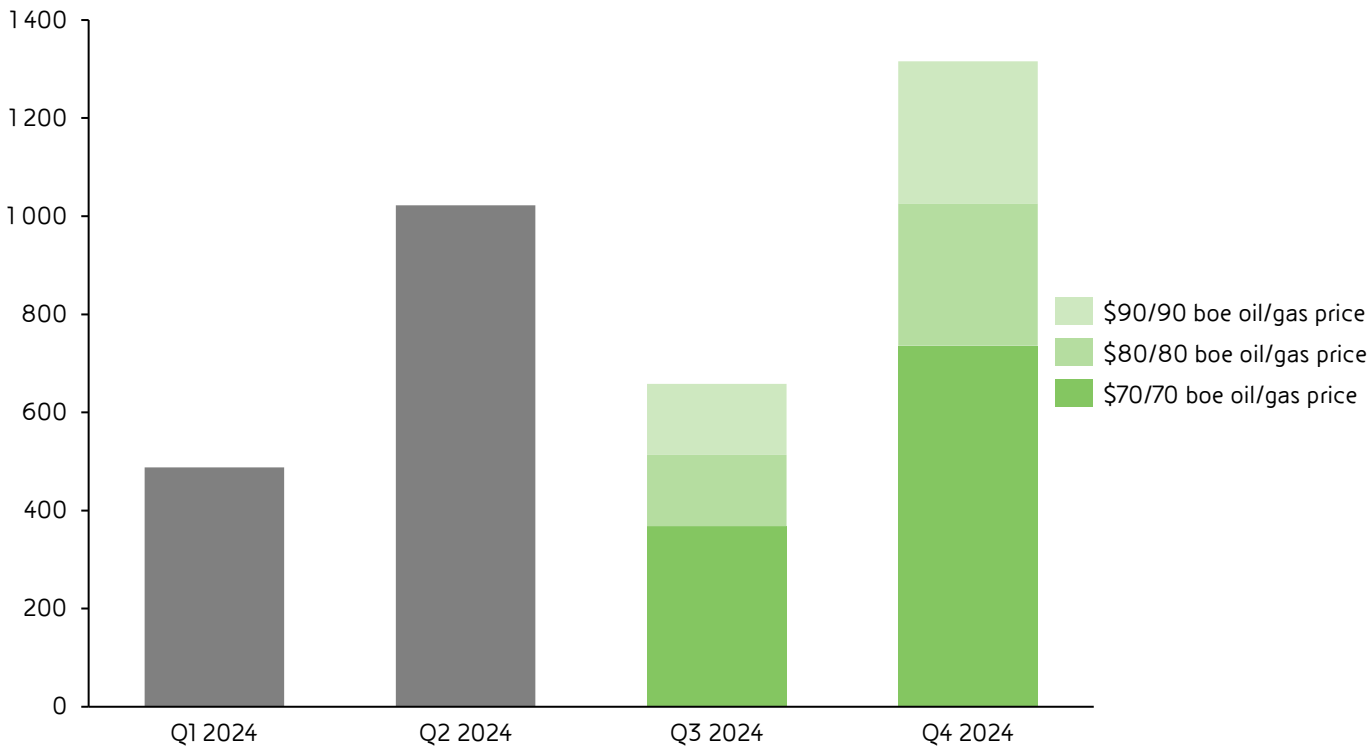
1. Excluding exploration spend and abandonment cost

2. Assumptions stated in the appendix

# Cash tax sensitivities

## Tax payments – sensitivities for 2H 2024<sup>1</sup>

USD million



NOK ~15 billion

1H 2024 tax payments (USD ~1.5 billion)<sup>1</sup>

Taxes paid in 1H 2024 related to 2023 results

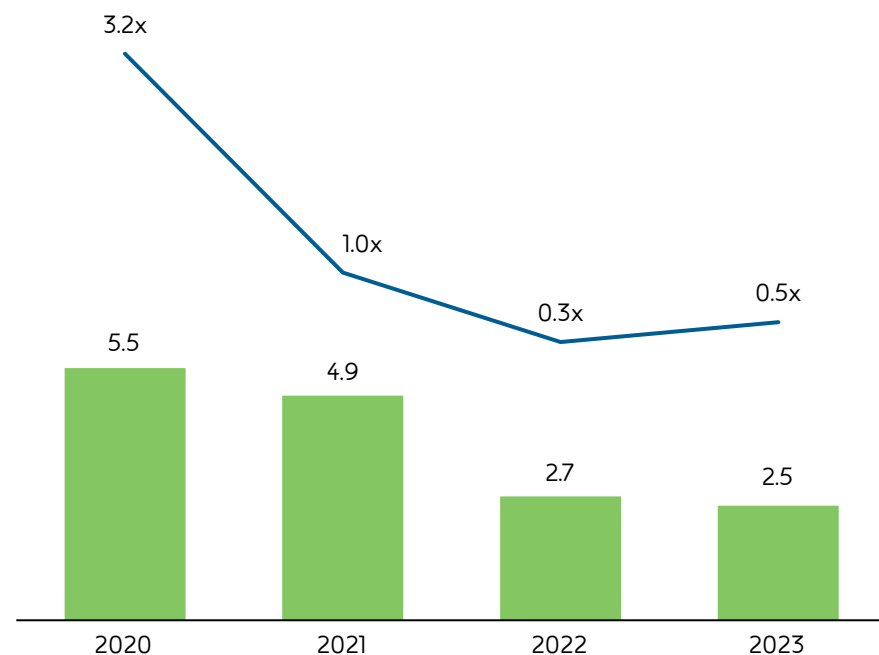
66 1. Based on NOK/USD 10, including Neptune's cash tax payments

# Strong investment grade balance sheet

## Leverage ratio below target of 1.3x through-the-cycle

USD billion

■ NIBD — NIBD/EBITDAX<sup>1</sup>



## Prudent risk management

### Protecting the downside

Hedged 100% post-tax crude  
Predictability through gas sales strategy

### Robust insurance policy

Loss of production insurance  
Third party liability and protection and indemnity

### Solid offtake agreements

Long-term offtake agreements to investment grade counterparties

Moody's

Baa3

S&P Global

BBB

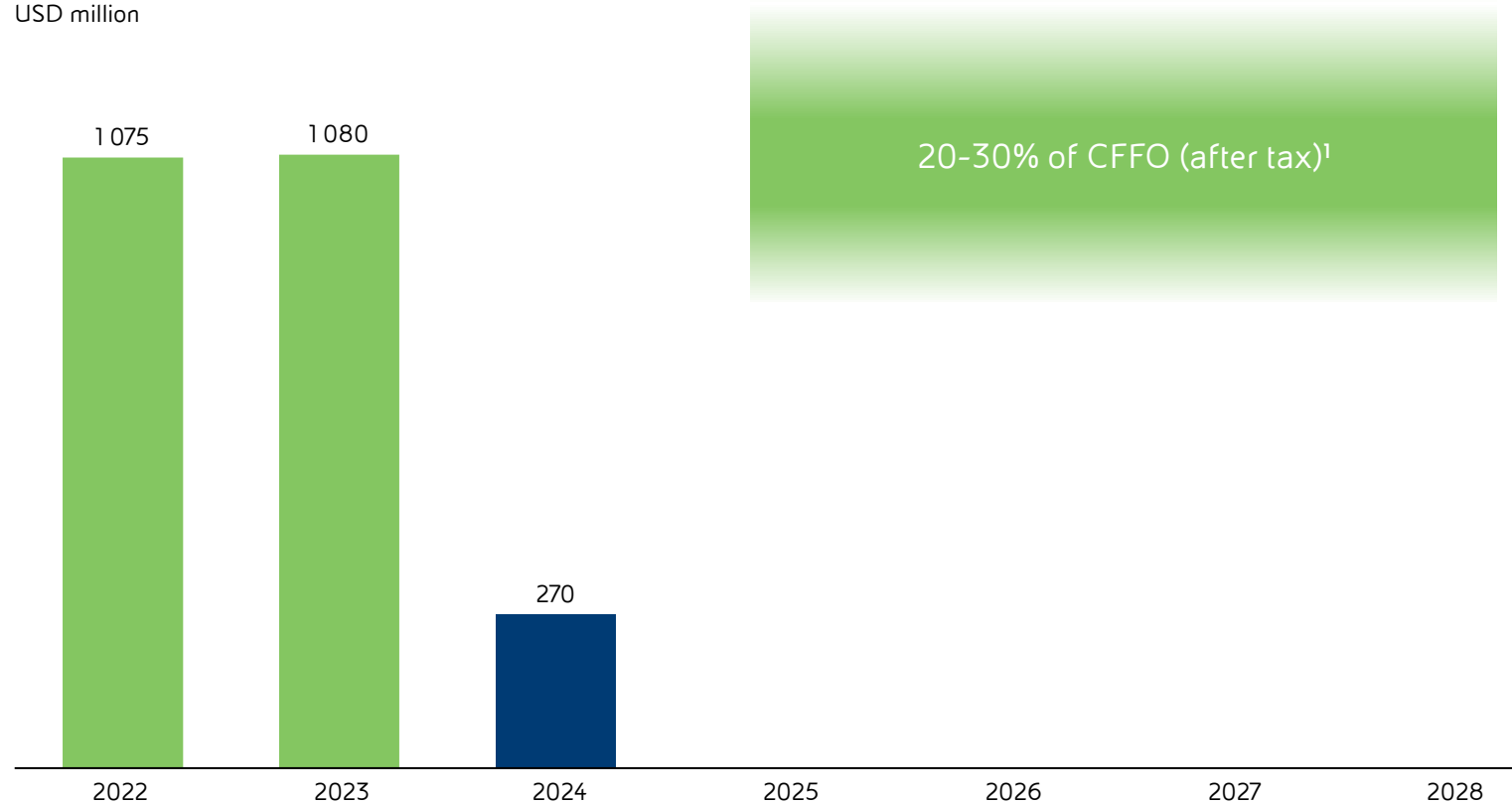
Committed to maintaining Investment Grade rating



# Attractive and predictable dividends

## Dividends

USD million



Dividend  
guidance Q1 2024

**270**

USD million

Planned dividend  
for 2024

**~30%**

of CFFO after tax

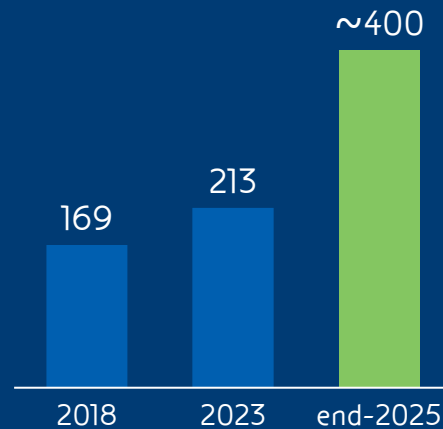
Maintained long-term dividend  
policy of 20-30% of cashflow from  
operations after tax over the cycle



# Positioned for material value creation

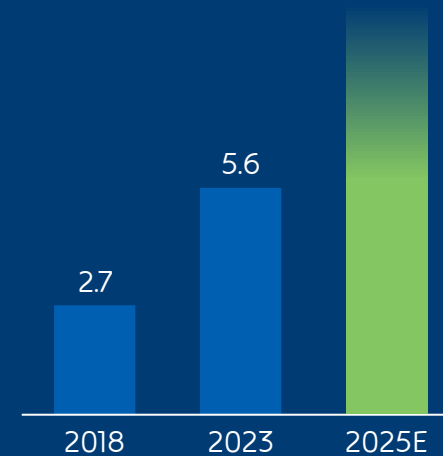
## Production

kboepd



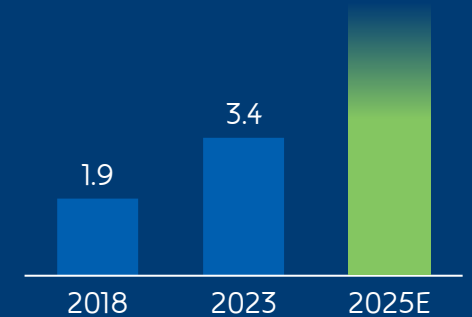
## EBITDAX

USD billion<sup>1</sup>



## CFFO (after tax)

USD billion<sup>1</sup>



1. Assumptions stated in the appendix

# Guidance and outlook

	2024	Longer-term
Production	280-300 kboepd	End-2025: ~400 kboepd 2025-2030: 350-400 kboepd
Production cost	USD 13.5-14.5 per boe	End-2025: USD ~10 per boe <sup>2</sup>
Capex	USD 2.7-2.9 billion excl. exploration and abandonment Exploration USD ~300 million Abandonment USD ~100 million	2025-28: USD 1.5-2.5 billion excl. exploration and abandonment p.a. Exploration USD 200-300 million p.a. Abandonment USD 50-100 million p.a.
Other	Cash tax payments of USD ~1.5 billion in 1H 2024 <sup>1</sup>	
Dividends	Q1 dividend of USD 270 million (~0.11 USD per share) For 2024, the plan is to distribute ~30% of CFFO after tax	Dividend of 20-30% of CFFO after tax over the cycle

1. Based on NOK/USD of 10, including Neptune's cash tax payments

2. Equivalent to previous guidance of USD 8 per boe, inflation-adjusted based on Rystad NCS Price Index



# Our investment proposition

## Growth

Production target end-2025  
**~400** kboepd

Sustaining towards 2030  
**350-400** kboepd

## Value

High value projects  
USD **~35**/boe breakeven

Emission reduction by 2030<sup>1</sup>  
**>50%**

## Returns

Free cash flow potential 2024-28<sup>2</sup>  
USD **4.5-8** billion

Dividend guidance  
**20-30%** of CFFO (after tax)

1. Scope 1, equity share compared to 2005 baseline

71 2. Scenario brent 70 USD/boe and 90 USD/boe. Excluding net risk exploration resources and net Neptune consideration of USD 1.2 billion



# Appendix



# Price assumptions

Reference case, real 2024	2024	2025	2026	Thereafter
Oil price USD/bbl	80	80	80	80
Gas price USD/boe	80	80	64	64
Exchange rate USD/NOK	10.0	9.5	9.5	9.5
Inflation rate		2%	2%	2%

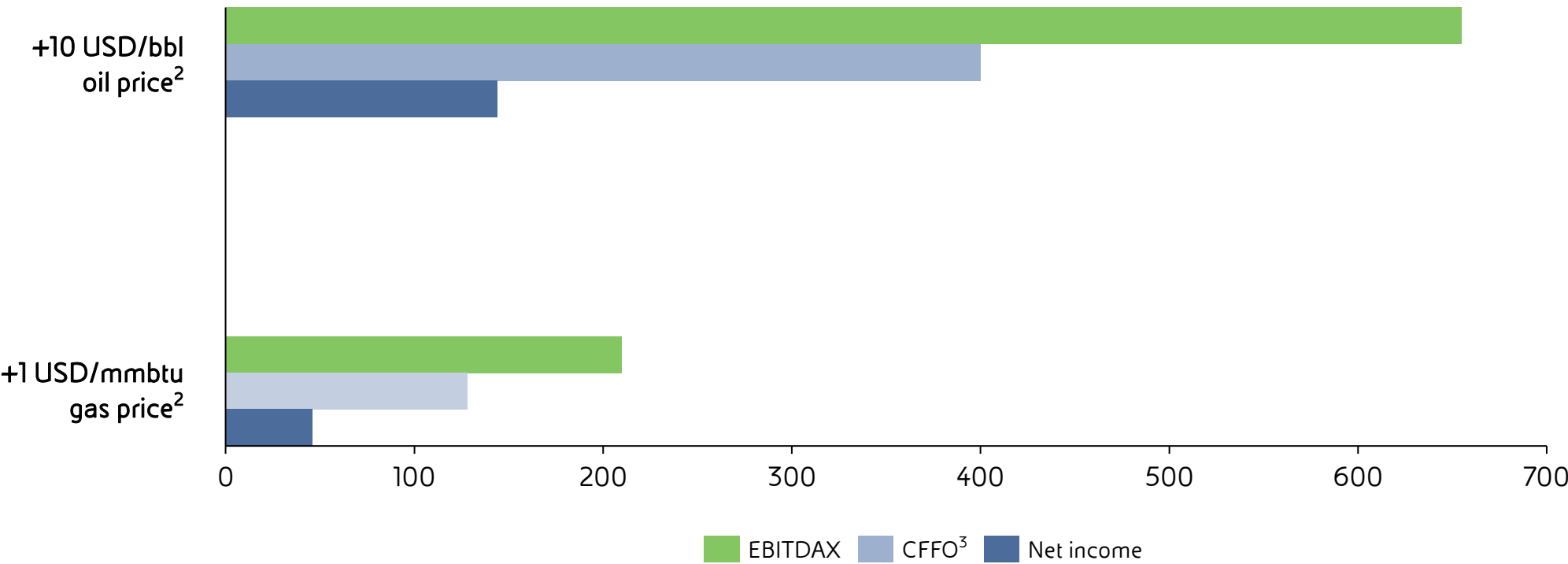
For all price sensitives, realised gas price is assumed at parity with oil until 2025, and 20% discount from 2026 and onwards.



# Price sensitivites

Indicated effect on 2024 results<sup>1</sup>

USD million

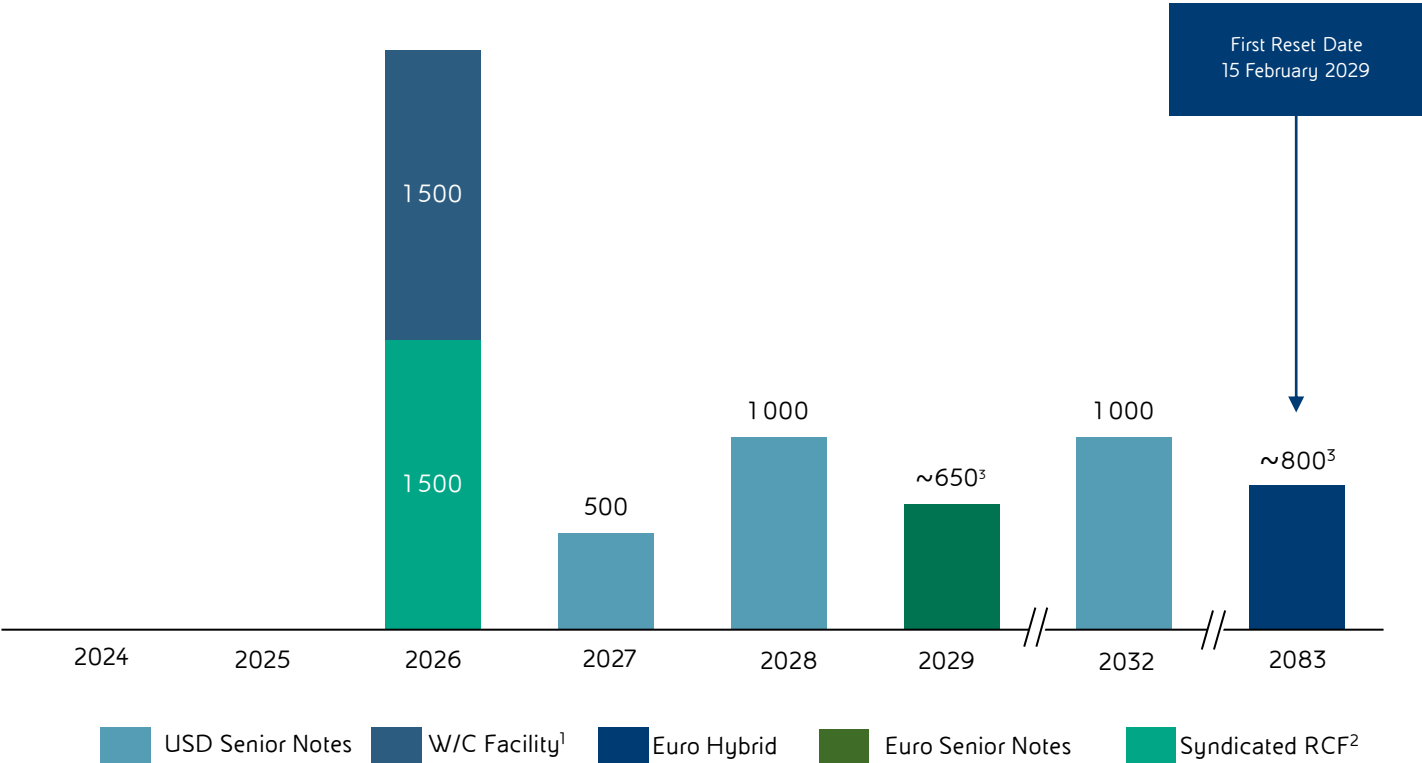


1. Based on USD/NOK 10  
2. Full year realised price change  
3. Assuming 50% of 2024 tax paid in 2024, the rest in following year

# Debt maturities

## Maturity profile

USD million



1. Working capital facility  
2. Revolving credit facility  
3. Based on EUR/USD of 1.08

# Exploration program 2024

License	Prospect	Operator	Vår Energi share	Pre-drill unrisks resources mmbœ <sup>1</sup>	Status
PL 917	Hubert	Vår Energi	40 %		Dry
PL 917	Magellan	Vår Energi	40 %		Dry
PL 636	Cerisa	Vår Energi	30 %	30	Q1
PL 1110	Njargasas	Aker BP	30 %	52	Q1
PL 956	Ringhorne North	Vår Energi	50 %	28	Q1
PL 090	Rhombi	Equinor	25 %	37	Q1/Q2
PL 1025S	Venus	Vår Energi	60 %	353	Q1/Q2
PL 932	Kaldafjell	Aker BP	20 %	175	Q2
PL 1185	Kvernbit	Equinor	20 %	102	Q2
PL 1080	Sno	Equinor	30 %	23	Q2
PL 229	Countach App	Vår Energi	65 %	21	Q3
PL 229	Zagato	Vår Energi	65 %	83	Q3
PL 554	Garantiana NW	Equinor	30 %	40	Q3
PL 025	Brokk/Mju	Equinor	25 %	25	Q3
PL 1194	Haydn	OMV AS	30 %	85	Q4
PL 1131	Elgol	Vår Energi	40 %	265	Q4







vår energi