



equinor

2021

Sustainability report



INTRODUCTION

About the report

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (2016, Core option). The report, along with its referenced information, forms Equinor's Communication on Progress (CoP), reflecting its commitment to the United Nations Global Compact (UNGC). The UNGC is a voluntary initiative based on CEO commitments to implement universal sustainability principles and support UN goals, such as the UN Sustainable Development Goals (SDGs). The report is also aligned with the World Economic Forum Stakeholder Capitalism reporting metrics.

In alignment with industry practice and regulatory requirements, we report safety and environmental data under our operational control (100% basis), including operations where Equinor is a technical service provider. Greenhouse gas (GHG) emissions data is reported on both an equity and operational control basis. Economic data is reported on an equity share basis, and workforce data covers employees in our direct employment. Human rights data is collected from operated and non-operated assets. For more information about reporting boundaries, see "About the report" in appendices.

For additional ESG data supporting the report, please refer to Equinor's sustainability data hub at equinor.com.

EXECUTIVE SUMMARY

50%

reduction in net emissions by 2030.
annual gross capex to renewables and low carbon solutions by 2030.

50 years of history in 2022 and net zero in 2050.

This report provides an update on the progress on our ambitions so far.

Navigating the complexity

2021 was a notable year. Covid-19 continued to impact our lives. The world witnessed extreme weather including drought, floods and wildfires. The United Nations Intergovernmental Panel on Climate Change (IPCC) published its latest report on climate change and important negotiations including Conference of the Parties (COP) 26 and COP15 occurred. As the global economy picked up, so did greenhouse gas emissions. Increased demand for energy, combined with a reduced supply of gas globally, led to a surge in European energy prices towards the end of the year.

As a major contributor to global emissions, the energy sector can play a defining role in the transition by delivering energy with fewer and ultimately net-zero emissions. Equinor recognises that its activities impact the environment, society and the economy, and that the company has an important role to play in collaboration with governments, industry, customers and society at large.

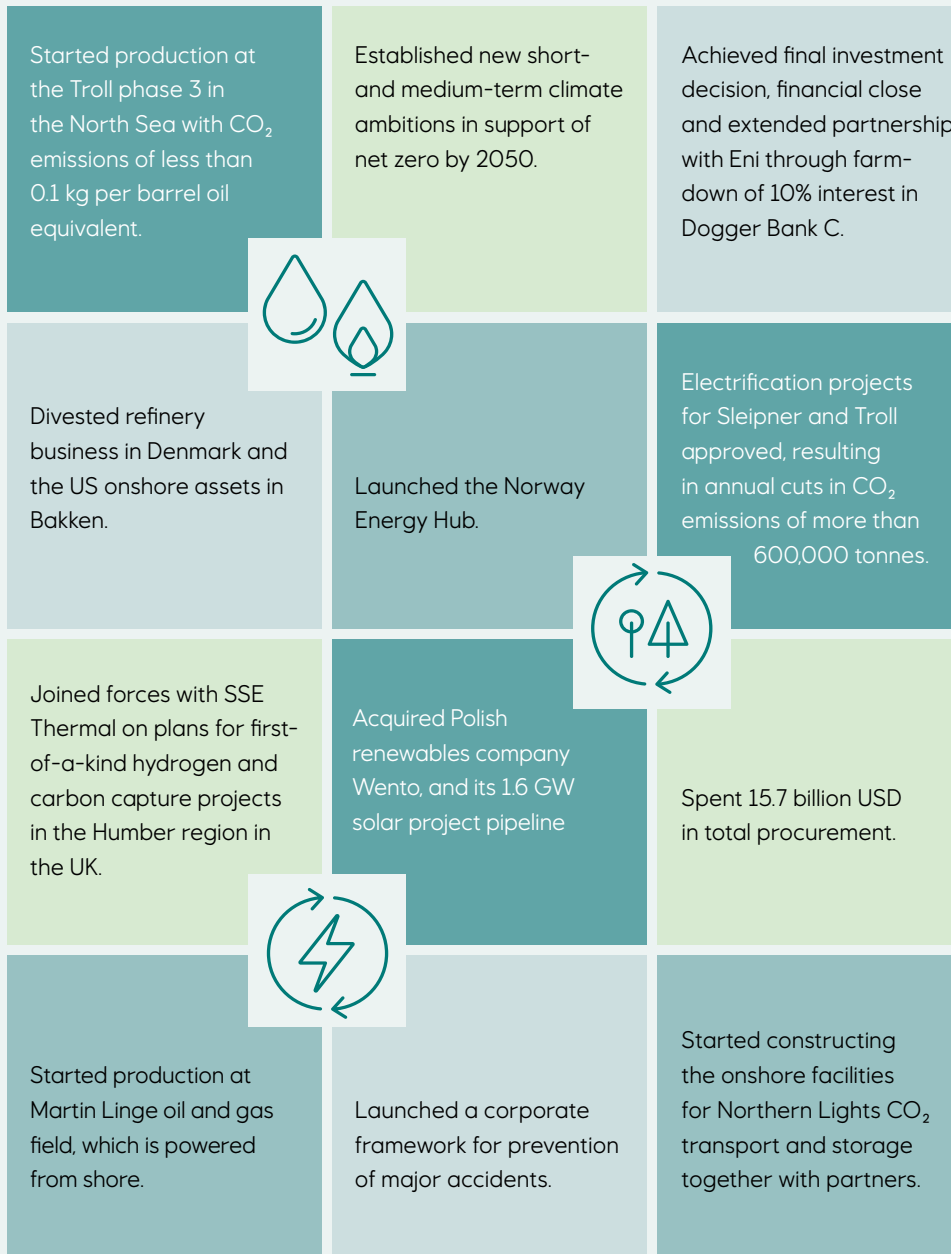
Our role in the energy transition

Equinor aims to be a leading company in the energy transition by responsibly delivering on its purpose of providing energy for people and progress for society. The company will do that by optimising the oil and gas portfolio, capturing high value growth in renewables and establishing new market opportunities within low carbon solutions, leveraging its technology, competence and capacity from 50 years of oil and gas activity.

Equinor's sustainability priorities - getting to net zero, protecting the environment, caring for people and society, and governance and transparency - underpin the three strategic pillars: always safe, high value and low carbon. In 2021, the company identified ten material impact topics with corresponding performance indicators and ambitions to measure progress.

This sustainability report aims to provide a transparent overview of Equinor's performance in 2021 and demonstrate progress towards its ambitions. The report describes how Equinor is pursuing high industry standards and how it works to assess, mitigate and adapt to reduce the risk of any negative sustainability impacts from its operations.

Key actions 2021



Equinor's performance 2021

Getting to net zero

Satisfactory progress on climate performance

Equinor's total scope 1 and 2 GHG emissions were 12.1 million tonnes CO₂e in 2021, representing a decrease compared to a three-year average. Increased production at Johan Sverdrup, Troll and Oseberg and the temporary shutdown of Peregrino and divestment of Bakken were the main drivers for the reduction in the upstream CO₂ intensity to 7.0 kg CO₂ per barrel of oil equivalent (CO₂/boe). The current global industry average is 15 kg CO₂/boe. Equinor also continued its strong methane intensity performance with 0.02% compared to the OGCI average of 0.20%.^[1]

Equinor's scope 3 GHG emissions were 249 million tonnes CO₂e which is stable compared to a three-year average. Equinor expects to grow its oil and gas production during 2021-2026, which may result in increased emissions from use of sold products.

To demonstrate its acceleration towards a broad energy company, Equinor announced an ambition to allocate more than 30% share of annual gross capex by 2025 and more than 50% by 2030 to renewables and low carbon solutions. The company is on track towards the 2025 ambition, with investments increasing to 11% in 2021, compared with 4% in 2020. Equinor has made significant progress with offshore wind, onshore renewables, carbon capture and storage (CCS), and hydrogen projects in 2021.

To account for both emissions and energy produced, Equinor uses a net carbon intensity (NCI) methodology, which accounts for scope 1, 2 and 3 emissions. Equinor's NCI was 67g CO₂e/MJ in 2021, a slight decrease from 68g CO₂e/MJ in 2020. The reduction is due to an increase in the share of gas compared to oil in the company's equity production volumes in 2021.

¹ OGCI average upstream methane intensity.

Protecting the environment

Satisfactory performance on majority of indicators

Equinor's performance related to biodiversity and nature is considered satisfactory and the company is striving to further improve performance and support the global ambition of reversing nature loss by 2030. In 2021, Equinor introduced a new biodiversity position including the requirement after 2023 for new operated projects in protected areas or areas of high biodiversity to develop a plan. The plan should include additional measures aiming to demonstrate a net positive impact.

Improvement needed on environmental compliance

In 2021 Equinor achieved a reduction for nearly all indicators on emissions to air, discharges to sea, accidental spills and waste, compared with 2020. Equinor therefore considers its overall environmental performance satisfactory. However, the company acknowledges that its compliance with environmental regulations in Norway has not been satisfactory with regards to spills. Equinor has initiated an improvement project to address governance, competence awareness and performance in this area.

Governance and transparency

Anti-corruption satisfactory

The number of confirmed corruption cases were zero, which is aligned with the target.

Code of Conduct completion target not met

Eighty-four percent of the employees signed-off the company's Code of Conduct. Hence, Equinor did not meet its target of a 95% completion rate. Equinor will address this in 2022.

Caring for people and society

Safety performance improvement required

Equinor recognises the need to continue to improve its safety performance. In 2021, the company experienced too many personal injuries compared to its target. Equinor reported 0.4 serious incidents per million hours worked, and thereby met its 2021 target. Equinor has significantly reduced the backlog of safety critical maintenance at producing installations and increased proactive reporting. The company considers its systemic and coordinated company-wide approach as adequate to improve performance and close the gap on its safety ambitions. These remain a top priority for Equinor's management.

Diversity and inclusion performance satisfactory

Equinor considers its performance on diversity and inclusion as being satisfactory. Since the company started reporting on diversity, the score has improved year-on-year. For inclusion, the performance remains at the same level compared to a three-year average.

Initiated new monitoring for human rights performance

Equinor's human rights efforts have been directed towards risks of forced labour in its supply and value chains. The company considers its management approach adequate to address the salient risks. However, it acknowledges that continued improvements in execution are needed to secure sustained and measurable outcomes for people. The introduction of new and specific human rights indicators in 2022 is intended to help Equinor better understand performance and enable the company to drive progress.

Strengthened socio-economic reporting

Equinor aims to optimise the socio-economic benefits of its activities. In 2021, Equinor was a significant tax contributor. The total share of spend locally demonstrates an increase compared to a three-year average, totalling 91% in 2021.

Message from the CEO

2021 was a significant year for all of us. The pandemic continued to impact our lives. Emissions returned to pre-Covid levels and the IPCC stated that global warming had already reached 1.1 °C. The International Energy Agency (IEA) report, "Net Zero by 2050", demonstrated that getting to net zero will require a total transformation of the world's energy systems. This is against a backdrop of growing global demand for energy supplies that are both reliable and affordable.

At Equinor, we recognise that our activities impact the environment, society and the economy. Equinor aims to be a leading company in the energy transition. In 2021, we made significant strategic progress and changed our organisation to accelerate our transition. By 2050, our ambition is to be a net-zero company, including emissions from the use of our products.

Delivering on the world's climate ambitions - reinforced at COP26 - will not be easy. Some say it is impossible to meet these ambitions given the magnitude and complexity of the energy transition. I disagree. Not only is it possible, it is necessary to reach these ambitions.

The challenges we face are too big for one company to handle alone. That is why industry, governments and society at large need to work even more closely together. As a major contributor to global emissions, our industry must strengthen collaboration and act now to ensure that future energy has less, and ultimately, net-zero emissions.

To be a leading company in the energy transition our strategy is to optimise our oil and gas business, continue to grow a

profitable renewables portfolio and develop low carbon solutions, including carbon capture and storage and hydrogen. Our ambition is to reduce our group-wide emissions by 50% by 2030, and we aim to realise this ambition by 90% absolute reductions. The new ambition is aligned with the goals of the Paris agreement and a 1.5 °C pathway. In the coming years, we will continue to produce oil and gas with ever lower emissions and focus our exploration on areas close to existing infrastructure. We will also invest more than 23 billion USD into renewables towards 2026, and by 2030 more than 50% of our gross annual investments will be directed to that part of the business and low carbon solutions.

Our strategy demonstrates our commitment to long-term sustainable value creation. We support the principles of the United Nations' Global Compact and policies that advance the goals of the Paris Agreement.

In the decade leading up to 2030, we see the opportunity to play a key role in addressing the connected challenges of climate change, biodiversity loss and a just transition. Building on our purpose of turning natural resources into energy for people and progress for society, we intend to be part of the solution and will contribute by taking meaningful action.

For us it all starts with people. Ensuring the safety and security of everyone working in and for Equinor is our first priority. In 2021, we saw improvements in our serious incident frequency, but we still need to do better. We need to reduce the number of personal injuries and hydrocarbon leaks. We are aiming to strengthen performance in these and other areas through a systemic and coordinated approach across the company.

2022 marks Equinor's 50th anniversary. This is an opportunity to both look back and forward: Back at how we have developed the industry and contributed to progress for society, and forward by exploring how this sets the scene for the journey towards 2050.

We want to be recognised as taking a leading role towards a net-zero future. This report gives an overview of our progress so far. I hope you find it inspiring.

Best regards,
Anders Opedal
President and Chief Executive Officer



SUSTAINABILITY IN EQUINOR



This is what we do

Equinor is transitioning into a broad energy company by leveraging the strong synergies between oil, gas, renewables, carbon capture and storage, and hydrogen. We provide reliable energy for societies worldwide and aim to be a leading company in the energy transition.

Founded in 1972, we are the leading operator on the Norwegian continental shelf and have international activities in 15 countries. We are engaged in exploration, development and production of oil and gas, as well as renewables and low carbon solutions. We sell crude oil, refined products, gas and electricity, and have processing, refining and trading activities. Every single day we provide energy to more than 170 million people.

Our impacts on people and the planet

We recognise that our activities may have substantial impacts on society and the environment. Our operations may impact biodiversity and ecosystems through emissions, disturbances, spills, waste, discharges and effluents to water, soil and air. Health, safety, human rights, integrity and security risks are inherent in the activities we and our suppliers perform in the regions where we operate.

We also recognise that our activities make significant positive contributions. First and foremost, we provide society with energy – 759 equity million barrels of oil equivalents and 1,562 GWh in 2021. Our size, financial strength and engineering expertise enable us to contribute to a rapid growth in renewable energy. By developing low-carbon solutions, such as CCS and hydrogen, we can also help society decarbonise. We provide socio-economic development through jobs for our 21,000 employees and our 8,000 suppliers, and we are a significant tax contributor to the societies where we operate.

Who we are

President and CEO:

Anders Opedal, since November 2020

Purpose:

Turning natural resources into energy for people and progress for society

Vision:

Shaping the future of energy

Values:

Open, courageous, collaborative and caring

Strategy:

Always safe, high value, low carbon. We are committed to long-term value creation in a low carbon future.

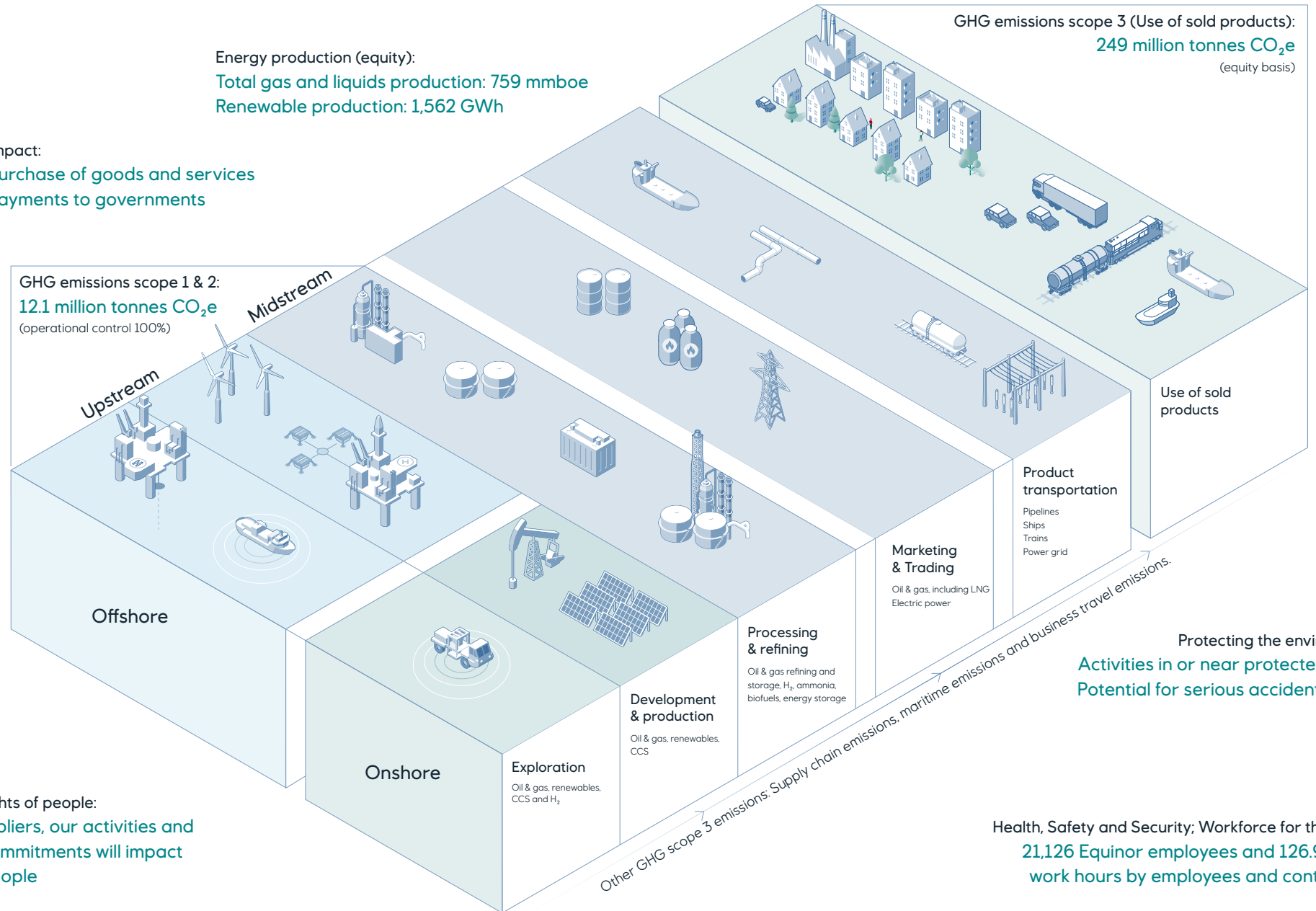
Quick facts

- 21,126 employees
- Norwegian State ownership: 67%
- Total revenues: 90.9 USD billion
- Total assets: 147,120 USD million
- Equity oil and gas production: 2,079 mboe/day
- Renewable power generation: 1,562 GWh

Equinor's value chain and main sustainability impacts

Socio-economic impact:
 15.7 bn USD in purchase of goods and services
 11.8 bn USD in payments to governments

Energy production (equity):
 Total gas and liquids production: 759 mboe
 Renewable production: 1,562 GWh



Respecting the rights of people:
 With 8,000 suppliers, our activities and human rights commitments will impact thousands of people

Protecting the environment:
 Activities in or near protected areas
 Potential for serious accidental spills

Health, Safety and Security; Workforce for the future:
 21,126 Equinor employees and 126.9 million work hours by employees and contractors

Material topics

We strive to adhere to high industry standards and aim to improve our performance in every area where we have a positive or negative impact. Within our four sustainability priorities - *getting to net zero, protecting the environment, caring for people and society, and governance and transparency* - we have identified ten material impact topics with corresponding performance indicators and ambitions to measure our progress. When assessing materiality, we consider the global sustainability context and evaluate impacts across our own activities and business relationships, including actual and potential positive and negative impacts on people, planet and society.

Subsequent chapters of this report aim to provide a transparent overview of our performance in 2021 against our four sustainability priorities and the ten material topics. Appendix 1 provides a more detailed assessment of our sustainability impacts.

Stakeholder engagement

In line with our values of being open and collaborative, we actively engage with internal and external stakeholders and experts to enrich and challenge our sustainability priorities. Throughout 2021, we have engaged with numerous stakeholders including investors, governments, regulators, business partners and suppliers, customers, local communities, academic institutions and non-governmental organisations. Stakeholders are consulted directly and indirectly and we strive to reduce potential language, social and geographical barriers. The Chair of the Board of Directors (BoD), the CEO and senior managers, amongst others, engage extensively in stakeholder dialogue.

To provide independent perspectives on our activities, we have invited some stakeholders to share their views as “external voices”, which feature throughout this report. These individuals represent a variety of backgrounds, disciplines, and countries. The views expressed are those of the individual and do not necessarily represent Equinor’s views. The contributors are not remunerated.

Jan Christian Vestre, Minister of Trade, Industry and Fisheries meets with Anders Opedal, President and CEO of Equinor at Equinor’s offices.



Material topics

Sustainability priorities	Material topic	Indicator	Performance		Ambitions
			2021	2020	
Getting to net zero	GHG emissions from operations (scope 1&2)	CO ₂ intensity upstream (kg per boe)	7.0	8.0	<8 by 2025, ~6 by 2030 Net 50% emission reduction by 2030
		Absolute GHG emissions scope 1 and 2 (million tonnes CO ₂ e)	12.1	13.5	
	Investing in renewables and low carbon solutions	Annual gross capex (%) to renewables and low carbon solutions	11	4	>30% by 2025, >50% by 2030
	GHG emissions from products and supply chain (scope 3)	Renewable installed capacity, including capacity from financial investment (equity, GW)	0.7	0.6	12-16 GW by 2030
		CO ₂ storage (million tonnes)	0.3	1.1	5-10 million tonnes per year by 2030
		Net carbon intensity, including scope 3 but excluding supply chain (gCO ₂ e/MJ)	67	68	20% reduction by 2030 40% reduction by 2035 100% reduction by 2050
Protecting the environment	Biodiversity and nature	Number of assets and licences inside and adjacent to protected areas	19	12	From 2023: New projects in protected areas or areas of high biodiversity value to establish a plan aiming to demonstrate net positive impact
	Non-GHG emissions, discharges and waste	Number of serious accidental spills per year	0	3	0 serious accidental spills per year
Caring for people and society	Health, safety and security	Serious Incident Frequency (SIF)	0.4	0.5	0.4 in 2021
		Total Recordable Injury Frequency (TRIF)	2.4	2.3	2.0 in 2021
	Workforce for the future	Diversity index score	39	37	55 by 2025
		Inclusion index score	77	78	80 by 2025
Respecting the rights of people	Significant investment agreements and contracts including human rights clauses or screening (number)	0	33	Pilot a set of human rights indicators in 2022	
Socio-economic impact	Tax contribution (billion USD)	Tax contribution (billion USD)	9.0	3.1	Develop a set of socio-economic indicators in 2022
		Share of procurement spend locally (%)	91	89	
Governance and transparency	Integrity and anti-corruption	Number of confirmed corruption cases	0	-	Zero cases every year. Reported from 2021
		Employees who signed-off the Code of Conduct (%)	84	87	95% in 2021

High impact
 Higher impact
 Highest impact

Target met in 2021, or on track to meet longer-term ambition
 Target not met in 2021
 Plan in place

Embedding sustainability in how we work

Strategy

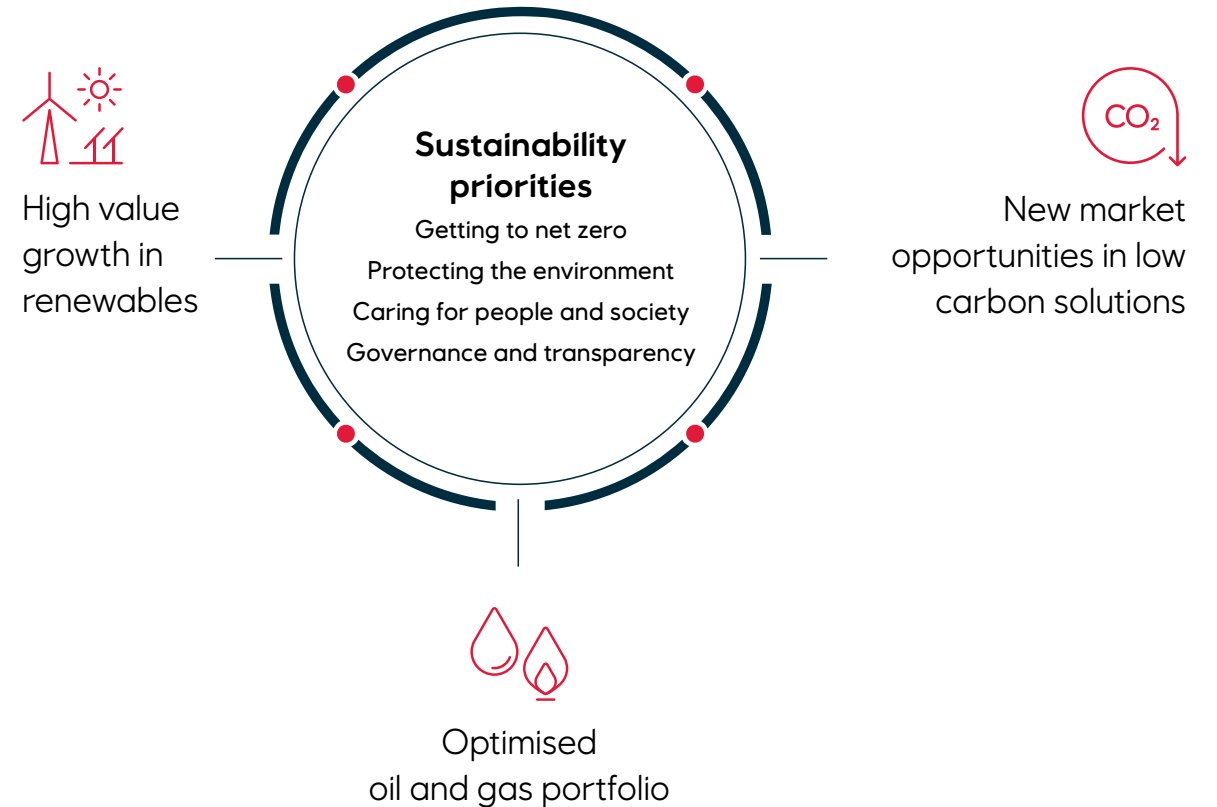
Equinor’s purpose is to turn natural resources into energy for people and progress for society. Our key strategic pillars - always safe, high value, low carbon - guide our strategic areas - optimising our oil and gas portfolio, capturing high value growth in renewables and establishing new market opportunities within low carbon solutions. Our sustainability priorities are closely linked with our focus areas.

We support a just transition enabling long-term social, economic and human rights benefits for workforces and communities. Our just transition approach will be further matured in 2022. It will focus on three stakeholder groups mostly affected by our transition: employees and hired personnel, our suppliers, their subcontractors, and our host communities.

Our approach aims to build on existing frameworks and commitments such as those for human rights, anti-corruption, transparency and taxation principles. In addition, we consider how we can enhance local content and job creation, help build resilience in host communities, as well as promote sustainable industrial development.

Policies and governing documents

‘How’ we deliver is as important as ‘what’ we deliver. Our approach to sustainability is embedded in the way we work. This includes our corporate governance principles, performance and reward framework, risk and impact management and how we work with suppliers and partners. Our approach to sustainability is integrated in our management system and reflected in our policies, positions and codes. It is also summarised in the publicly available Equinor book.



Governance of sustainability

The CEO is responsible for Equinor’s day-to-day safety, security and sustainability management, including decisions and actions related to climate and the energy transition. The business line is accountable for executing the company’s sustainability ambitions and for managing relevant risks and performance. Dedicated safety, security and sustainability specialists in the business line are part of company-wide functional networks and provide advice and support to the business line.

Group level functions relevant to sustainability include: safety, security and sustainability; finance and control; people and organisation; communication; and legal. These functions are responsible for setting the strategic direction, providing advice, engaging in stakeholder dialogue and advocacy, and reporting on risk and performance to the Corporate Executive Committee (CEC) and the Board of Directors (BoD).

The Corporate Risk function, under the Chief Financial Officer, is responsible for providing the Corporate Risk Committee, the CEC and the BoD with a holistic picture of the top enterprise risks and the efficacy of related risk adjusting actions. This is updated on a bi-annual basis. Safety, security and sustainability risks are integrated into the assessment of top enterprise risks.

The Board of Directors

The Equinor BoD and the CEC review, monitor and discuss safety, security and sustainability issues and risks. These topics are discussed in most of the ordinary BoD meetings, either as integral parts of strategy and investment discussions or as separate topics. The BoD has three sub-committees that act as preparatory bodies:

The safety, sustainability and ethics committee (SSEC) assists the BoD in its supervision of the company’s safety, security, sustainability and ethics policies, systems and principles. This includes quarterly reviews of risk issues and performance and an annual review of the sustainability report.

The compensation and executive development committee (BCC) assists the BoD on terms and conditions of employment for the CEO, and on the philosophy, principles and strategy for the compensation of leading executives in Equinor, including safety, security and sustainability key performance indicators (KPIs) as part of the remuneration policies.

The audit committee (BAC) assists in the exercise of the BoD’s management and control responsibilities including supervision of the implementation of and compliance with the group’s expectations, commitments and requirements for ethical conduct concerning financial reporting.



Performance and reward framework

Safety, security and sustainability are embedded into our performance and reward framework. We measure progress and results in a holistic way across two dimensions, both by what we deliver and how we deliver. Business delivery and behaviour are equally weighted when recognising and rewarding individual performance.

For the 'what we deliver' dimension, the CEO, his direct reports and Equinor's broader leadership are assessed based on results within a broad range of topics, including safety, security and sustainability-related KPIs.

For the 'how we deliver' dimension, executive leaders' ability to be role models and drive the energy transition forward forms part of the holistic evaluation.

The annual bonus for employees is based on the same holistic assessment of company performance, which includes the results within safety, security and sustainability, among other areas. A comprehensive set of performance indicators and monitoring reports are made available to all employees in Equinor's Management Information System.

Safety, security and sustainability KPIs

- Serious incident frequency
- Total recordable injury frequency
- CO₂ intensity (upstream)

Risk and impact management

Management of safety, security and sustainability risks is embedded in our enterprise risk management process. Risk management in Equinor follows a common, company-wide process based on ISO 31000 "Risk management". This includes requirements, a specific work process and a common reporting tool. We regularly identify, evaluate and manage risks according to this process to create sustainable value and avoid incidents.

The impact assessment process informs the overall risk management process in projects and is based on the national requirements of the countries in which we operate, and in guidance set out in international standards such as the International Finance Corporation (IFC) Environmental and Social Performance Standards. Disclosure of information and an open dialogue with relevant authorities, potentially affected communities and other stakeholders are key elements in the impact assessment process. Impact assessment documents are available at equinor.com.

Monitoring effectiveness

The effectiveness of our sustainability management approach is regularly evaluated through performance reviews at several levels, including the CEC, the BoD and the BoD's SSEC, and by corporate functions and business areas. Internal and external audits, verifications and self-assessments constitute key assurance elements of our management approach. We conduct internal and external benchmarking and participate in external performance ratings for the same purpose. Concerns related to misconduct can be reported to relevant internal entities or to Equinor's Ethics Helpline, which is available to any individual. Equinor has developed internal requirements for establishing and running effective operational-level community grievance mechanisms.



Working with partners and suppliers

Equinor has ownership shares in many assets operated by other companies. Similarly, other companies have ownership stakes in assets that we operate. The way we work and follow up on partner-operated assets seeks to ensure that governance, risk and performance management is compatible with our own requirements and practices. Through the applicable committee structures in the partnerships, we follow up and support the management of risks and performance related to safety, security, ethics, integrity and sustainability including climate, environment, human rights and social performance.

A significant part of our value chain consists of activities carried out by suppliers working under contracts awarded by Equinor. We undertake safety and sustainability qualification of suppliers' management systems to ensure that our suppliers have an acceptable standard before entering into a contract. The qualification is based on an audit of suppliers' management system according to the main principles of ISO 9001 (quality), 14001 (environment), 27001 (information security) and 45001 (occupational health and safety), in addition to the United Nations Guiding Principles on Business and Human Rights. We work closely with our suppliers and regularly verify deliveries to ensure that agreed actions are undertaken.

Integrity Due Diligence (IDD) is performed to identify known integrity concerns and ensure that the required IDD process is complete prior to establishing a new agreement with a counterparty.



Sustainability associations

Equinor participates in a wide range of relevant sustainability associations and industry initiatives. These include: CCSA, Hydrogen UK, the International Emissions Trading Association, IPIECA, Methane Guiding Principles, Oil and Gas Climate Initiative, Oil and Gas Methane partnership, Renewable UK, Sustainability Hub Norway, the Task Force on Climate related Financial Disclosures, the Task Force on Nature related Financial Disclosures, United Nations Global Compact, Wind Europe, the World Business Council for Sustainable Development, and the World Resource Institute.



Contributing to the United Nations Sustainable Development Goals

Equinor actively works to support the United Nations Sustainable Development Goals (SDGs) and shares the view that business has a key role to play in delivering on and contributing to the goals. We contribute to social and economic development in the societies and communities we operate in, by delivering energy, creating economic value and jobs, developing people, while conducting responsible business activities. Equinor supports all the 17 SDGs and contributes in particular to the following six goals: quality education, affordable and clean energy, decent work and economic growth, climate action, life below water and partnerships for the goals. Our main contributions to each of these goals are described in Appendix 1.



GETTING TO NET ZERO

Material topic	Indicator	Ambitions
GHG emissions from operations (scope 1&2)	CO ₂ intensity upstream (kg per boe) Absolute GHG emissions scope 1 and 2 (million tonnes CO ₂ e)	● <8 by 2025, ~6 by 2030 ● Net 50% emission reduction by 2030
Investing in renewables and low carbon solutions	Annual gross capex (%) to renewables and low carbon solutions Renewable installed capacity, including capacity from financial investment (equity, GW) CO ₂ storage (million tonnes)	● >30% by 2025, >50% by 2030 ● 12-16 GW by 2030 ● 5-10 million tonnes per year by 2030
GHG emissions from products and supply chain (scope 3)	Net carbon intensity (gCO ₂ e/MJ) (incl. scope 3 but excl. supply chain)	● 20% reduction by 2030 ● 40% reduction by 2035 ● 100% reduction by 2050

● Target met in 2021, or on track to meet longer-term ambition

Contextual introduction

Climate change and reaching the goals of the Paris Agreement represent fundamental challenges to society. As outlined in the COP26 Glasgow Climate Pact, achieving the most ambitious goals of the Paris Agreement now requires rapid, deep and sustained reductions in global greenhouse gas emissions. This includes reducing global carbon dioxide emissions by 45% by 2030 relative to 2010 levels, and to net zero around mid-century.

COP26 was a critical moment in the global effort to address climate change and a unique opportunity to agree on commitments to limit rising global temperatures. Although the pledges were not enough to limit global warming to 1.5 °C, the Glasgow Climate Pact demonstrated progress on key areas such as global emission trading rules, a global methane pledge, commitments to halt deforestation and finance climate adaptation, as well as pledges to phase out the use of coal and inefficient subsidies of fossil fuels.

Climate change is a collective challenge, and Equinor will contribute by accelerating its response to the energy transition in partnership with governments, industry, customers and society at large. Our industry will play an important role. While individual company-level decarbonisation ambitions are important, the journey towards net zero can only be met through an “unprecedented transformation of how energy is produced, transported and used globally”, according to the IEA.



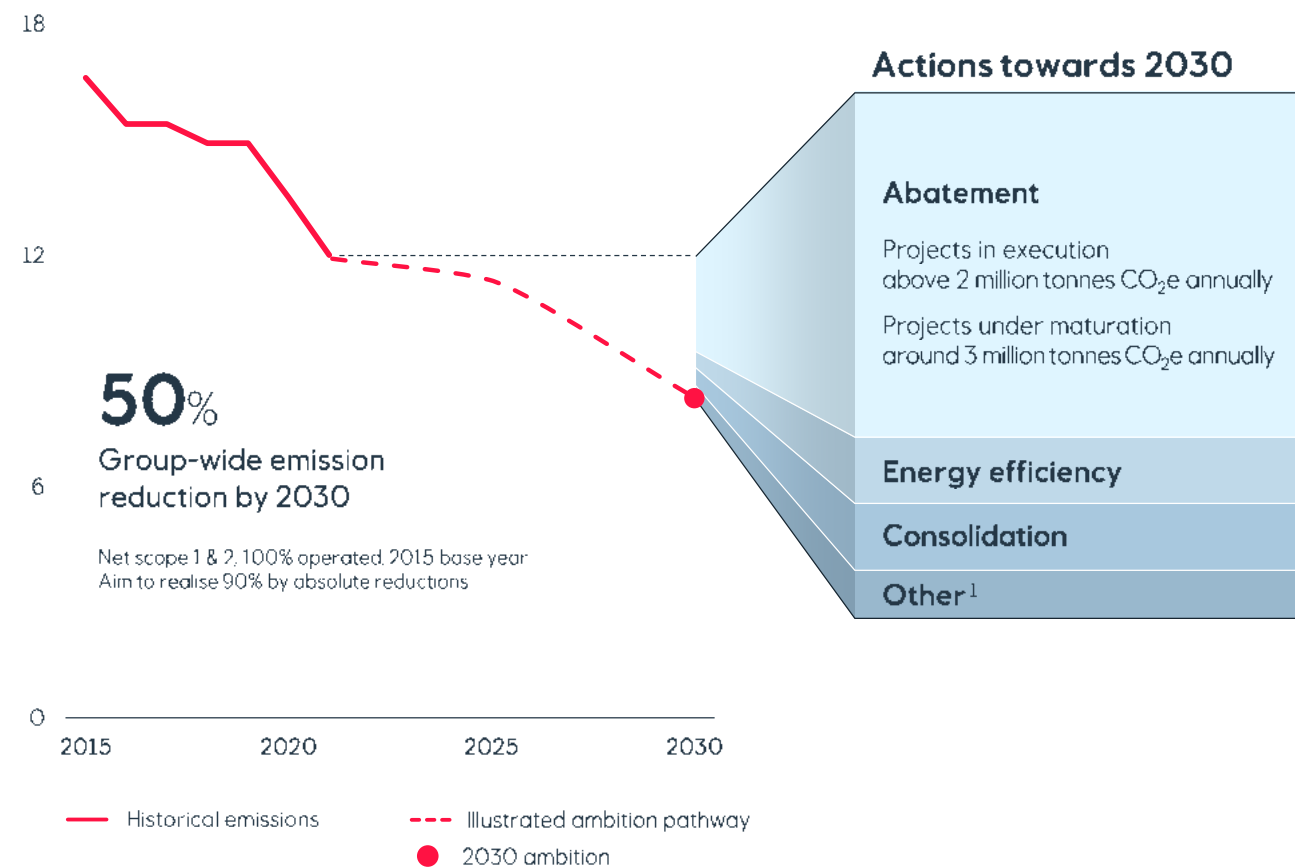
Strategic approach

Equinor’s ambition is to be a leading company in the energy transition and to become a net-zero company by 2050, including emissions from production through to final energy consumption. During the last year we have raised our short- and medium-term ambitions. These demonstrate our commitment to produce energy with decreasing emissions over time. While delivering long-term shareholder value and competitiveness, we will reduce emissions from our oil and gas operations, scale up investments in renewable energy and aim to take a leading role in building out new low carbon value chains. We will work with our suppliers and customers, governments and civil society to develop the technologies, business models, policies and frameworks to contribute to an energy transition supporting the goals of the Paris Agreement.

New or strengthened short- and medium-term ambitions announced in 2021/22 include:

- Reducing our net operated greenhouse gas emissions by 2030 with 50% compared to 2015, aiming for 90% absolute reductions.
- Reducing net carbon intensity by 20% by 2030 and by 40% by 2035.
- Increasing annual gross capex allocation to renewables and low carbon solutions to above 30% by 2025 and to more than 50% by 2030.
- Accelerating the renewable energy capacity ambition of 12-16 GW from 2035 to 2030.
- Reducing upstream CO₂ intensity from our own operations to ~6 kg CO₂ per barrel of oil equivalent (boe) by 2030.
- Developing the capacity to store 5-10 million tonnes CO₂ per year on an equity basis by 2030 and 15-30 million tonnes CO₂ per year in 2035.
- Establishing 3-5 hydrogen clusters by 2035.
- Allocating 40% of research and development (R&D) capital towards renewables and low carbon by 2025.

Equinor operated GHG emission
Million tonnes CO₂e



¹ Including offsets

In our Energy Transition Plan we describe our role in the energy transition. The plan is launched in March 2022 and will be submitted for an advisory vote to shareholders at the Annual General Meeting (AGM). We will update the plan every three years for an advisory AGM vote and report on progress annually.

Climate policy engagement

Equinor supports policies that advance the goals of the Paris Agreement and actions to accelerate the energy transition. We promote transparency and collaboration, and are committed to playing an active and positive role in society's decarbonisation through direct and indirect climate policy engagement.

Equinor holds membership or is involved with some 140 industry associations and initiatives globally. Our membership in associations provide important arenas for development of policy recommendations, including climate regulations. We openly communicate data about our association membership fees and this information is available on equinor.com.

Each year we conduct a review of our associations to determine consistency with Equinor's advocacy principles and policy positions. In the 2021 review, we noted misalignments with the American Petroleum Institute (API) and the Australian Petroleum Production & Exploration Association (APPEA). Aligned with changes to our international activities, we decided not to renew our membership of APPEA. We re-examined our membership of API and decided to remain a member. This was based on API's commitment to meaningful engagement on addressing climate change through its five pillar climate action framework and its support of the goals of the Paris Agreement.

Stress-testing our management approach to climate risk

Equinor's business needs to be resilient in a world of significant uncertainty and disruption, where climate related risks are integral to prudent risk management. We responsively work to navigate these risks so that we have the financial robustness to reach our ambitions. Our company strategy is developed to address the challenges, opportunities and urgency associated with the energy transition, whilst recognising the many risk factors outside our control.

Climate-related risks for Equinor can be upside and downside related to the energy transition pathway or the physical effects of climate change. Equinor ensures resilience by embedding climate-related risk within our overall enterprise risk management approach, from strategy and portfolio decisions through to technology choices and operational activities. As highlighted in the table on the next page, we report on upside and downside risks and actions taken in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Our TCFD index is included in the appendices.

Physical impacts include changes in the external environment that lead to increased costs or incidents affecting our operations. Risks are mitigated through technical and engineering functions in design, operations and maintenance, with due consideration of how the external physical environment may be changing.

Different possible energy transition pathways will have different impacts on the market value of our portfolio. Important risk factors that impact value and our overall opportunity set include new technologies affecting the supply-demand balance, energy policy shifts, changing tax regimes, and lack of financial frameworks for emerging markets. We prepare for potential future pathways through portfolio analysis across different energy scenarios. Understanding these scenarios leads to the use of decision criteria that support portfolio resilience, as well as monitoring of key trends and developments that enable us to adapt and continuously optimise.

Climate related risks and management actions

Sources of change	Climate related risks and risk factors (upside and downside potential)	Management actions
Market	<ul style="list-style-type: none"> Oil and gas demand and prices Renewable energy profitability CO₂ storage and hydrogen demand Ability to access capital/financing 	<ul style="list-style-type: none"> Climate-related ambitions and criteria in investment decisions Scaling up investments in renewables and low carbon solutions Cost reduction initiatives Scenario analysis and sensitivity testing Break-even requirements for investments geared at profitability resilience
Policy and regulatory	<ul style="list-style-type: none"> Carbon costs and taxes Specific regulations on greenhouse gas emissions and climate-related disclosures e.g. EU Taxonomy, Corporate Sustainability Reporting Directive Access to acreage Energy subsidy policies and tax systems 	<ul style="list-style-type: none"> Monitor policy and regulatory development Internal carbon price applied Emission reduction measures Climate-related ambitions and criteria in investment decisions
Technology	<ul style="list-style-type: none"> Electrification of transport and heating/cooking Renewable energy and battery technology; Nuclear fission and fusion technologies CCS, hydrogen and other low carbon technologies Energy efficiency 	<ul style="list-style-type: none"> Scaling up investments in renewables and low carbon solutions Strengthening low carbon R&D Venture investments
Physical	<ul style="list-style-type: none"> Acute effects (e.g. more frequent extreme weather events) Chronic effects (e.g. sea water rise, increased scarcity of water) Changed weather patterns affecting weather-dependent energy sources 	<ul style="list-style-type: none"> Design of installations to withstand extreme weather and permanent chronic effects Regular updates of meteorology and oceanography data used in project and operational planning
Reputational	<ul style="list-style-type: none"> Talent attraction and retention Investors' perception of oil, gas and renewables investments Climate-related litigations License to operate and opportunity space 	<ul style="list-style-type: none"> Target recruitment and strengthened employee value proposition Transparency and disclosures External engagement and communication

Capital allocation and investment criteria

To maintain a valuable portfolio in different possible energy transition pathways, we have a financial framework in place addressing climate-related risks and the robustness of investment proposals. Maintaining our portfolio's capex flexibility will further enable us to prioritise and re-optimize according to future movements and ambitions.

As illustrated by the top right figure, our current portfolio forecast indicates that we are on track with our ambitions to have more than 30% of our annual gross capex (defined as capex before project financing) allocated to renewables and low carbon solutions in 2025. This growth will be contingent on access and profitability. Due to the long-term nature of investments in energy projects it is expected that our increasing share of investments in renewable energy projects will have a delayed impact on the relativity between oil, gas and renewables in the total production profile. The figure to the bottom right shows our current 2030 estimates of production from wind (offshore and onshore) and solar, compared to production from oil and gas.

When a project is being sanctioned, it is assessed on multiple measures:

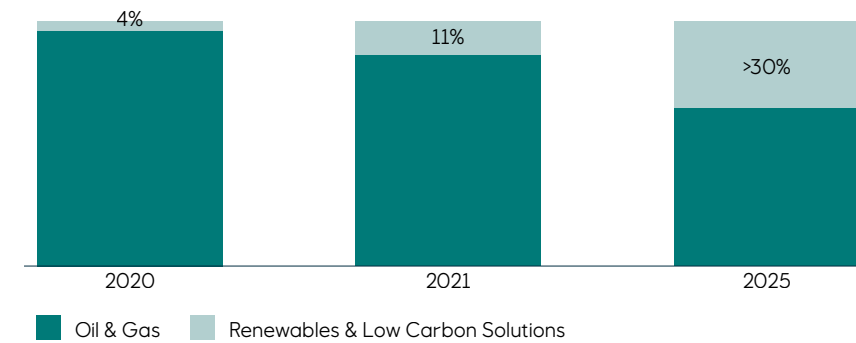
- Net present value (NPV): To bring value to the company and our shareholders.
- Price sensitivities: To assess the impact of different prices on the investment.
- Other considerations include: Safety, security and sustainability, optionality, resource efficiency and alternative cost, strategic value, country risk, operational capacity and capability. We undertake environmental and social impact assessments for all new projects including consideration of potential human rights impacts.

In addition, for oil- and gas projects, the following assessments are undertaken:

- Break-even price: To be robust in low-price scenarios we use a break-even target for all oil and gas projects. If a project has a break-even higher than the target, it will normally not be sanctioned.
- CO₂ intensity: All oil and gas projects are measured on scope 1 CO₂ intensity (upstream).
- Carbon pricing: A CO₂ cost acts as an additional element of robustness, including application of Equinor's internal carbon price.

The volume weighted break-even price of our upstream projects coming on stream by end of 2030 is below 35 USD/bbl. Operated projects already sanctioned have a weighted average break-even price below 30 USD/bbl (calculated from date of sanction). This illustrates the robustness of our upstream portfolio.

Share of Equinor gross capex



The share of gross capex in renewables and low carbon solutions has increased from 4% in 2020 to 11% in 2021. In 2025, we expect to have more than 30% of our annual gross capex allocated to renewables and low carbon solutions.

Estimated share of energy production from oil, gas and renewables in 2030



To compare energy from renewables with energy from oil and gas, we convert electricity into the equivalent amount of oil and gas in a power plant. We apply a factor to the renewable energy production to reflect the energy loss when using fossil fuels to produce the equivalent amount of electricity. The method is called the partial substitution method. By 2030 we expect approximately 10% of our total energy production to be generated from renewable energy sources.

Testing resilience

Since 2016 we have tested the resilience of our portfolio against the scenarios from the IEAs World Energy Outlook (WEO) report. WEO scenarios change from year to year and in the 2021 WEO report they were:

- Stated Policies Scenario (STEPS).
- Announced Pledges Scenario (APS).
- Sustainable Development Scenario (SDS).
- Net Zero Emissions by 2050 Scenario (NZE).

The WEO 2021 scenarios illustrate the wide range of possible demand for different energy sources, including fossil fuels, nuclear and renewables. The scenarios show that relative to 2020, oil and gas energy demand in 2050 could be 20% higher (STEPS) or 10% lower (APS). The NZE scenario shows a significant 70% reduction in oil and gas energy demand and relies on a rapid growth of alternative energy sources.

We test our portfolio by applying the price assumptions in each of these scenarios and compare the impact on NPV using our internal planning assumptions. The results are illustrated in the figure to the right. Equinor’s commodity price assumptions are based on management’s best estimate of the development of relevant current circumstances and the likely future development of such circumstances. This price-set is currently not equal to a price-set in accordance with the achievements of the goals in the Paris Agreement as described in the WEO Sustainability Development Scenario, or the Net Zero Emissions by 2050 Scenario.

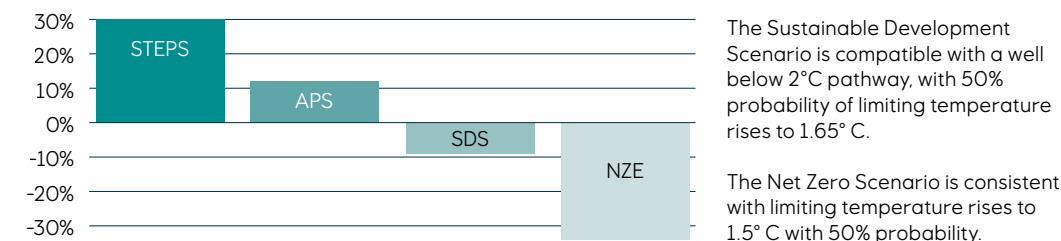
Carbon pricing and carbon costs

For portfolio and decision analysis, our base assumptions include a carbon cost for all assets and projects. In countries where no such cost exists, we use a generic cost which has been substantially increased in 2021. We use a default minimum at 58 USD per tonne (real 2021), that increases to 100 USD per tonne by 2030 and stays flat thereafter. In countries with higher carbon costs, we use the country specific cost expectations. This carbon cost is included in investment decisions and is part of break-even calculations when testing for profitability robustness. The actual CO₂ costs (operational control) were 978 USD million in 2021³.

³ Cost before tax (tax deductible).

Portfolio stress test 2021

(IEA Energy Scenarios)



The illustration above shows the net present value after tax (NPV) in the WEO scenarios relative to value using Equinor’s Economic Planning Assumptions (EPA).

Compared to last year’s report, we see that the impact from the Sustainable Development Scenario has decreased from -22 % to -9 %, and that the impact from the Stated Policies Scenario has increased from 21 % to 30 %. The Net Zero Emissions Scenario decreases NPV by 34 %, as commodity prices drop significantly.

NPV is calculated forward looking from 2022. We assume a linear interpolation between the price points given by the IEA, and that the price in 2050 is kept constant in real terms thereafter. We add a USD 2 per boe transportation cost for oil production to compare with Brent Blend. Exploration activities are not included due to the uncertainties related to potential discoveries and development solutions. Simplifications in our modelling are not fully reflecting the impact on CCS, hydrogen, and renewables profitability. Equinor’s renewable projects are not fully influenced by the price assumptions in the different scenarios, due to offtake agreements. The flexibility in our portfolio is not incorporated in this analysis, so the actual losses in low price scenarios could be reduced by mitigating actions.

Carbon cost relative to base assumptions



The illustration to the left shows the total carbon cost in the WEO Scenarios, relative to the total cost using our base assumptions (EPA). All the WEO scenarios predict lower carbon costs, compared to Equinor’s assumed CO₂ cost.

GHG emissions from operations (Scope 1 and 2)

Management approach

Reducing emissions from our oil and gas operations

Oil and gas will remain in our long-term energy mix, but we will prioritise high-value upstream projects with a low CO₂ intensity. Our ambition is a net 50% group-wide emission reduction by 2030 compared to 2015. We aim to realise 90% of this ambition by absolute reductions. To reach the ambition we will focus on executing and maturing abatement projects, improving energy efficiency offshore and onshore, and strengthening resilience in the portfolio, including consolidation. This ambition replaces the “carbon neutral global operations by 2030” ambition that we announced in 2020.

Carbon intensity will continue to influence all our portfolio choices, operated and non-operated. In every independent scenario of what would be needed for a Paris-aligned emissions trajectory, oil and gas will be required. Equinor's industry leading upstream carbon intensity enables us to continue to provide oil and gas that the world needs, from our exploration and production portfolio. Any future exploration may be restricted by regulations, market and strategic considerations.

We aim to remain an industry leader in carbon efficiency by working towards emitting as little CO₂ as possible from each barrel of oil equivalent produced. Our ambition is to reduce the upstream CO₂ intensity of our globally operated oil and gas production to below 8kg CO₂/boe by 2025 and to 6kg CO₂/boe by 2030. To achieve this, we assess carbon intensity when we shape our portfolio and implement emission reduction measures.

In 2021 we announced we would report GHG emissions at individual field level. GHG data from all Equinor operated fields, as well as partner operated fields in Norway is available at equinor.com. We are working actively with license owners to make data publicly available for our international partner-operated fields.

Addressing emissions in Norway

In addition to our corporate ambitions, in Norway we have the ambition of reducing GHG emissions by 70% by 2040 and to near zero by 2050.

Electrification is a key component to reach our ambitions. In 2021, we advanced several electrification initiatives:

- The revised plan for partial electrification of the Sleipner Field Centre was approved by the authorities. Emission cuts of more than 150,000 tonnes of CO₂ per year are expected after planned start-up in Q4 2022.
- Troll West electrification was sanctioned and approved by the authorities. The project entails partial electrification of Troll B and full electrification of Troll C. After its planned completion in 2026, it will cut CO₂ emissions by almost 500,000 tonnes per year, i.e. the equivalent of more than 3% of total emissions from oil and gas production in Norway. NO_x emissions will be reduced by some 1,700 tonnes per year.
- A plan for investing further in Oseberg to increase gas production and reduce emissions was submitted to the authorities in 2021. The planned total emission reduction at Oseberg field centre and Oseberg South is more than 300,000 tonnes of CO₂ per year.

Electrification of oil and gas operations

Today, most offshore installations produce their own electricity using gas turbines, accounting for a quarter of Norway's total NO_x and CO₂ emissions.

Electrification of NCS installations is a key component in reducing CO₂ emissions both for Norway and for Equinor. It involves replacing a fossil fuel-based power supply with predominantly renewable energy, reducing Norwegian CO₂ emissions by around 10%. Electrification combined with energy efficiency and optimising infrastructure, are among the main measures to reach our climate ambitions for the coming decades.

The reduction in Norwegian emission sources will lead to fewer emission quotas. When emissions are reduced, allowances become redundant and EU quotas are revoked. Electrification thereby contributes to reducing emissions in the European energy system.

The Norwegian power market is generally well supplied and a net exporter of renewable power. Nevertheless, with increased electrification of Norwegian society as a whole, the amount of surplus power is declining. In the winter of 2021/2022, we experienced an extraordinary energy situation in Europe with record high prices for both electricity and natural gas, leading to increased focus on security of supply in the Norwegian power market. The need for increased transmission capacity is high on the agenda as well as the long term need for additional supply to support further electrification of society and new industrial developments.

The majority of our current electrification projects will be connected to the grid in the north and mid-Norway, and hence should have little impact on the current constraints in grid capacity.

Several other electrification projects are being matured, including Hammerfest LNG, Kårstø gas processing plant and Njord. Hywind Tampen, our offshore floating wind project, will start operations Q3 2022 and supply electricity to Gullfaks and Snorre, providing a yearly reduction of approximately 200,000 tonnes CO₂ per year.

Alongside abatement projects such as electrification, we are looking into other energy efficiency measures for our onshore and offshore operations and strengthening resilience through means including cessation and consolidation. We recognise with the anticipated short-term increase in production, the associated challenges with reducing our CO₂ emissions, in the next few years.

Addressing emissions internationally

Equinor is the operator of four international oil and gas fields. We are also a partner in 30 non-operated assets and jointly-operated entities. In 2021, the focus was on reducing scope 1 and 2 emissions from our operated assets, influencing partners in the non-operated assets to do the same, and exploring opportunities for low carbon solutions in core countries. As part of adjustments to our portfolio we exited seven countries in 2021, and also divested the Bakken asset in the US. Following Russia's invasion of Ukraine, in February 2022, Equinor decided to stop new investments into Russia, and to start the process of exiting Russian joint ventures. This includes the Rosneft operated onshore assets in Eastern Siberia that we acquired an interest in in 2021.

Whilst our operated and non-operated emissions may increase and on average stay higher internationally than in Norway, we look at any available opportunities for reducing these over time.

In the UK, our operated Mariner asset has achieved emission reductions through an increase in export design temperature. This has also led to cost savings. The emission reductions

achieved through the Mariner A to B heating optimisation is estimated at an average annual saving of 5,400 tonnes of CO₂, equivalent to 4% of total emissions from this field. In addition, we installed gas turbines on the Peregrino C platform in Brazil to further reduce emissions. Once fully implemented in 2022, the measures will lead to material emission reductions.

Through collaboration with partners and several national oil companies (the latter through Memorandum of Understandings (MoUs)), we work to ensure that the majority of non-operated assets now have a GHG emissions reduction plan. Through the MoUs signed with Sonatrach and YPF, we will share experiences and explore potential opportunities to reduce flaring and methane emissions, energy efficiency and reporting of GHG emissions. We have also agreed to evaluate potential cooperation for the use of renewables, carbon capture, utilisation and storage (CCUS) and low-carbon hydrogen solutions.

We also actively participate in the Oil and Gas Climate Initiative and thereby encourage others to move towards net-zero operations and, most urgently, to near zero methane emissions.

Flaring

For all Equinor operated oil and gas assets, we work to systematically reduce all flaring and to eliminate routine flaring, in line with the World Bank's "Zero Routine Flaring by 2030" initiative. We do not have routine flaring in Norway or in our operated assets in Brazil and offshore US. We currently flare associated gas in the Mariner field in the UK on an intermittent basis when the early production phase associated gas volumes exceed the demand for fuel gas for power generation.

Going forward, routine flaring will not be undertaken at any newly operated oil fields. As part of final investment decisions

for all new operated oil fields, we include a solution for associated gas without routine flaring.

We also work actively in our partner-operated assets to help reduce flaring.

Methane

Curbing methane emissions is a key priority for Equinor and the oil and gas industry. Equinor's methane intensity target is near zero by 2030. We continue to develop and implement technologies and procedures to identify, quantify, avoid and minimise methane emissions. We do this to support industry efforts to reduce methane emissions across the oil and gas value chain, increase the quality and transparency of reported data, and to support the development of sound methane policies and regulations.

One of the technology development activities carried out in 2021 included testing of methane measurement technologies at Kollsnes in Norway. The testing included both mobile and fixed instruments to measure controlled methane releases, incomplete combustion from flares and other site methane emissions.

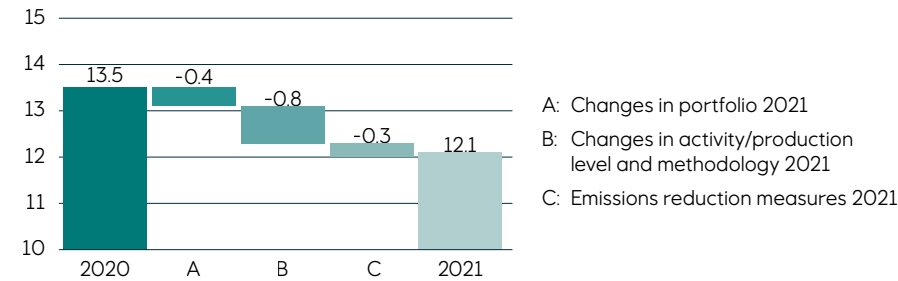
We have significantly improved how methane emissions in our own operations are quantified and reported. An independent study published in 2021 confirmed that methane emissions from Equinor operated fields on the Norwegian Continental Shelf are at similar or lower levels than those reported by Equinor. In 2021 we published a report documenting the greenhouse gas and methane intensities of our Norwegian gas value chain. It showed that gas from Equinor had a lower carbon intensity compared with the average of consumed gas in Europe. The findings allowed our customers to understand the actual impact of emissions along the full gas value chain. The report is available on equinor.com.

Performance disclosure

Our total scope 1 and 2 GHG emissions for 2021 were 12.1 million tonnes – a decrease of 1.5 million tonnes from the previous year. Key drivers for this reduction are the divestment of the Bakken assets in the United States, as well as the temporary shutdown of Hammerfest LNG in Norway and the Peregrino field in Brazil. Once these assets are operational we expect operated emissions to increase correspondingly.

Scope 1 and 2 GHG emissions

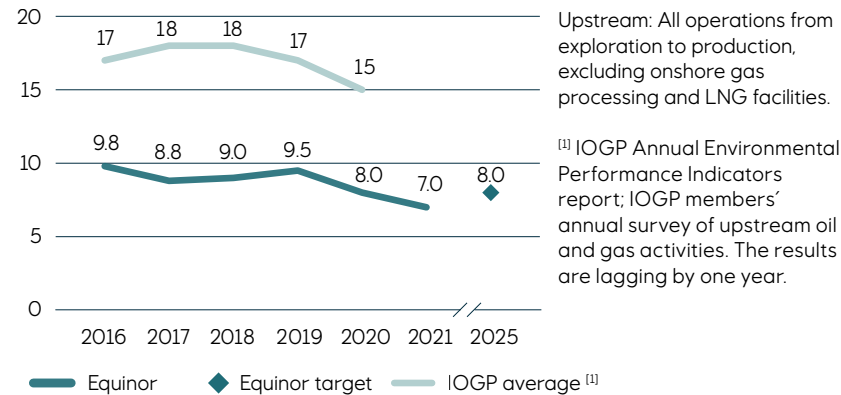
(million tonnes, 100% operated basis)



The upstream CO₂ intensity decreased from 8.0 to 7.0 kg CO₂/boe. The main driver for this change was lower CO₂ emissions, mainly due to Bakken divestment and temporary Peregrino shut down. In addition, increased production at the NCS, particularly from Johan Sverdrup, Troll and Oseberg contributed to a lowered CO₂ intensity. Equity-based intensity improved from 9.2 to 8.8 kg CO₂/boe.

Upstream CO₂ intensity

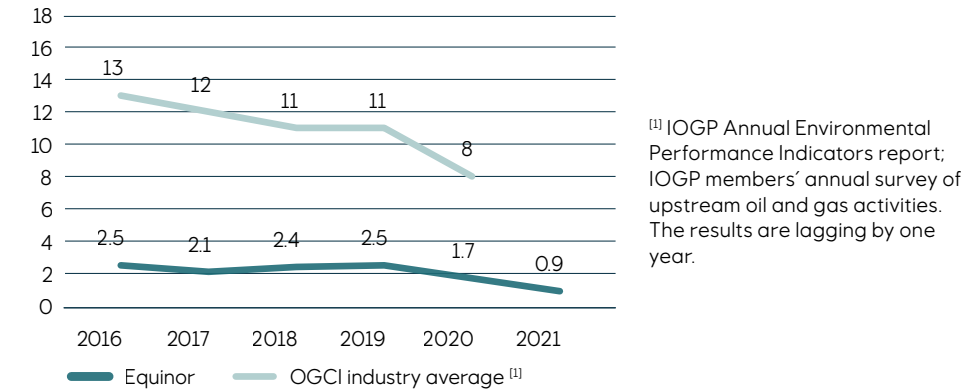
(kg CO₂ per boe, 100% operated basis)



Our 2021 upstream flaring intensity was 0.9 tonnes/1000 tonnes of hydrocarbon produced, or 0.09% of hydrocarbons produced compared with 0.17% in 2020. This is significantly lower than the industry average of 0.8%. Equinor's low flaring levels are due to continued focus on operational efficiency and leveraging the well-established gas infrastructure in Norway. The main reason for the reduced flare levels in 2021 is Equinor's divestment of the Bakken assets in the US.

Upstream flaring intensity

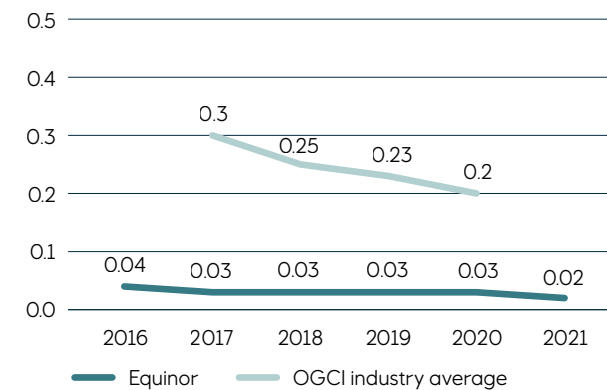
(tonnes gas flared per thousand tonnes of hydrocarbon produced, 100% operated basis)



Equinor's 2021 methane intensity for our upstream and midstream business remained low at approximately 0.02%. Compared to other oil and gas companies this is a very strong performance, specifically around 10% of the OGCI industry average. Equinor continues to pursue a methane intensity target of near zero by 2030.

Equinor methane intensity vs industry average

% (m³ CH₄ emitted per m³ marketed gas)



Performance evaluation

We have made significant emission reduction improvements since 2015. Our net GHG emissions in 2021 were 28% lower than the level in 2015. We are on track to deliver the ambition of reducing group-wide net emissions by 50% by 2030, and to achieve an 8 kg CO₂/boe upstream intensity by 2025. Going forward, we plan to deliver this ambition through a combination of energy efficiency measures, cessation, consolidation of infrastructure, and a portfolio of abatement projects.

Our 2021 performance together with our actions and plan forward is evaluated to be suitable for reaching our targets and longer-term ambitions. Thus, our current management approach for our scope 1 and 2 emissions is considered appropriate.



External voice



Dr. Fatih Birol
Executive Director
International Energy Agency

The IEA Global Roadmap to Net Zero by 2050 underscores the crucial importance of making the 2020s the decade of massive clean energy expansion by deploying all available clean and efficient technologies on a huge scale while pushing the button on innovation to ensure the technologies we need for the following decades are ready for market in time. The scale of the challenge is immense and requires everyone to be on board. Oil and gas companies have an important role to play by reducing emissions from their operations, particularly in terms of rapidly putting a stop to methane flaring and leaks. But with their deep pockets, project management skills and engineering expertise, they can also make major contributions in advancing clean technologies, including offshore wind, hydrogen and carbon capture, storage and utilisation. No energy company will be unaffected by the clean energy transition – and we already see a new global energy economy is emerging. Every part of the industry needs to consider how to play its part.

Production and GHG emissions data

Indicators	Boundary	Units	2021	2020	2019	2018	2017	2016
Oil and gas production	Operational control	mmboe	1,115	1,106	1,055	1,077	1,099	1,030
Oil and gas production	Equity basis	mmboe	759	758	757	770	759	723
Renewable energy production	Equity basis	GWh	1,562	1,662	1,754	1,251	830	423
Energy consumption	Operational control	TWh	59	65	70	71	70	73
Scope 1 GHG emissions	Operational control	million tonnes CO ₂ e	12	13.3	14.7	14.9	15.4	15.4
Scope 2 GHG emissions (location based)	Operational control	million tonnes CO ₂ e	0.1	0.3	0.2	0.2	0.2	0.3
Scope 2 GHG emissions (market based)	Operational control	million tonnes CO ₂ e	2.7	2.5	2.9	3.0	2.8	2.6
Scope 3 GHG emissions (use of sold products)	Equity basis	million tonnes CO ₂ e	249	250	247	252	250	239
CO ₂ emissions	Equity basis	million tonnes	9.9	10.1	11.5	11.6	12.0	12.7
Scope 1 CO ₂ emissions	Operational control	million tonnes	11.6	12.9	14.2	14.4	14.9	14.8
Upstream CO ₂ emissions intensity [1]	Operational control	kg CO ₂ /boe	7.0	8.0	9.5	9.0	8.8	9.8
Upstream CO ₂ emissions intensity [1]	Equity basis	kg CO ₂ /boe	8.8	9.2	10.7	10.3	10.4	13.0
Net carbon intensity	Operational control/ Equity basis	g CO ₂ e per MJ energy produced	67	68	68	NR	NR	NR
CH ₄ emissions	Operational control	thousand tonnes	14.5	17.7	19.0	20.0	19.3	24.2
Methane intensity	Operational control	%	0.02	0.03	0.03	0.03	0.03	0.04
Hydrocarbons flared	Operational control	thousand tonnes	201	339	414	396	406	443
Upstream flaring intensity	Operational control	tonnes of gas flared per 1,000 tonnes of hydrocarbon produced	0.9	1.7	2.5	2.4	2.1	2.5
CO ₂ emissions captured and stored per year	Operational control	million tonnes	0.3	1.1	1.4	1.4	1.4	1.4

Investing in renewables and low carbon solutions

Management approach

In June 2021, we announced the ambition to grow in renewables from 0,5 GW in equity capacity in 2020 to 12-16 GW in 2030. In addition, our ambition is to have more than 50% of our annual gross capex in 2030 allocated to renewables and low carbon solutions.

Within low carbon solutions we aim to develop the capacity to store five to 10 million tonnes of CO₂ per year by 2030, and 15 to 30 million tonnes by 2035, Equinor share. Working with our partners and customers, our ambition is to provide hydrogen and climate solutions, by establishing a 10% market share of hydrogen in Europe by 2035.

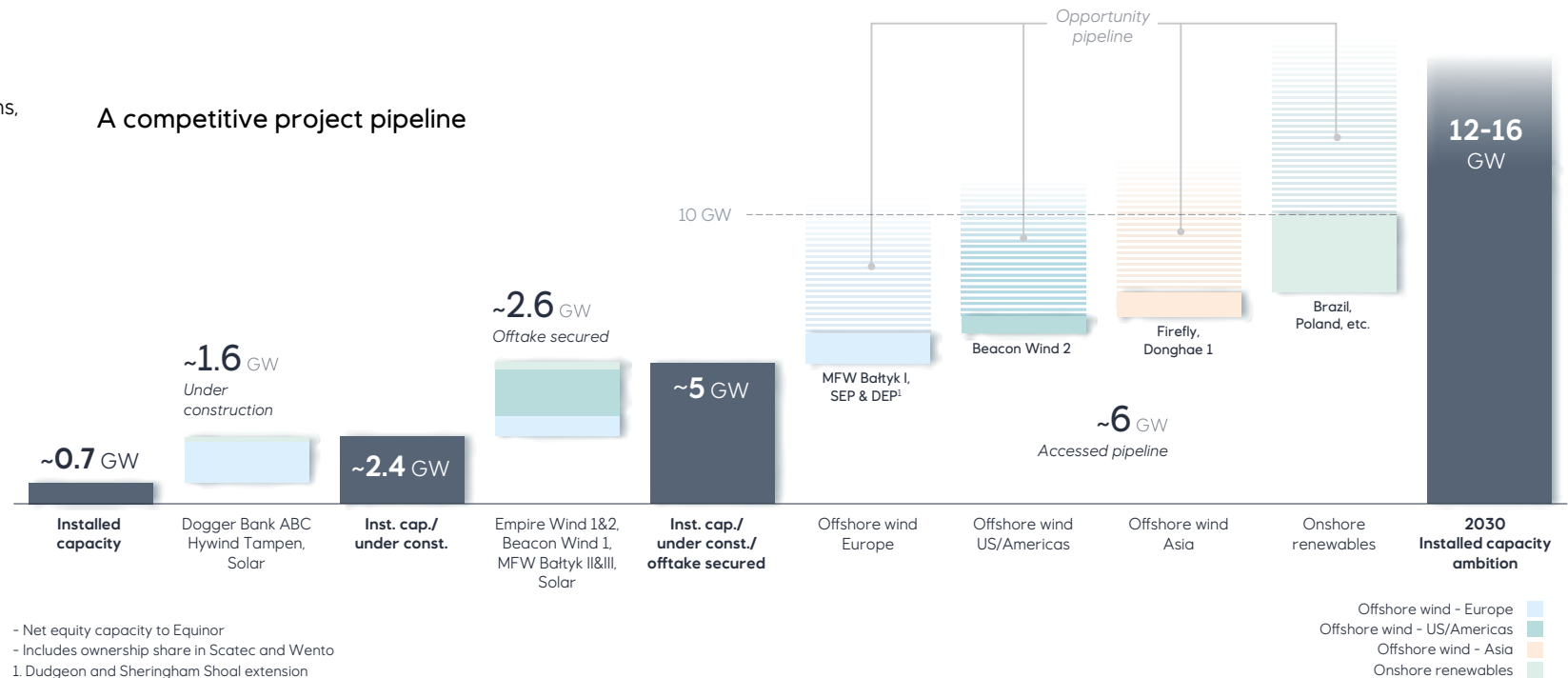
Growing in renewables

We are developing as a global offshore wind major, powering more than one million European homes with renewable electricity from offshore wind farms in the UK and Germany and building material clusters in the North Sea, the US East coast and in the Baltic Sea. In parallel, we are actively positioning ourselves to access emerging markets globally.

Equinor sees a potential for floating offshore wind projects in Norway, Europe, the US and Asia and is accelerating the development of this technology. Floating wind is still at an early development phase, but through technology improvements, increased scale and industrialisation, it represents the next wave of scalable renewables. Floating wind farms can capture stronger winds and are more flexible regarding location. Equinor's ambition is to make floating wind commercial by 2030.

Equinor is gradually growing its presence in onshore renewables in selected power markets with increasing demand for solar, wind and storage solutions as integrated parts of the energy system.

A competitive project pipeline



Scaling up low carbon solutions

CCS and hydrogen are important enablers to deliver on the goals of the Paris Agreement. These technologies can remove CO₂ from sectors that cannot be easily decarbonised such as heavy industry, maritime transport, heating and flexible power generation. Based on experience from oil and gas value chains, Equinor is well positioned to provide low-carbon solutions and establish net zero-emission value chains.

Maturing and expanding CCS and hydrogen can only be achieved through close collaboration with governments and customers. We also need strategic partnerships with industrial players to ensure safe, reliable and cost-effective implementation. There are commercial and regulatory challenges, but Equinor believes there will be a well-functioning market for CCS as well as for hydrogen.

The Northern Lights project, representing the start of commercial CCS in Europe, is on track to demonstrate that CCS is a valid decarbonisation solution for important industry sectors. An important development in 2021 was that four of our potential customers were selected for financing from the European Union's (EU) innovation fund. The combined storage requirement for these four customers is over three million tonnes CO₂ per year.

Equinor is exploring CCS opportunities in the UK together with five other energy companies through the Northern Endurance Partnership (NEP), a CO₂ offshore transport and storage infrastructure system. Together with BP we are developing the Net Zero Teesside project, a dispatchable gas fired power plant with carbon capture, and we are leading the Zero Carbon Humber project which aims to decarbonise the Humber industrial cluster. Important projects with Equinor involvement in the Humber area are our H2H Saltend Hydrogen production facility, Keadby 3 and Keadby Hydrogen powerplants, together with SSE.

Equinor is making significant progress on blue and green hydrogen projects and industrial CCS. We plan to store 5-10 million tonnes CO₂ per year in 2030 and 15-30 million tonnes CO₂ per year in 2035. We are already involved in the most pioneering CCS projects in Europe.

On hydrogen, our ambition is to establish three to five major industrial cluster for clean hydrogen projects by 2035. In addition to blue Hydrogen/Ammonia projects, Equinor is also part of two of the world's largest green hydrogen projects - NorthH2 and AquaVentus - both located in North-West Europe. NorthH2 aims to produce green hydrogen from dedicated offshore wind farms off the coast of the Netherlands with a stated ambition to reach around four GW by 2030 and 10+ GW by 2040.

External voice



Sigrun Aasland
 General manager
 Zero Emissions Resource Organisation (ZERO)

By 2030, Norway is committed to cut CO₂ emissions by more than half, and by 2050 to zero. To make this possible, we need hydrogen as an energy carrier in transport and industry. We need offshore wind to supply growing electricity demand. And we need to scale up carbon capture and storage.

With strong expertise, capital and organisation, Equinor has a particular advantage, and also responsibility, to make this happen. Equinor can contribute even more and faster than today towards shifting the Norwegian and global economy from a fossil past to a renewable future.

Low carbon solutions projects overview

Project name	Project type	Country	Decarbonisation segments			
			Heat	Industry	Power	Transport
Northern Lights (NL)	CO ₂ Infrastructure	NO		●		
East Coast Cluster (NEP)	CO ₂ Infrastructure	UK	●	●	●	●
H2H Saltend	Blue hydrogen	UK	●	●	●	●
Aldborough hydrogen storage	Hydrogen storage	UK	●	●	●	●
Net Zero Teeside (NZZ)	Power+CCS	UK			●	
Keadby 3	Power+CCS	UK			●	
Peterhead	Power+CCS	UK			●	
Keadby Hydrogen Power Station	Hydrogen to power	UK			●	
H21	Hydrogen fuel switch	UK	●	●		
H2M magnum	Blue hydrogen	NL			●	
H2morrow Steel	Blue hydrogen	DE		●		
H2BE	Blue hydrogen	BE		●		
NorthH2	Green hydrogen	NL, BE, DE		●		●
Clean Hydrogen to Europe	Blue hydrogen	NO	●	●	●	●
Barents Blue	Blue ammonia	NO		●		●
US Tristate	CCS+Power+H ₂	US		●	●	●

Low carbon research and development

To enhance our capabilities and in support of our transition efforts, we aim to allocate 40% of research and development (R&D) capital towards renewables and low carbon by 2025.

Equinor Ventures

Equinor Ventures is our corporate venture arm dedicated to investing in ambitious early phase and growth companies. We plan to step up our investment with a five-year mandate of 750 million USD, with more than 50% of the venture fund's capital deployed towards renewables and low carbon activities by 2025. The portfolio currently comprises more than 40 investments, of which almost half are within renewables and low carbon solutions. As a portfolio adjustment, Equinor Ventures exited several companies in 2021, predominantly from the oil and gas segment.

Performance disclosure

Profitable growth in renewables

Our producing offshore wind portfolio has real, unlevered returns of around 10%, excluding farm-downs. Since the beginning of 2021, Equinor's renewables portfolio has been strengthened through the following milestones:

Bottom-fixed offshore wind

- Bałtyk II and Bałtyk III projects awarded contracts for difference (CfD) in Poland.
- Selected to provide New York State with power in one of the largest renewable energy procurements in the US to date through Empire Wind 2 and Beacon Wind 1.
- Collaboration agreement with RWE Renewables and Hydro REIN with the intention of developing a large-scale wind farm in the Norwegian North Sea (Sørlige Nordsjø II).
- The Dogger Bank C wind farm project in the UK achieved FID and financial close; Extended partnership with Eni through farm-down of 10% interest in the Dogger Bank C wind farm.
- MoU signed with Korean East-West Power to cooperate on 3 GW projects in South Korea.

Floating offshore wind

- Equinor, RES and Green Giraffe formed Océole to develop floating offshore wind in France.
- Teamed up with Vårgrønn for floating wind at Utsira Nord in Norway.
- Granted power licences for Firefly and Donghae 1 in South Korea.
- Hywind Scotland reached the highest average capacity factor for any wind farm in the UK for the third consecutive year.

Onshore renewables

- Commenced commercial operations at the 117 MW solar power plant Guañizuil IIA in Argentina.
- Acquired the Polish developer Wento with a net pipeline of 1.6 GW of solar projects; Wento was awarded contracts for difference (CfD) for 237 MW.
- Acquired 45% stake in Noriker Power, a leading power storage company in the UK.

In 2021, our equity-based installed renewable energy capacity, including capacity from financial investment, was 0.7 GW. Our ambition for 2030 is 12-16 GW.

The share of annual capex to renewables and low carbon solutions has grown from 4% in 2020 to 11% in 2021.

Indicator	Boundary	Unit	2021	2020	2019	2018	2017
Renewable installed capacity	Equity basis	GW	0.5	0.5	0.5	0.6	0.3
Renewable installed capacity, including capacity from financial investment			0.7	0.6	0.6	0.6	0.3
Renewable energy production		GWh	1562	1662	1754	1251	830
Gross capital expenditure in renewables and low carbon solutions, share of total	Equinor group	%	11	4	2	4	n/r
R&D expenditure on low-carbon projects (total)		million USD	95	81	59	66	55

Low carbon solutions

Key milestones in 2021 included:

CCS

- The East Coast Cluster (ECC), formed by Equinor and partners, was selected as one of the UK's first two CCUS clusters.
- Announced plans together with SSE Thermal to jointly develop a new low-carbon power station at Peterhead, which could become one of the UK's first power stations equipped with carbon capture technology.
- Captured and stored 0.3 million tonnes of CO₂. The level was significantly reduced due to the temporary shutdown of Hammerfest LNG.

Hydrogen/Ammonia

- We joined forces with SSE Thermal on plans for first-of-a-kind hydrogen and CCS projects in the Humber region in the UK.
- Together with ENGIE we announced the H2BE project which aims to develop production of low-carbon hydrogen from natural gas in Belgium.
- MOU signed with U. S. Steel, one of the largest steel manufacturers in the US, to examine the potential for hydrogen and CCS development in the tri-state region of Ohio, Pennsylvania and West Virginia.
- Barents Blue project received ENOVA support for the FEED and execution phase under the Important Projects of Common European Interest (IPCEI) for Hydrogen program, subject to final approval by EU authorities.
- Submitted applications for two new CO₂ storage licenses in Norway, one in the North Sea and one in the Barents Sea. License awards are expected within the first half of 2022.

Low carbon research and development

In 2021, Equinor allocated around 33% of total R&D expenditure to renewables and low carbon

Indicator	Boundary	Unit	2021	2020	2019	2018	2017
R&D expenditure to new energy solutions and energy efficiency (share of total)	Equinor group	%	33	32	20	21	18

Key activities in 2021 included:

- Development of improved models for wind load with more accuracy, enabling optimisation of turbine design and farm layout.
- A feasibility and safety study of combusting 100% hydrogen in aeroderivative Gas Turbines (GT) in collaboration with suppliers.
- A comparative study of low carbon solutions for Barents Sea gas in collaboration with Gassco, comparing ammonia, liquid hydrogen and power from gas with CCS.
- Further technology qualification of CO₂ capture technologies through involvement at Technology Center Mongstad.
- Expanding the toolbox for cost-effective CO₂ handling options for CCS projects through collaboration with industry partners, e.g. ship transport solutions, offshore injection from ships to reservoir and options for reusing existing oil and gas pipelines for transport.
- Involvement in EU H2020 projects such as REALISE and ACCSESS on CO₂ capture and maturing CO₂ value chains.
- Initiated engagement in Direct Air Capture (DAC).

Performance evaluation

Considering our renewables and low carbon solutions project portfolio, we evaluate our capex ambition, installed renewable capacity and ambition for CO₂ storage as being on track to reach our ambitions for this decade.

On the renewables side, we have secured more than 10 GWs of capacity in projects that are accessed, under construction, or already producing. Meanwhile, we have built a large and diverse portfolio across decarbonisation segments and geographies. Our low carbon solutions project funnel offers us optionality while we make progress on some key projects. The share of capex into renewables and low carbon solutions may therefore grow rapidly later this decade as we mature and deliver these competitive projects.

Further information on Equinor's reporting according to the EU Taxonomy can be found in our annual report.



GHG emissions from products and supply chain (Scope 3)

Management approach

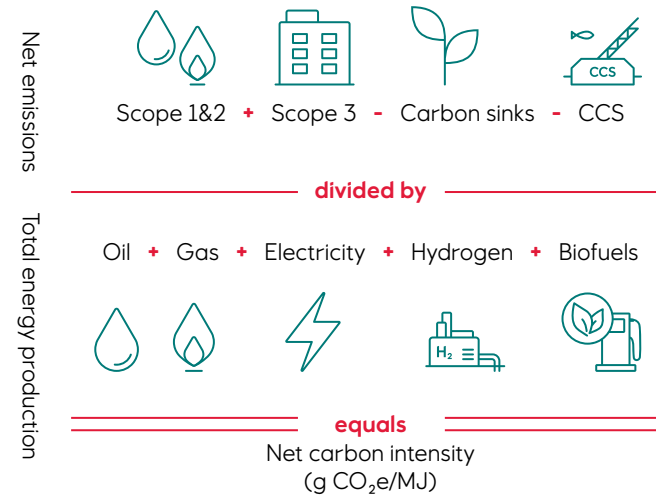
Addressing scope 3 emissions

As an energy company, our scope 3 emissions are primarily related to our customers' use of energy products. To help reduce these emissions, we are working with developing low carbon solutions such as CCS and hydrogen at scale. Over time, this will help decarbonise the use of our energy products. This, combined with portfolio diversification is our most important strategic lever to address scope 3 emissions and the carbon intensity of energy we produce. These strategic areas and their management approach are described in the section "Investing in renewables and low carbon solutions".

We have set out clear short-, mid- and long-term ambitions to reduce the emissions associated with the energy we produce. The long-term ambition is to achieve net zero emissions (scope 1, 2 and 3) by 2050. Our interim ambitions include a reduction of 20% net carbon intensity by 2030 and 40% by 2035. We have chosen an intensity basis for our interim ambitions because we believe addressing the need for delivering emission reductions, as well as energy production is at the core of a balanced, sustainable and just energy transition.

The net carbon intensity methodology helps assess our journey towards net zero emissions. It shows net emissions from production and use of energy in relation to total energy production (from oil, gas, electricity and hydrogen), capturing our growth areas.

Net carbon intensity equation



Addressing supply chain emissions

Procurement of products and services represent another source of scope 3 emissions for Equinor. While the indirect emissions from our supply chain are significantly lower than the emissions from the use of our oil and gas products, they are still important and represent an opportunity for GHG reductions. Supply chain emissions are the largest contributing factor to the total life cycle emissions for our renewable operations. Maritime operations, heavy duty transport and the production of steel and cement are considered the most material sources of scope 3 emissions in our supply chain. With greater understanding and assurance on our scope 1 and 2 emissions, we plan to apply this knowledge and experience to assess our supply chain emissions and follow up on those areas that are most material.

Maritime emissions

Equinor has an ambition of halving our maritime emissions in Norway by 2030⁵ and halving our global maritime emissions by 2050⁶. We are working to reduce our own consumption of fossil-based maritime fuels and to stimulate systemic change through development of low-emission maritime solutions. Equinor has extensive maritime activity around the world, including around 175 vessels on contract with the company at any time. As a supplier of fuel to the maritime sector, Equinor's ambition is to increase our production and use of low-carbon, and zero-emission fuels. Equinor has been a pioneer in using liquefied natural gas (LNG) as a fuel and in 2021 we introduced large-scale use of liquefied petroleum gas (LPG) as a fuel. A new hybrid battery system has been introduced for 19 supply vessels on contract with Equinor on the Norwegian Continental Shelf and the next generation of dual-fuel vessels is being introduced to the fleet. In collaboration with the maritime industry, we have also started developing the world's first supply vessel to run on zero-emission ammonia.

Carbon offsets and nature-based solutions

In the long term, we see negative emissions solutions as making an important contribution to the climate challenge. Offsets and removals will however play a minimal role in achieving our operated emissions reductions. We have so far only purchased offsets related to our business travel. We plan to use only credits verified according to high standards and to disclose information about the type of offsets employed. To ensure quality in the credits we will use, we have established a set of corporate criteria and principles based on the Oxford Principles for Net Zero Aligned Carbon Offsetting.

⁵ Relative to 2005 baseline

⁶ Relative to 2008 baseline

Performance disclosure

Our scope 3 GHG emissions were down slightly in 2021. We expect our oil and gas production to grow towards 2026, which may result in increased emissions from use of sold products if combusted.

The main reason behind the reduction in net carbon intensity, from 68 to 67 g CO₂e per MJ energy produced, is a slight increase in the share of gas compared to oil in our production portfolio.

In 2021 Equinor developed a methodology to quantify the carbon footprint for refined products at our Mongstad refinery in Norway. The methodology includes scope 1, 2 and 3 GHG emissions and tracks the lifecycle emissions - from upstream oil and gas production to transportation and midstream processing. The methodology is verified by DNV Business Assurance Norway AS and the information will be included in future product information.

Scope 3 emissions from parts of our supply chain was reduced the last year. Maritime emissions dropped from 4.8 million tonnes to 3.8 million tonnes of CO₂, from 2020 to 2021. The decrease in maritime emissions is mainly associated with the use of smaller vessels and shorter voyages for the transportation of crude, combined with operational and technical improvements in the tanker fleet. Equinor's business travel emissions also dropped in the same period, from around 20.000 tonnes, to 13.000 tonnes.

Scope 3 emissions from use of products

Indicator	Boundary	Unit	2021	2020	2019	2018	2017
Net carbon intensity	Operational control/Equity basis	g CO ₂ e per MJ energy produced	67	68	68	n/r	n/r
Scope 3 GHG emissions (use of sold products)	Equity basis	million tonnes CO ₂ e	249	250	247	252	250
Maritime CO ₂ emissions	Operational control	million tonnes CO ₂	3.8	4.9	n/r	n/r	n/r

Energy production indicator

In 2021, Equinor delivered **4,341,168 TJ** to the market, of which **15,284 TJ** was from renewables.



Total energy production:

To compare renewable energy with energy from oil and gas, we convert electricity into the equivalent amount of oil and gas in a power plant. We apply a factor to renewable energy production to reflect the significant energy loss when using fossil fuels to produce the equivalent amount of electricity. The method is called the partial substitution method.

Performance evaluation

Our net carbon intensity has remained stable for the last few years. As we are cutting own emissions and adding capacity in renewables and low carbon solutions, we expect our net carbon intensity to reduce more quickly later in this decade.

We consider our management approach related to GHG emission from products to be satisfactory, but we recognise the need to further understand and address scope 3 emissions related to our supply chain. For more information about our key actions to mitigate scope 3 emissions, see sections on renewables and low-carbon solutions.

PROTECTING THE ENVIRONMENT

Material topic	Indicator	Ambitions
Biodiversity and nature	Number of assets and licences inside and adjacent to protected areas	From 2023: New projects in protected areas or areas of high biodiversity value to establish a plan aiming to demonstrate net positive impact
Non-GHG emissions, discharges and waste	Number of serious accidental spills	0 serious accidental spills

● Target met in 2021, or on track to meet longer-term ambition
 ● Plan in place

Contextual introduction

Globally, there is an increasing expectation for urgent action to address the twin threats of climate change and nature loss. In line with this, we expect to see a further strengthening of the global biodiversity framework and growing expectations on our governance, performance and reporting related to the environment. Equinor is a large operator of offshore oil and gas facilities and increasingly offshore wind installations. Management of our activities and potential impacts on the marine environment is very important. Our potential material impacts are related to discharges and accidental spills to sea, emissions to air and use of areas.

The shift to a more resource-efficient, circular economy is another key area of change, and we are maturing our understanding of circular opportunities for example in relation to the decommissioning and removal of offshore facilities. This is an increasing activity that requires the appropriate management of large quantities of different types of materials and waste. In the future, offshore wind turbine blades will, after their service life, constitute a specific type of waste type we will need to manage. Through our supply chain, we purchase large quantities of steel, cement, and various materials used in drilling, as well as completion fluids. Each of these supply chains has specific waste management requirements.



External voice



Jonathan Hughes
WCMC Chief Executive Officer
UNEP-WCMC

Concerted action over the next decade and beyond is required to reverse nature's decline, with an ambitious global biodiversity framework currently being negotiated through the UN Convention on Biological Diversity. Companies increasingly need to mitigate their negative impacts, while contributing positively to climate, nature and societal goals. A rapid transition away from fossil fuels, managing direct and supply-chain impacts and working towards biodiversity net gain, are key if energy companies are to contribute to a nature positive economy.

With the adoption of its new biodiversity position, Equinor is moving in the right direction but as a leading company it has opportunity to go further and inspire wider change across the sector. For example, a leadership opportunity for Equinor on biodiversity could involve recognising a broader set of voluntary exclusion zones (beyond UNESCO World Heritage sites, IUCN category Ia and Ib protected areas) and extending net positive impact commitments to existing and historical projects.

Management approach

We recognise that our activities impact the environment, and we aim to systematically manage environmental aspects as an integrated part of our governance, risk and performance framework. The precautionary approach and mitigation hierarchy are central to implementing measures to avoid, reduce or mitigate adverse direct impacts and to enhance positive outcomes. We seek to continuously improve our environmental management system and performance by applying ISO 14001 principles. Our management approach includes environmental risk and impact assessments, as well as stakeholder engagement in planning phases before construction or operation activities take place. It also includes environmental baseline studies, surveys, monitoring programmes and collaborative research projects to build knowledge and develop tools. We regularly assess our performance through reviews and assurance activities and, when needed, instigate improvements.

Equinor supports the global ambition of reversing nature loss by 2030 and is ready to play its part. For decades, our “no harm to the environment” ambition has guided our operations and stimulated innovation. In 2021 we announced our biodiversity position, identifying five areas to focus our actions on.

These include:

- Establishing voluntary exclusion zones.
- Developing a net-positive approach.
- Increasing knowledge and access to biodiversity data.
- Investing in nature-based solutions.
- Advocating for ambitious biodiversity policy.

Further information on our biodiversity position can be found at [equinor.com](https://www.equinor.com).



The concept of circularity is particularly relevant for waste management. We apply the waste hierarchy to primarily avoid waste generation and follow key circular measures such as the re-use, recycling and recovery of materials. We have waste management policies, procedures, and plans, including a waste recording system. Our waste is sorted into various types of hazardous and non-hazardous fractions. The majority of our waste comes from our own operations including oily wastewater from oil and gas processing and oiled drill cuttings. Steel scrap waste from facility modifications and planned decommissioning projects in the years to come, will be an increasing waste fraction that will be largely recycled for use in new steel production. Low-radioactive waste from deposition of naturally occurring radioactive minerals is managed in line with separate procedures. Day-to-day waste management within Equinor is contracted to third-party companies that are approved by relevant national authorities and followed up closely by us. Future decommissioning projects will be awarded to contractors applying waste management solutions approved by relevant authorities. We aim to ensure that good measures that support circularity are implemented in these projects.

Performance disclosure

Biodiversity and nature

During 2021, we did not operate in UNESCO World Heritage sites (WHS), or within sites in the International Union of Conservation of Nature (IUCN) category 1a ("Strict nature reserve") or category 1b ("Wilderness area"). The number of assets and licences inside or adjacent to protected areas have increased from 12 in 2020 to 19 in 2021. Most of this increase is related to site surveys for wind development projects offshore US east coast and Poland. More information is available on equinor.com.

An overview of the number of assets and licences with operational activities in 2021 located inside or near protected areas or areas of high biodiversity value is shown below.

	Assets ¹	Licences ²
In the vicinity (5 – 20 km)³		
- of protected areas	16	1
- of areas high biodiversity value	13	2
Close (1 – 5 km)³		
- to protected areas	8	0
- to areas of high biodiversity value	1	0
Adjacent (< 1 km)³		
- to protected areas	12	4
- to areas of high biodiversity value	2	4
Inside³		
- protected areas	2	1
- areas of high biodiversity value	19	2

¹ "Assets" means offshore platforms including subsea tie-ins, onshore plants, pipelines and other linear infrastructure in operation or under construction.

² "Licences" includes only those licences where there have been operational activities other than 1) above, e.g. seismic acquisition, exploration drilling, site surveys.

³ If several protected areas (PA) or areas of high biodiversity value (AHBV) are present within a proximity category around a given asset or operation, they are counted as one. If a given PA or AHBV are within proximity categories for several assets or operations, it is counted in for each of these assets or operations. Subsea installations within a field are included in the counting of the platform it is tied to. For existing linear infrastructure like pipelines, service lines and cables, only the 'Inside' and 'Adjacent' categories are applied. In cases where linear infrastructure is installed during a given reporting year, all proximity categories are applied. Information on geographic location of cases represented in the table above can be found in the "Sustainability performance data hub" on Equinor.com.

To support our new biodiversity position, we continued testing the "Biodiversity Indicator for Site-based Impacts" methodology during 2021. This was piloted in 2020 and developed by the United Nations Environmental Program's World Conservation and Monitoring Centre (UNEP-WCMC). We have also participated in a range of biodiversity related research programs and industry collaborations. We are mapping the potential significant direct impacts and dependencies in our own oil, gas and renewables operations and key supply chains. We have published documentation from project-specific impact assessments on our website as part of our commitment to share data more openly. Development of methodologies to implement our net-positive approach is ongoing, including practices for net-positive impact plans and site-specific inventories.

In 2021, Equinor became a member of the Taskforce on Nature-related Financial Disclosures (TNFD) Forum, a consultative group of institutional supporters of the TNFD. As one of the signatories of "Business for Nature's" call for action "Nature is everyone's business" we voice our support for the global coalition's ambitious biodiversity policies under the UN convention on biological diversity which will be finalised in 2022.

Withdrawal and consumption of freshwater in 2021 was eight million m³ which is at the same level as in 2020. We have had no oil and gas production or withdrawn water from areas of high or extremely high baseline water stress as defined by the World Resources Institute's Aqueduct® tool.

Non-GHG emissions to air, discharges, and waste

Performance data for our non-GHG emissions to air, discharges to sea, accidental spills and waste generation in 2021 are shown in the bottom right table.

The reduction in SO_x emissions is largely due to the temporary shut-down of the Peregrino field throughout 2021. SO_x emissions were also reduced due to improved process regularity at the Mongstad and Kalundborg refineries in Norway and Denmark respectively, and reduced usage of diesel due to no drilling and fracking activity in our US onshore assets. NO_x emissions were reduced due to less drilling and well activities in 2021 and the divestment from the Bakken asset.

In 2021, we assessed the materiality and availability of measured emissions of particulate matter (PM) from our operations, including emissions of soot and other particles from combustion of liquid fuels. If measurements were not available, we evaluated methodologies for estimating them. As a result, we are for the first-time disclosing numbers for our emissions of PM from the main sources, the cracker at the Mongstad refinery and from numerous diesel engines and boilers across our operations. An emission factor of 0.001 kg PM per kg of consumed diesel has been applied.

We also assessed the presence and materiality of polychlorinated biphenyls (PCB) emissions from our operations during 2021. The only relevant emission source for this unwanted persistent organic pollutant is our Mongstad refinery, for which PCB emissions are regularly reported to the national authorities.

Accidental oil spills and other spills were reduced both in number and volume from 2020 to 2021, and we did not have any serious accidental spills in 2021. The dominant part of the large volume of other accidental spills is related to two cases of discharges of water from the last basin in the waste water treatment plant at the Mongstad refinery. The two low impact incidents were caused by high tides combined with heavy rain. Regular discharges of oil in water to sea was reduced mainly due to substitution of corrosion inhibitors at our Statfjord platforms leading to better conditions for process water cleaning.

Throughout 2021, efforts have been made to reduce the environmental impact of the spill to ground at the Mongstad refinery, reported in 2020, including the installation of a trench, where oil is removed from water in the ground, and operational measures, to optimise water treatment and drainage of water with hydrocarbons to the oily water sewer system.

For most waste categories, we have seen a significant drop in 2021 compared to 2020. This is mainly due to changes in activity level and types, especially lower drilling and well activities and decreased volumes of process water transported from Troll to Mongstad. The increased quantity of non-hazardous waste is mainly due to large quantities of sand blasting waste from tank maintenance at Mongstad, waste from the fire training field at Kollsnes and waste related to the activities following the fire at the Hammerfest LNG plant in 2020.

Indicator	Unit	2021	2020	2019	2018	2017
SO _x emissions	ktonnes	0.9	1,3	2,2	1,8	1,7
NO _x emissions	ktonnes	34	36	41	42	40
Non-methane volatile organic compounds	ktonnes	26	35	40	46	49
Particulate matter (PM)	ktonnes	0.3	n.r.	n.r.	n.r.	n.r.
Polychlorinated biphenyl (PCB)	kg	0.1	n.r.	n.r.	n.r.	n.r.
Accidental oil spills (net volume >0)	Number m ³	120 40	136 154	219 8,913	239 138	207 34
Other accidental spills (net volume >0)	Number m ³	98 3,335	117 3,997	204 57	199 934	190 899
Serious accidental spills	Number	0	3	4	3	0
Regular discharges of oil in water to sea	ktonnes	1.1	1.3	1.2	1.1	1.2
Hazardous waste generated	ktonnes	280	318	313	244	296
Non-hazardous waste generated	ktonnes	33	29	40	31	34
Exempt waste generated – drill cuttings and solids from US onshore operations	ktonnes	0.1	17	84	55	105
Exempt waste generated – produced and flowback water from US onshore operations	million m ³	2	5	7	6	5

Performance evaluation

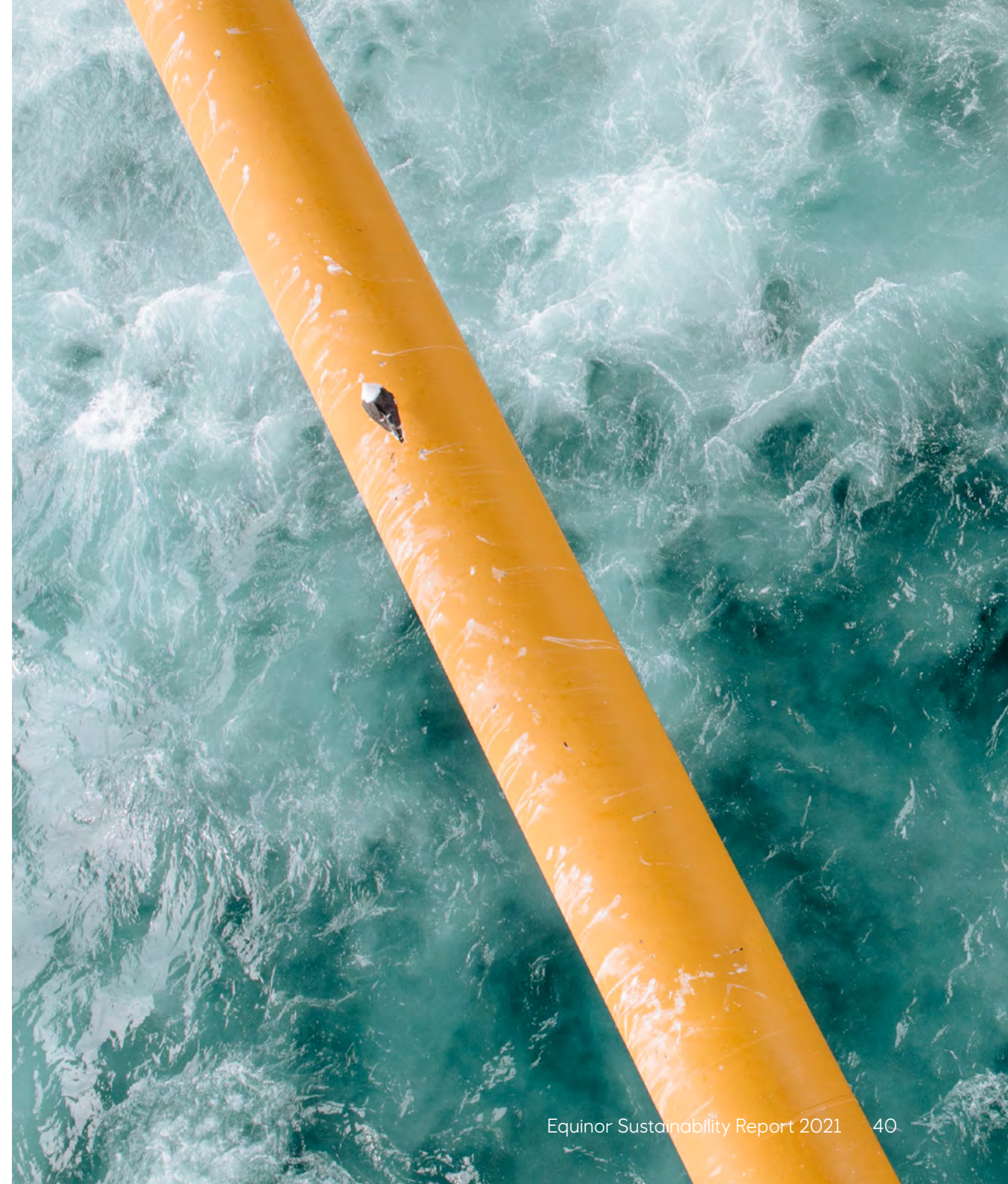
Biodiversity and nature

Although we consider our performance in relation to biodiversity and nature satisfactory, we aim to do more including implementing our net positive approach as outlined in our biodiversity position. In light of our continued withdrawal and consumption of freshwater at a lower level, we consider our approach and performance in this area to be satisfactory.

Non-GHG emissions, discharges and waste

Having achieved a reduction for nearly all indicators on emissions to air, discharges to sea, accidental spills and waste, we believe our approach is effective and produces the intended results.

We acknowledge that our compliance with environmental regulations in Norway has not been satisfactory with regards to spills and have initiated a project to address governance, competence, awareness and performance to improve how we work. It is of the utmost importance to us that we act in accordance with environmental laws and regulations.



Caring for people and society

HEALTH, SAFETY AND SECURITY

Material topic	Indicator	Ambitions
Health, safety and security	Serious Incident Frequency (SIF)	● 0.4 in 2021
	Total Recordable Injury Frequency (TRIF)	○ 2.4 in 2021

● Target met in 2021, or on track to meet longer-term ambition ○ Target not met in 2021

Contextual introduction

In a world fighting a pandemic, the running of safe operations and provision of energy, with as low major accident risk as possible, has remained Equinor's priority. As an international energy company with oil and gas activities, where two thirds of our activities are undertaken by contractors, we are fully dependent on strong collaboration with our contractors to safeguard people, assets and the environment.

Equinor, contractors and suppliers continued to be impacted by the Covid-19 pandemic across various units, activities and geographies during 2021, making it more challenging to conduct our business in accordance with our plans.

Over the course of 2021, the security threat picture has also evolved, as have the security risks. Threat actors have tried to exploit the practice of working from home and cyber-crime has increased.



External voice



Remi Eriksen
Group President and CEO
DNV AS

Both Equinor and DNV are committed to safeguarding life, property, and the environment as we deploy and scale the much-needed technologies for an effective energy transition. We must strive to manage risks associated with wind and solar power, CCS, and hydrogen just as we have done for oil and gas related technologies.

A culture promoting safety first creates the trust needed to scale new technology and infrastructure. At the core of this culture is the principle that nothing is so important or urgent that we cannot embed safety in everything we do. We should constantly reinforce this principle among ourselves and our partners.

The world needs to see progress in emissions reduction across all industries. But it is the transition of the so called hard-to-abate sectors – sectors that are currently responsible for about 35% of global energy-related emissions – that really has to accelerate. Hydrogen is increasingly being seen to as the go-to solution for these sectors, and Equinor has high ambitions for hydrogen production and use. However, a major accident could weaken the trust in this key element of decarbonisation. I therefore challenge Equinor to further intensify their work with industry partners to pioneer new methods and execute demonstration projects that can help establish best practices for hydrogen safety and ensure we can scale hydrogen technology fast enough to meet the words decarbonisation targets.

Management approach

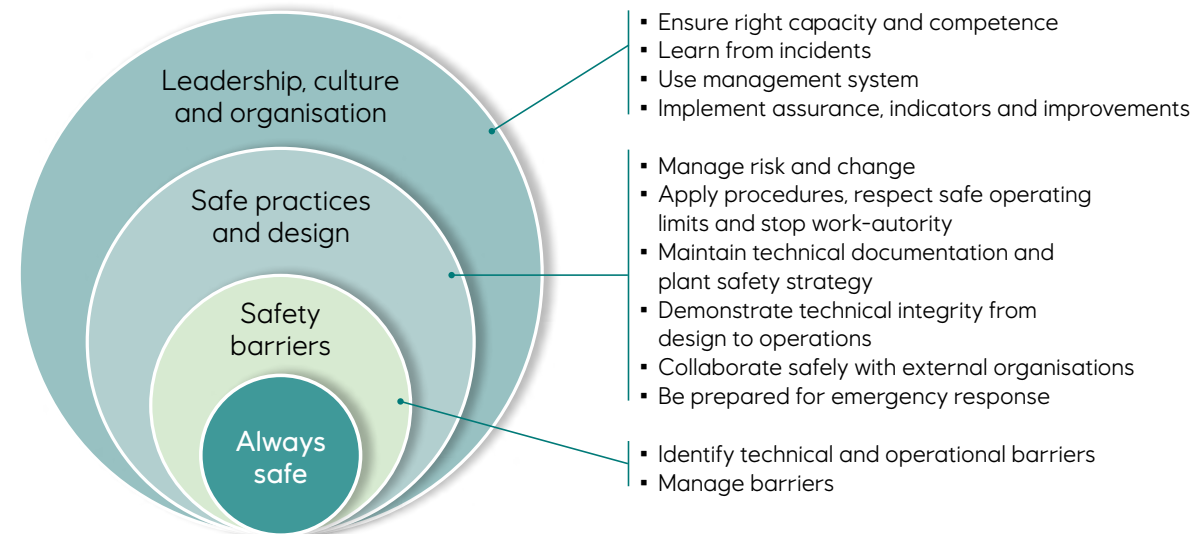
Our vision is zero harm, which is supported by one of our three strategic pillars “Always Safe”. The safety and security of our people, and integrity of our operations, is our top priority. We believe that all accidents related to people, environment and assets can be prevented.

To guide us in our journey towards our vision and strategy, we have selected Serious Incident Frequency (SIF) and Total Recordable Injury Frequency (TRIF) as our key performance indicators. SIF includes major accident hazard and all other safety incidents with a high-risk potential. Near-misses and accidents are included in the SIF performance.

Major accident risk

As a response to two serious process incidents at our onshore plants in 2020, we have developed a new framework for major accident prevention. This is built on three pillars: “Leadership culture and organisational frame conditions”, “Safe practices and design”, and “Safety barriers”. The global implementation of this framework remains a priority for 2021 and beyond.

Framework for major accident prevention



Our safety roadmap

Our “I am safety roadmap 2025” sets our targets for safety performance. It outlines prioritised activities within four categories across the company: safety visibility, leadership and behaviour; learning and follow up, and safety indicators. We are stepping up the work to consistently improve our safety performance and work continuously to develop a proactive safety culture, where safe and secure operations are incorporated into everything we do. Two important initiatives to achieve this were implemented in 2021: The strengthening of “human and organisational performance (HOP)”, and the implementation of digital “observation cards” to facilitate more engagement and improved safety behaviour across the workforce. HOP is now implemented in leadership training to provide a better understanding of how people, technology, organisations and processes interact as a system, and how these conditions can influence what causes human errors.

Digital observation cards offshore: If you see something – say something, but preferably: Do something!

Our leaders actively encourage all employees and contractors to register observations cards. This contributes to a proactive safety culture, reinforced by constructive feedback and recognition.

The use of a new digital observation app was introduced in our Norwegian offshore installations in 2021. This platform is a part of a collaboration for safety between Equinor, Aker BP and Vår Energi. Around 1,000 digital observation cards are reported every day. We have clearly seen that this new tool has boosted the number of reported observations to the highest number in 20 years.

Emergency preparedness

To ensure that we are prepared, we work to have appropriate emergency response capabilities in place to limit the consequences of incidents, should they occur. Our oil spill response capabilities are in line with best international practice and leverage expertise and resources made available through our membership of local and international oil spill response organisations. In 2021 we published and implemented an improved environmental risk assessment methodology called 'ERA Acute' for assessing the risks to the marine environment following accidental oil spills.

Health and working environment

Equinor's efforts around health and working environment during 2021 have been impacted by Covid-19 in several areas. As part of medical state of alert assessments for operations, locations and countries, we continuously assessed advice from government authorities and company doctors. The medical risk of infection resulted in a focus on measures, including hygiene and social distancing. As many of our employees had already been living with restrictions for several months, we worked proactively to address the mental health impact of working from home. Where we were permitted to do so, offices were re-opened with safety measures in place so that those who needed or wanted to return could do so safely. Medical resources with competence in ergonomics and psychosocial risk have been allocated to support leaders and teams managing risks related to working from home, covering both workplace ergonomics and mental health. Our employees' general uncertainty and concerns made the potential impact on their mental wellbeing something that required close attention.

Security

Through holistic security risk management, which includes physical, cyber and personnel security, we aim to secure continuous safeguarding of Equinor's people, assets and operations. Cyber security has continued to be a major risk factor due to the greater level of digitalisation of work processes across the company.

As signatories of the Voluntary Principles on Security and Human Rights (VPSHR), Equinor does not use armed guards unless it is strictly necessary. In certain locations the threat is of such a nature that the arming of guards is crucial, while in others it is not possible to procure security services without the inclusion of firearms.



Performance disclosure

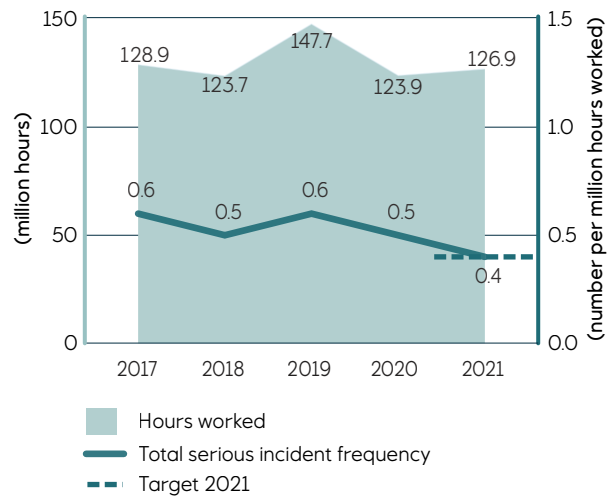
Serious incidents

In 2021 we experienced no major accidents, although one incident with major accident potential was recorded, when H₂S and LPG leaked at the Mongstad refinery. Equinor experienced a tragic fatality on one of our chartered tankers when a cadet was found dead in the harbour basin after the ship had left the port near Houston. The US Coast Guard, local police and independent investigators carried out an investigation that concluded that the person had inadvertently fallen overboard. The investigation found no evidence of any criminal action.

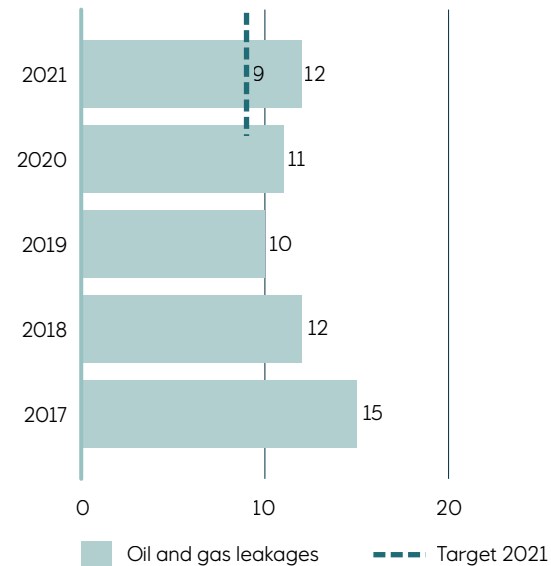
The SIF, which includes near misses, was 0.4 incidents per million work hours in 2021. This is at our 2021 target level and an improvement compared to last year.

Following closure of investigations, we adjusted our number of incidents with major accident potential in 2020 from 0 to 2.

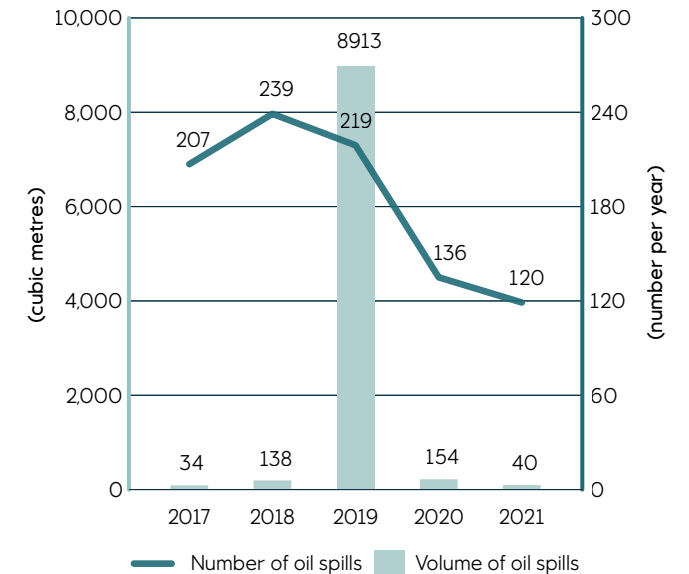
Total serious incident frequency (SIF)



Serious oil and gas leakages (number per year)



Accidental oil spills



Process safety

In 2021, there were 12 oil and gas leaks (with a leakage rate ≥ 0.1 kg per second). These all occurred in Norwegian operations, predominantly onshore. Our target of a maximum of nine leaks was not reached. None of the incidents caused serious harm to people, the environment or assets.

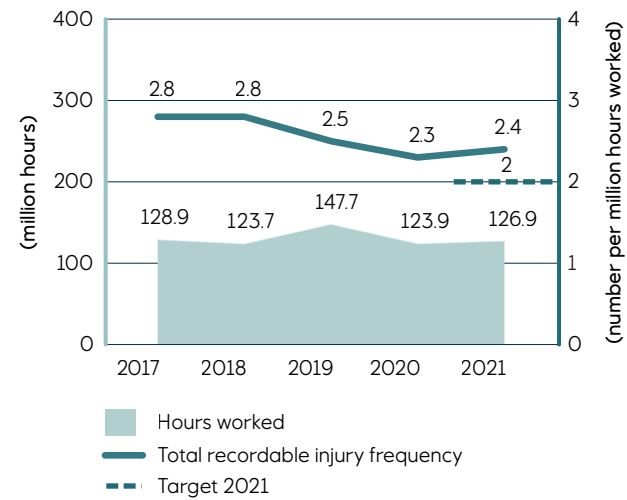
Of the process safety incidents that included a loss of primary containment, eight were classified as Tier 1, while the number for 2020 was six. One well control incident classified internally as serious (yellow) was recorded in 2021 during the drilling of a well at the Johan Castberg field.

During 2021, the backlog of safety critical maintenance has been reduced to pre-Covid level for producing assets, and the number of orders in backlog is at a historically low level, from 138 at the end 2020, to 41 for 2021, thereby reducing major accident potential.

Personnel health and safety

The TRIF has developed negatively from 2.3 in 2020 to 2.4 in 2021. The number of work-related illnesses remained on the same level as for 2020, with 160 recorded cases. Total sick leave increased from 4.2 in 2020 to 4.6 in 2021.

Total recordable injury frequency (TRIF)



Health and working environment						
Indicators	Boundary	Units	2021	2020	2019	2018
Work related illness (WRI)	Equinor group	number per year	160	161	135	82
Sickness absence	Equinor ASA employees	percentage of planned work hours	4.6	4.2	4.4	4.6

Security training

In 2021 we registered 15,694 employee course participations in our security e-learning training. The course, which is mandatory for all employees, focuses on core behaviours within physical, information, cyber and personnel security, travel risk management and reporting.

Of the third-party security guards delivering to the Equinor group, 91% received formal training in line with the Voluntary Principles on Security and Human Rights.





Performance evaluation

For 2021, the tragic fatality on one of our chartered vessels dominates our overall safety picture. The investigation found no evidence of any criminal action and no errors or defects with the ship.



The total number of serious incidents has never been lower than it was in 2021. It is motivating to see that the work we do to improve safety is reducing the number of serious incidents. Equinor uses external benchmarking to compare our own performance with other companies and industry segments as the basis for recognition and learning. Tier 1 serious process events for 2021 put Equinor among the top performers in the first quartile. There were no major accidents; however, one incident with major accident potential reminds us that our efforts to keep the major accident risk low must continue.


Equinor's frequency of personnel injuries is higher than for our peers and industry benchmarking. In addition, our sick leave has increased significantly compared with last year. This represents a challenge for us, but we are working continuously to understand, mitigate and systematically follow up injuries and sick leave.

Based on our 2021 performance, we recognise the need to continue to improve our safety performance. Given the measures introduced in 2021, we consider our approach as adequate to improve our performance and close the gap on our health, safety and security targets. These objectives remain a top priority for Equinor's management.

Caring for people and society

WORKFORCE FOR THE FUTURE

Material topic	Indicator	Ambitions
Workforce for the future	Diversity index score 	55 by 2025
	Inclusion index score 	80 by 2025

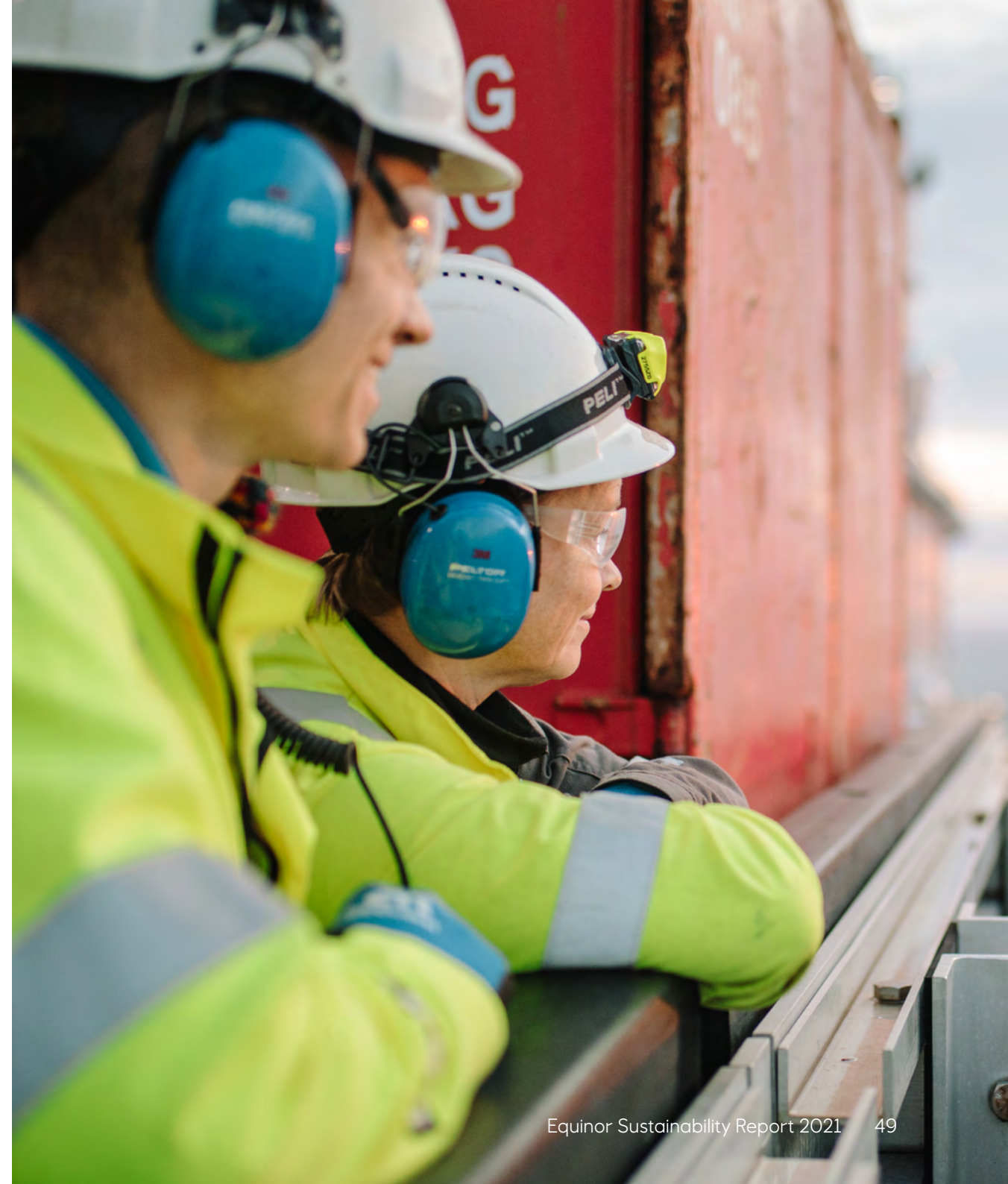
 Target met in 2021, or on track to meet longer-term ambition

Contextual introduction

Our people are our most valuable asset. We have strong core competencies and a history of innovation and delivering solutions at scale.

To succeed in the energy transition, we will need to rapidly adapt and expand our competence and capacity to meet new business challenges. This means attracting key talent at a time when people are rethinking their professional aspirations on a global basis as a result of both the pandemic and climate change. Furthermore, we are building our corporate reputation in new locations and aim to make the most of the synergies between existing capabilities in oil and gas, renewables and low carbon solutions. We are focused on developing our people, directing their time and effort to prioritised activities in more flexible ways and building an inclusive culture where everyone feels respected, safe and fully connected to our common goal.

The pandemic has required us to adapt to new ways of working and our focus on flexibility and collaboration continued into 2021. Through pulse surveys and dialogues, our employees have indicated that this has improved their feeling of inclusion across locations. Currently, we are in the process of defining how flexible work principles are applied on a global, national and team level.



Management approach

Competence development

In 2021 we strengthened the focus on safety, security and compliance competence for everyone working in Equinor, by scaling up the use of corporate solutions. We adjusted our operating model to further expand the use of competence centres. The increased organisational flexibility will help accelerate competence development and facilitate collaboration across value chains.

We also implemented an improved workforce planning process across the company. This included mapping out the competence and capacity needed to deliver on our strategy, which will support the necessary formal upskilling and reskilling of employees into new discipline areas.

The effects of the pandemic have accelerated new ways of working and learning. The offering of virtual learning will remain an essential part of our approach to continuously developing our people.

The 2021 Universum student survey ranked Equinor as the most attractive employer among Norwegian engineering students for the 25th year in succession.

Employee relations

In Equinor we continuously involve our people in the development of the company. This includes internal cross-functional collaboration and liaising with union representatives, and safety delegates according to local law, regulation and practice. In 2021, this was vital in the work related to the new operating model and corporate flexible work policy. We respect employees' rights to organise and their opportunity to bring forward their opinions, we have the same clear expectation of our suppliers and partners.

In 2021, we focused on employee mental health. This included running engagement sessions on mental health with employees and providing leader training. We also elevated the work done by our employee resource groups (ERGs), by promoting and supporting awareness initiatives, training and communication. Our ERGs include Women in Equinor, Differently Able, Black in Equinor and Pride Makers.

Every year we conduct a global people survey to evaluate and improve key areas that impact safety, working environment, engagement and the drive for continuous improvement and change in Equinor.

Diversity and inclusion

Respecting diversity and building inclusion is an expectation for everyone in Equinor, deeply rooted in our values. Equinor has a clear ambition that all teams will leverage their diversity to drive performance, by listening to everyone's ideas and perspectives, challenge group-think and encourage creativity. Employees are expected to create an open, safe and inclusive environment to enable this. We have zero tolerance of discrimination, and our colleagues may place anonymous, confidential reports through

the Equinor's Ethics Helpline, hosted by a third party provider. Our commitment to fairness, respect and dignity are aligned with the Norwegian equality and anti-discrimination act, and further elaborated in Equinor's Code of conduct.

In 2021, we continued to work systematically with Diversity and Inclusion (D&I) as part of our key people processes, including recruitment, succession planning, performance management and leadership development. We have clear expectations to all employees to build an inclusive and psychologically safe culture and mitigate unconscious bias.

To show our commitment to equal and inclusive workplaces, Equinor participates in several gender equality indexes that aim to give more visibility into reporting, including the Bloomberg gender equality index, and the Norwegian SHE index.

In 2021 Equinor was ranked number one on Norway's SHE diversity index, underlining our efforts and policies for building a more diverse and inclusive organization.

Inclusive leadership

In 2021, we sharpened the leadership expectations to match the key drivers for the energy transition. We placed specific emphasis on inclusion and our leaders' abilities to communicate trust and create an environment where everyone can bring their whole self to work and have their voices heard and respected.

Performance disclosure

Diversity in leadership

In all our leadership activities, including talent and succession reviews, leadership assessments, leadership development courses and top-tier leadership deployment, we aim for gender balance and diversity. From 1 June 2021, the Corporate Executive Committee was 50% female. We also focus on improving gender balance on leaders reporting to the Corporate Executive Committee. This group has increased from 36% female in 2017 to 49% female in 2021. We continue to focus on diversity in leadership assessment, development and deployment. Further details of female representation in the company can be found in the Equinor data hub.

Focus on diversity in talent programmes

Equinor continues to invest in our emerging talents through the graduate and apprenticeship programmes. In 2021 we welcomed 133 graduates and 159 apprentices. We also offered a seven-week virtual summer internship programme to 169 students. We focus on diversity of new hires and have set targets for our graduate and apprenticeship programmes in terms of gender and nationality. For our summer internships we do not set specific targets but aim for gender balance. Our summer interns represented 23 different nationalities.

Programme	Gender balance (Female : Male)		Nationality balance (non-Norwegian : Norwegian)	
	Hired	Target	Hired	Target
Graduates 2021	43:57	50:50	48:52	50:50
Apprentices 2021	31:69	30:70*	N/A	N/A
Summer Internship 2021	N/A	40:60	26:74	N/A

*The apprenticeship program targets are set aligned to the gender share studying technical fields in Norwegian upper secondary schools.

Gender pay reporting

In line with revised guidelines in gender pay reporting, Equinor has published the earnings ratio between males and females for both total compensation and also for base pay. The gender pay gap reported for total compensation is larger than that of base pay. Our analysis shows that a key driver for this differential is the higher representation of males in skilled offshore and other operational positions. These roles are typically compensated with a range of additional elements beyond base salary, such as offshore allowances or shift allowances, as well as overtime payments. The gender imbalance in these roles compared to non-operational onshore roles result in a wider pay gap for total compensation than with base salary.

A full table showing the breakdown of earning ratios in all major Equinor locations by Equinor's job structure can be found in the Equinor data hub.

Select indicators	Boundary	Unit	2021	2020	2019	2018	2017
Diversity index*	Equinor group	%	39	37	35	33	N/A
Inclusion index		%	77	78	77	76	N/A
Leadership positions (female share of total)		%	35	32	30	29	28
Earnings ratio – base salary (female:male)	Equinor ASA	%	99	98	98	97	98
Earnings ratio – total compensation (female: male)		%	86	N/A	N/A	N/A	N/A

*Due to the reorganization, diversity index scores measured until 31 May 2021.

Performance evaluation

The results from our Global People Survey in 2021 reflected the high pace of change across the organisation. The drop in scores related to leadership and workload signaled a need for action and is under careful consideration. Results remain high in key areas such as safety and security, values, integrity, collaboration, and inclusiveness.

We consider our performance as satisfactory compared to our 2025 target of 55 for the diversity index and 80 for the inclusion index. Diversity and inclusion continue to be central in the development of our workforce. Our management approach will be updated in 2022 to reflect our D&I ambitions within the revised operating model.



RESPECTING THE RIGHTS OF PEOPLE



Material topic	Indicator	Ambition
Respecting the rights of people	Significant investment agreements and contracts including human rights clauses or screening (number)	<input type="checkbox"/> Pilot a set of human rights indicators in 2022 <input checked="" type="checkbox"/> Plan in place

Contextual introduction

Understanding and managing the risk of adverse human rights impacts related to our activities remains at the core of our human rights commitment. This is consistent with the United Nations Guiding Principles on Business and Human Rights (UNGPs), the ten principles of the Global Compact and the Voluntary Principles on Security and Human Rights. We recognise that our activities can cause, contribute, or be linked to negative human rights and other social impacts, especially in jurisdictions with weak regulatory frameworks. Thus we aim to promote good practice and share learnings with partners.

In 2021, the Covid-19 pandemic continued to exacerbate risks in some areas of our operations. In parallel, governments and society are sharpening their focus towards human rights performance. The adoption of the Norwegian Transparency and Human Rights Due Diligence Act, and the German Supply Chain Act, as well as ongoing proposals regarding mandatory environmental and human rights due diligence legislation from the European Union are all examples in this regard.

During 2021 and in alignment with salient issues identified in our human rights policy, we found indications of forced labour in our value and supply chains, mostly in Southeast Asia. Instances of adverse impacts involving communities occurred where we have assets, such as in Tanzania.

Management approach

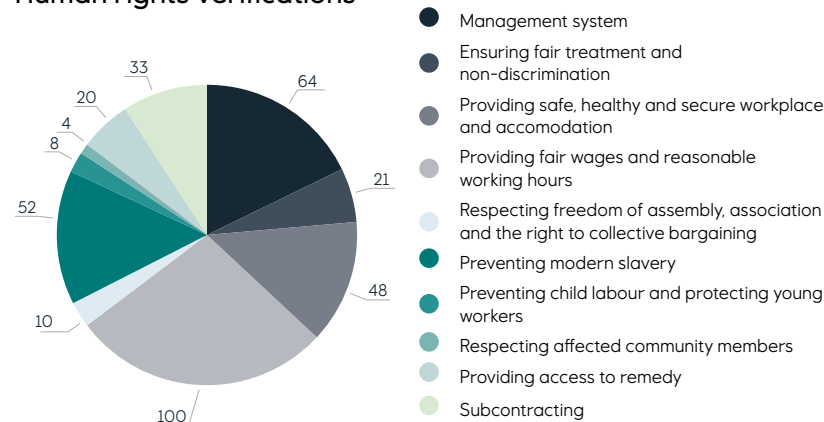
Equinor's human rights policy applies to all our activities. When we identify human rights risks and adverse impacts, Equinor works to prevent, mitigate or remediate as relevant to each situation aligned to our corporate ambition to integrate human rights practices into the way we work. We make efforts to build and use leverage towards our suppliers or partners, including through senior level engagement, capacity building opportunities and access to third party expertise.

As part of environmental and social impact assessments for new operated assets, potential human rights risks and impacts are identified. In addition, we undertake human rights assessments and due diligence for certain assets on a risk basis. We set requirements for all suppliers regarding general human rights expectations. We also include human rights clauses in significant agreements and contracts and follow up select suppliers on their performance through verifications and follow-up findings. In collaboration with specialist organisations Shift and Impactt, we have developed a performance framework built around four pillars: leadership and governance, risk management, partner and supplier maturity, and management of salient issues. A set of internal monitoring indicators will be implemented as a first step under this framework. Performance will be reported biannually to the CEC.

The new corporate structure implemented in 2021 has led to a revised composition of the human rights steering committee (HRSC), details of which can be found on [equinor.com](https://www.equinor.com).

Performance disclosure

Human rights verifications



Every year we undertake a number of human rights verifications, where we assess whether violations are occurring based on areas of high risk and on-the-ground investigations.

Governance and capacity building

During 2021, the BoD, BoD SSEC and CEC have been engaged six times in total on human rights issues. In addition, human rights risks are brought forward as part of the enterprise risk updates and decision-making, when relevant. The HRSC discussed cases, set out supply chain due diligence priorities for 2021-2023, and engaged in deep dives on resettlement and indicators of forced labour. In addition, four business areas had human rights deep dives to establish specific priorities and an improvement agenda for the near term. This approach will be continued across the rest of the organization during 2022.

General and specific capability building efforts have continued, including deep dives to inform business development activities in the Middle East, as well as on labour rights issues in Malaysia. We continued to deliver the 'Human Rights in Practice' course for human rights professionals. This is facilitated by a third party.

There has been further engagement with industry leaders, academia, and other subject matter experts to share experiences and to align on good practice.

Labour rights and working conditions in the supply chain

Indicators	Boundary	Units	2021	2020	2019	2018	2017	2016
Supplier human rights (HR) verifications conducted	Equinor group	number	30	37	50	75	41	65
Workers interviewed	Equinor group	number	916	343	650	1,000	n/r	n/r
Countries in which supplier HR verifications undertaken	Equinor group	number	10	9	16	20	16	21
Employees working with our suppliers trained (class room course)	Equinor group, operational control	number per year	128	190	409	514	260	800

Labour and working conditions in our value and supply chain

During 2021 and in alignment with salient issues identified in our human rights policy, we found indications of forced labour in our value and supply chains, mostly in Southeast Asia.

In 2021, we assessed conditions for workers involved in specific construction projects in Malaysia, China and Singapore. Indicators of forced labour (as defined by ILO) have been identified in seven contracts or projects we are linked to, most typically in relation to payment of recruitment fees, retention of identity documents, restriction of movement, excessive overtime and substandard living conditions. This means that 15,323 individuals are identified as subject to at the minimum one indicator of forced labour within our value and supply chains. Compensation towards undue payments such as recruitment fees has been confirmed to 6,203 workers in our value and supply chains this year.

Following the adoption of our supply chain due diligence priorities, we saw an increase in engagement with prioritised first-tier suppliers. Through risk mapping and assessment of red flags within value and supply chains of seven suppliers, risks and impacts are being addressed jointly.

We have seen that early and proactive engagement with suppliers can create positive outcomes for people have been observed. By holding a clear position on forced labour as articulated in our 'Expectations of Suppliers' document, such intervention resulted in a supplier in Malaysia repaying recruitment fees for all of their migrant workers within a short period of time, as well as limiting maximum working hours to 60 hours a week – around 20% below what is usually set by local laws.

During our early-stage portfolio development of solar energy in 2021 we noted several reports and concerns about potential forced labour in the solar supply chain. In an effort to address this risk, we have proactively engaged with peers, partners, suppliers and industry associations, such as the Solar Energy Industry Association (SEIA), to increase the visibility in our supply chains, while supplier risk assessments have been conducted by third party experts.

Impact assessment and stakeholder consultation

Proactive consultation with the stakeholders where we plan activities is an essential part of our project development and impact assessment processes. We submitted five impact assessments to local authorities for consent during 2021. These can be found on equinor.com.

As an example of the outcome of our impact assessment and consultation process for the electrification of the Hammerfest LNG plant, it was decided to use a cable tunnel and a submarine cable instead of overhead cables. This resulted in the avoidance of impact to reindeer migration routes and hiking trails. The table below shows the human rights findings through our impact assessment process for the Wisting project, in 2021.

Project name and period of impact assessment process	Number of				
	HR risks* identified	HR risks avoided or mitigated to tolerable levels**	Stakeholders identified as being potentially affected by our activities	Stakeholders invited to engage in formal consultation processes	Potentially affected stakeholders engaged for consultation/during project planning
Wisting electrification grid connection	2	2	76	76	22

* HR risks as identified by Equinor in our risk management system.

** Tolerable levels as defined by Equinor's internal risk assessment process.

Due to the Covid-19 restrictions we have created alternative ways of undertaking public consultation, including virtual public hearings regarding: The development of an oil and gas project offshore Sao Paulo, Brazil; in the UK concerning the Sheringham Shoal, and Dudgeon extension projects; and in Argentina regarding planned offshore seismic activities. In Argentina, we also worked with the new requirements for extended public participation, where early publication of the Environmental Impact Assessment (EIA) alongside public hearings allowed us to respond to questions raised during the process. This led to authority approval for our EIA, which follows international standards with respect to safety and sustainability. We will continue to collaborate closely with the regional stakeholders to perform the seismic operations with minimal impact on the environment and society.

Based on an assessment of risk, and in partnership with specialist human rights organisations, we have conducted project-based human rights due diligence in seven countries during 2021.

During 2021 we have also followed up pre-existing commitments within our portfolio. The Tanzania Petroleum Development Corporation (TPDC) completed compensation payments to households on the LNG site in Lindi. Twenty nine households were required to vacate the land after receiving their final compensation payment, and 446 households were required to stop farming and fishing in the area. The approach for the remaining individual grave sites is still under consideration. The final third-party monitoring report issued in August 2021 stated that no-one was made homeless or landless due to the compensation process so far and approximately 70% of those compensated were satisfied with the process. Equinor and Shell continue to actively engage with TPDC regarding impact mitigation and the compensation process. More information on this can be found on equinor.com.

Finally, we have also actively participated in mediations facilitated by the Norwegian OECD National Contact Point. The mediations followed the filing of a complaint alleging breaches by several companies, including Equinor, of the OECD Guidelines for Multinational Enterprises linked to a 2017 tragic crane accident at a South Korean yard.

Performance evaluation

As we continue our risk-based approach to human rights due diligence, within our global value and supply chains, we see significant risks of adverse human rights impacts, particularly related to the possibility of forced labour. We believe that our actions in 2021, indicators on progress and established plan for the coming years have the clear potential to further address this risk in a meaningful way.

While we consider our management approach adequate to address our salient risks, we acknowledge that continued improvements in execution are needed to secure sustained and measurable outcomes for people. The introduction of new human rights indicators will help us to better understand our performance and enable us to drive progress on key issues, in parallel to further maturing our approach.



External voice



Rosey Hurst
 Founder and Managing Director,
 Impactt Limited

Today, millions of workers around the world are trapped in modern slavery, working to pay off recruitment fee debt, living in substandard accommodation, working long hours for low pay and unable to go home. The sad truth is this is a relatively common experience for migrant workers particularly from Asia or Africa working in construction, factories, on farms and in private households.

Quite rightly, Equinor's policies ban these practices and demand immediate and full remedial action in operations and the supply chain. I commend Equinor for the good quality due diligence it conducts in high-risk areas to understand whether workers are experiencing forced labour, and the focus which top management is putting on these issues. I urge Equinor to speed up its efforts to roll out due diligence, and to ensure that any workers found to be experiencing indicators of forced labour receive full and timely remedy, to publish information about these efforts and lead by example to ensure systemic change.

Caring for people and society

SOCIO-ECONOMIC IMPACT



Material topic	Indicator	Ambition
Socio-economic impact	Tax contribution (billion USD) Share of procurement spend locally (%)	Develop a set of socio-economic indicators in 2022

● Plan in place

Contextual introduction

Contributing positively to societies and communities where we operate has always been important for Equinor and will continue to be so during the energy transition. Through our core business and supply chain, as well as broader social engagement, we primarily create economic value and opportunities for society and communities through:

- Providing reliable energy in a sustainable way.
- Providing significant revenues for countries through the taxes we pay.
- Creating jobs, developing staff, and promoting diversity and inclusion in our workforce and beyond.
- Generating economic opportunities across our value chain through sourcing of goods and services.
- Driving innovation, research and development of new technologies to improve society.

Together with our stakeholders and partners we work to find mutual benefits and lasting solutions to common challenges.



Heroes of Tomorrow is an annual event for secondary school pupils which Equinor runs in partnership with local charity. TechFest, Aberdeenshire.

Management approach

Our Code of Conduct requires that we adopt a systematic approach to identify the socio-economic benefits from our activities, starting at the phase of business development. Our focus is on local employment and supply chain opportunities, and contributing to local social and economic development through contractual and voluntary social investments, sponsorships, donations and employee volunteering. Our management system calls for social investments which focus on education, vocational training, institutional capacity building, cultural development and humanitarian aid. Solutions must be relevant to our business needs and local conditions, and comply with our values, policies and local regulations.

Collaboration with local authorities and non-governmental organisations helps us understand the needs of our host communities to ensure the long-term sustainability of our support. Whilst historically we have focused on socio-economic opportunities related to oil and gas activities, we are increasingly also supporting initiatives linked to the energy transition and the accompanying creation of new employment and supply chain opportunities.

Optimising the socio-economic impact of conventional oil and gas activity

We generate important socio-economic impacts through working with suppliers. In 2021 supplier spend totaled over 16 billion USD. As an example, the signing of four new contracts with Aibel this year worth around 600 million USD will create approximately 3,500 person years employment ensuring job opportunities for several years in the local Norwegian communities of Haugesund, Harstad, Asker and Stavanger.

Thriving local supply chains are important for regional economic development and for Equinor, as we invest in long-term infrastructure that will be operational for decades. An illustrative case is the 'Bridge' project that Equinor launched in Brazil, intended to build capacity and create opportunities for local start-ups, and small and medium sized enterprises.

Equinor continued its support for educational programmes, for example the agreement signed in 2021 with the department of Chemical and Mining Engineering at the University of Dar Es Salaam in Tanzania, to sponsor eight students to pursue MSc degrees in Petroleum Engineering, as well as the teaching costs for lecturers from the Norwegian University of Science and Technology.

In 2021 we also undertook several social investments and donations. This included the finalisation of a four-year contractual social investment in Suriname. During this time, we have invested funds alongside our partners to contribute to building vocational training capabilities, supporting environmental education for youth and the upgrading of Suriname's only blood bank. As part of building local competence a high level secondee from Staatsolie was also appointed into Equinor for a one-year period.

As a result of the devastation caused by Hurricane Ida to regions where we have employees and their families, Equinor also made donations to the American Red Cross Hurricane Ida relief fund. Donations were also made to the Norwegian Business Association India to support Covid-19 relief efforts.

Supporting the energy transition

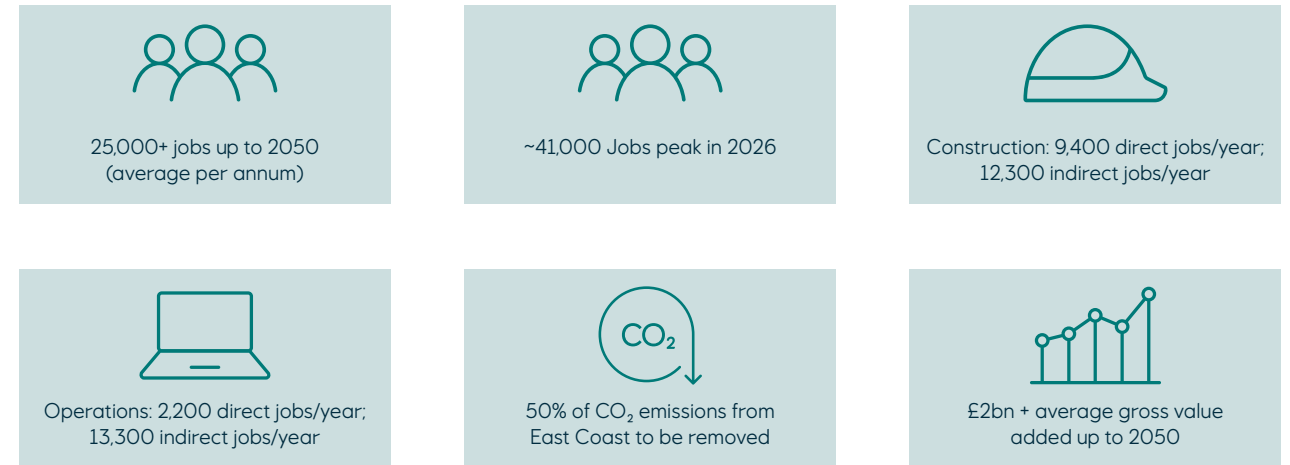
The Norway Energy Hub is an industrial plan for Norway's future energy industry, placing Norway centre stage in accelerating the energy transition. The Hub is a proposed partnership between Norwegian industry, organisations and government that will optimise the country's energy resources and build on its competitive advantage and competence. It will combine decarbonised oil and natural gas value chains, accelerated development of renewable power, CCS, blue and green hydrogen, and infrastructure to secure domestic energy and long-term access to export markets. The plan may attract 40 billion USD in private sector investment, including an estimated contribution of around 12 billion USD from Equinor.

Before launching the Norway Energy Hub, we consulted relevant stakeholders to ensure that the plan helps create jobs, value and prosperity. Consultation occurred with Norwegian politicians, regulators, NGOs, industry companies and labour and employers' organisations.

In the UK, Equinor is a leading partner in the Zero Carbon Humber Partnership which, alongside Net Zero Teesside and the Northern Endurance Partnership, make up the East Coast Cluster - a project to decarbonise industrial emissions around the Humber and Teesside. By building upon the Humber's existing skills

and infrastructure, the wider East Coast region plans to establish itself as a global leader in decarbonisation, create a cleaner environment, deliver new jobs, supply chain opportunities, and expand export opportunities for British businesses. The region will develop skills, knowledge and technology that can be exported around the world.

Key expected benefits from the East Coast Cluster in the UK



Towards the end of 2021, as part of the Humber partnership, Equinor launched its first public consultation on the Hydrogen-to-Humber Saltend low carbon hydrogen production plant. In partnership with the University of Sheffield AMRC and the Supply Chain Network, Equinor hosted two supplier events, where prospective local businesses in the region could learn about potential supply chain opportunities.

Similar supply chain opportunity events have been hosted by the Dogger Bank offshore wind project in the north east of England where the ethos of local value creation is also visible in the design and construction of the operations and maintenance base for the project, led by companies based in the region. In addition to local supplier opportunities, the project is expected to create 200 new roles to operate and maintain the wind farm.

The Dogger Bank project has also implemented a community fund that will run for the 35-year operational life of the windfarm. So far it has granted 25 scholarships to local students and is working with local authorities to identify where the fund can support the development of STEM opportunities. The project is also working in local schools and universities to promote future job opportunities with Dogger Bank and Equinor.

Performance disclosure



Economic value created and distributed							
Indicators	Boundary	Unit	2021	2020	2019	2018	2017
Tax contribution	Equinor group	billion USD	9.0	3.1	8.8	9.6	6.1
Total procurement spend	Equinor group	billion USD	15.7	16.1	18.4	17.4	17.5
Total share of spend locally	Equinor group	%	91	89	85	n/r	n/r

Tax contributions

In 2021, we published, for the first time, our Tax Contribution Report. This provides a breakdown of tax contributions paid by Equinor ASA and subsidiaries in 2020. Tax earnings from Equinor, a significant tax contributor provide governments and authorities with the opportunity to increase welfare and strengthen their societies. The report discloses Equinor’s approach to tax and tax strategy, compliance and governance and provides information about the corporate income tax Equinor paid in countries and locations where we create value across all our businesses. The full report can be found at equinor.com.

Performance evaluation

Overall, we view our socio-economic impact performance as satisfactory based on feedback from our stakeholders. However, we will pursue opportunities to further strengthen our activities and performance in 2022, notably with respect to our just transition approach.

INTEGRITY AND ANTI-CORRUPTION



Material topic	Indicator	Ambitions
Integrity and anti-corruption	Number of confirmed corruption cases	● Zero cases every year
	Employees who signed-off the Code of Conduct (%)	○ 95% in 2021

● Target met in 2021, or on track to meet longer-term ambition ○ Target not met in 2021

Contextual introduction

An ethical business culture is the cornerstone of a sustainable company. As a global company, Equinor is present in parts of the world where corruption is a high risk. With a strategic focus on increased investments in new energy markets, we have continued our work on ethics and compliance throughout 2021. Our commitment to conduct business in an ethical, socially responsible and transparent manner has remained unchanged during the Covid-19 pandemic. Information about our approach to Governance is covered in the Sustainability in Equinor chapter.



Management approach

Code of Conduct

The Code of Conduct sets out our commitment and requirements for how we do business at Equinor. It applies to our employees, board members and hired personnel. We train our employees on how to apply the Code of Conduct in their daily work and require all employees to confirm annually that they understand and will comply with it. We expect our suppliers to act in a way that is consistent with our Code of Conduct and engage with them to help them understand our ethical requirements and how we do business. If these are not met, we take appropriate actions.

Anti-corruption

Our Code of Conduct explicitly prohibits engaging in bribery and corruption in any form. Equinor's Anti-Corruption Compliance Program summarises the standards, requirements and procedures implemented to comply with applicable laws and regulations and maintain our high ethical standards. The Program lays down the foundation for ensuring that anti-bribery and corruption risks are identified, concerns are reported, and measures are taken to mitigate risk throughout the organisation. We have a global network of compliance officers who support the business in identifying and handling business integrity risks and ensure that ethical and anti-corruption considerations are integrated into our activities no matter where they occur. Equinor provides regular training across the organisation to build awareness and understanding of its Anti-Corruption Compliance Program.

Competition and antitrust compliance

Equinor's Code of Conduct also addresses the requirement to comply with applicable competition and antitrust laws. Our Competition and Antitrust Program consists of governing documents and manuals, training of employees in high-risk positions as well as risk assessments and assurance activities.

Reporting and handling of concerns

The Code of Conduct imposes a duty to report possible violations of the Code or other unethical conduct. We require leaders to take their control responsibilities seriously to prevent, detect and respond to ethical issues. Employees are encouraged to discuss concerns with their leader, or the leader's superior, or use available internal channels to provide support. Concerns may also be reported through our Ethics Helpline, which allows for anonymous reporting and is open to employees, business partners and the general public. Equinor has a strict non-retaliation policy.

Tax transparency and payments to governments reporting

We believe that through disclosure of payments to governments we promote accountability and build trust in the societies where we operate. We have reported our payments to governments on a country-by-country basis for more than a decade. Since 2014, we have reported such payments on a project-by-project and legal entities basis, in our Annual Report and on Form 20F. This reporting represents a core element of transparent corporate tax disclosure. Since 2018, we have published our global tax strategy, available online. In 2021 we published for the first time our "Tax Contribution Report", providing further insight into our approach to tax, including use of controversial tax jurisdictions, incentives and transfer pricing, and explaining why and where we pay the taxes we pay.

Collaboration and stakeholder engagement

Equinor believes in the value of collective action to actively promote anti-corruption and revenue transparency. We have long standing relationships with the UN Global Compact, the World Economic Forum's Partnering Against Corruption Initiative (PACI) and Transparency International (TI). Equinor, as a long-standing supporter of the Extractive Industries Transparency Initiative (EITI), has throughout 2021 continued its active participation in the EITI multi-stakeholder process with the clear objective of strengthening revenue transparency and good governance in the sector.

Information about our Code of Conduct, the Anti-Corruption Compliance Program and Ethics Helpline is available at equinor.com.

Key initiatives in 2021

The Code of Conduct was updated and the Code of Conduct competence became part of Equinor's competence assurance management solution (CAMS). This competence requirement maintains the duty to annually confirm that employees understand and will comply with the Code of Conduct, and supplements it with a new mandatory competence test. The CAMS tool gives management the opportunity to monitor the completion rate daily and be more targeted in their follow-up. To facilitate accessibility, a Code of Conduct App was also introduced, and the Code is now available in 11 languages.

To reduce legal and ethical risks of hidden ownership, we adopted a policy and amendments to the Code of Conduct that state that Equinor will not voluntarily enter partnerships with anonymously owned companies. In line with our new policy on hidden ownership, we have strengthened our IDD's on new partners. We have also said no to business relationships that do not share our commitment to ethics and compliance. We have followed up existing business relationships that has been put under scrutiny by media or authorities in various jurisdictions.

A corporate survey on ethics and integrity was undertaken in 2021 that mapped competence, attitudes and perceptions of ethics and integrity, including how comfortable people are speaking up. An external assessment of the Anti-Corruption Compliance Program was also performed in 2021, with an overall conclusion that the program is robust. The results from the survey and the recommendations from the external assessment will assist us to further improve the compliance program.

During 2021, we continued to focus on learning from misconduct cases through a more systematic analysis of cases and identify improvements in some specific areas that needed to be communicated across the organisation.

Our training efforts, available for both employees and representatives from partners and suppliers, include general and targeted training and awareness sessions. A new anti-corruption and anti-money laundering e-learning course was published.



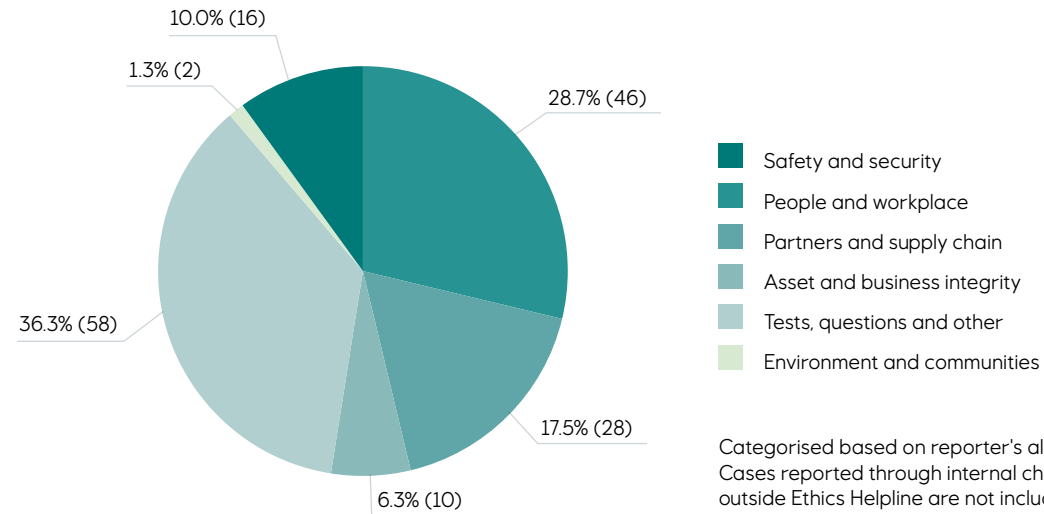
Performance disclosure

There were no confirmed incidents of corruption reported in 2021. 84 percent of employees signed the Code of Conduct during 2021.

Code of Conduct training	Boundary	Unit	2021	2020	2019	2018	2017
People completing Code of conduct training and sign-off	Equinor group	%	84	87	93	83	n/r

The number of cases received through the Ethics Helpline was 160 in 2021, of which 102 were actual cases reported. This was a decrease from 2020. Among the 102 cases, 46 of the cases were related to harassment, discrimination and other conduct affecting the working environment. We experienced an increase in the number of cases related to our suppliers, after a low number in 2020, back to 2019 levels.

Ethics helpline cases



Categorised based on reporter's allegation. Cases reported through internal channels outside Ethics Helpline are not included.

Performance evaluation

Although we experienced a lower sign off-rate than in 2020, the system of introducing a competence requirement for all employees combined with improved monitoring and follow-up of the completion rate, represents an improvement of the system over time. Our overall performance is satisfactory, and we did not identify a need to change the overall management approach.

Looking ahead, and at a time when Equinor has an ambition to be a leader in the energy transition, we maintain our commitment to ethical, socially responsible and transparent business conduct. We have taken steps to further improve measuring the effectiveness of the Anti-Corruption Compliance Program and will continue to modernise it with a focus on effectiveness.

APPENDICES

An icon consisting of three overlapping document or page shapes, representing digital content or reports.

Explore more

Other reports

The following Equinor reports provide additional information about our business activities and impacts:

- [Annual report and Form 20-F, including Payments to governments report](#)
- [Global Reporting Initiative \(GRI\) index 2021](#)
- [CDP 2021 response](#)

ESG performance data

Performance data in this report and supplementary data can be found at our [ESG Reporting centre](#)

Equinor.com

For further information about sustainability at Equinor, visit [our web pages](#) and follow us on social media.

Feedback

We welcome your feedback. Please use the [e-mail](#) and social media channels linked below for comments and questions.



About the report

Report approval

This report has been approved by the CEO of Equinor.

What's new in this year's report

New features of this year's report include a simplified and consistent chapter structure, as well as the inclusion of an executive summary. Relevant elements of the World Economic Forum's Stakeholder Capitalism Metrics have been added to Equinor's GRI Index.

Reporting standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (2016, core option). The sustainability report should be read in conjunction with the GRI index available at equinor.com, to get an overview of the full extent of the report. We view this report to be our Communication on Progress to the UN Global Compact (advanced reporting level). We also use reporting guidance from IPIECA, the global oil and gas industry association for environmental and social issues, and recommendations from the Task Force on Climate-related Financial Disclosures.

Assurance

We recognise that the quality of our reported sustainability data can be affected by inherent limitations in accuracy in raw data, calculation and estimation procedures including assumptions for such purposes, and in manual transfer of data. We strive to achieve data quality in line with expectations set out in GRI 101 "Reporting principles" and continue our work to improve internal reporting and control processes in line with the COSO framework for internal control. These processes are laid out in

our internal performance framework. Examples of our internal assurance mechanisms are independent internal audits and verifications, quarterly reviews of the data at business area and corporate level, and an annual process where all reported sustainability data are reviewed by named individuals and their relevant leaders confirm, in documented form, that quality assurance has been performed. This report has been externally assured by EY, with reasonable level of assurance for selected climate, environment and safety indicators, and a limited level of assurance for the rest of the report, excluding forward looking information and field-specific reporting. The independent assurance statement, as listed in appendix, concludes that the report is presented in all material respects, in accordance with the GRI Standards: Core option.

Reporting boundaries

Defining consistent boundaries for sustainability reporting is challenging due to the complexity of ownership and operational arrangements, such as joint operating agreements. We strive to be consistent and transparent about variations in boundaries and provide a complete report in line with industry practice.

- Environmental data is, unless otherwise stated, reported on a 100% basis for our operated assets, facilities and vessels, including subsidiaries and operations where we are the technical service provider, and for contracted drilling rigs and flotels ("operational control basis").
- Scope 1 CO₂ emissions and upstream CO₂ intensity are reported both on an operational control basis and on equity basis (financial ownership interest).
- Scope 3 greenhouse gas emissions are reported on the basis of equity (products sold). Maritime emissions are reported from maritime vessels under Equinor contract, including project and supply vessels, drilling rigs, and tankers transporting both Equinor and third-party volumes.
- Scope 3 emissions related to business travel is for Equinor employees only.

- Health and safety incident data is reported for our operated assets, facilities and vessels, including subsidiaries and operations where we are the technical service provider. These include contracted drilling rigs, floatels, vessels, projects and modifications, and transportation of personnel and products, using a risk-based approach.
- Economic and energy production data are reported on an equity basis, unless otherwise stated.
- Workforce data covers employees in our direct employment. Temporary employees are not included.
- Human rights data is collected from operated and non-operated assets.

Operations acquired or disposed of during the year are included for the period in which we owned them, unless otherwise stated. Entities that we do not control, but have significant influence over, are included in the form of disclosures of management approach. The report does not include data from equity interest fields/projects, such as joint ventures, where we are not operator. Exceptions are for climate data or where specified.

In 2021 key divested assets included onshore Bakken, USA and Kalundborg, Denmark. Cut-off for reporting from these assets are aligned with official divestment dates.

Restatements

Historic numbers are sometimes adjusted due to for example changes in reporting principles, changes of calculation factors used by authorities, or re-classification of incidents after investigations. We restate historic numbers and explain the changes if the adjustment represents a change of minimum 5% for indicators with reasonable level of assurance, and 10% for indicators with limited level of assurance.

Our material topics and impact on the UN Sustainable Development Goals (SDGs)

Equinor's ten material topics indicate where Equinor in particular has an impact on society. The table below provides a rough relative societal impact for each of the material topics, as Equinor sees it.

Priority area	Material topic	Impact on society	Reasoning for impact	Selected SDGs	Impact on SDGs
Getting to net zero	GHG emissions from operations (scope 1&2)		12.1 million tonnes CO ₂ e	Climate action (13) Affordable and clean energy (7)	<ul style="list-style-type: none"> Providing energy with significantly lower operational emissions than the industry average Emitting GHG emissions from operations, supply chain and use of our products Investing in renewable energy and low carbon solutions such as CCS and hydrogen, to lower the GHG intensity of energy provided (scope 1, 2 and 3) Working with suppliers to reduce emissions from supply chain, and maritime operations in particular Promoting policies that advance the goals of the Paris Agreement
	Transition to renewables and low carbon solutions		Less than 1% of energy production. 11% capex spend on renewables and low carbon solutions. High impact due to initiated investment projects		
	GHG emissions from products and supply chain (scope 3)		249 million tonnes CO ₂ e		
Protecting the environment	Biodiversity and nature		No cases in, and 12 cases of activities near protected areas and areas of high biodiversity value, but of low impact	Life below water (14)	<ul style="list-style-type: none"> Aiming to have a net positive impact for biodiversity and nature Risk of potential spills and pollution of air, water and ground Potential noise impacts on marine life
	Non-GHG emissions, discharges and waste		Large number of spills, but low impact due to low volume and severity		
Caring for people and society	Health, safety and security		Risk of major accidents. High exposure of employees and contractors to safety risks (126.9 million work hours)	Quality education (4) Decent work and economic growth (8)	<ul style="list-style-type: none"> Providing safe working environment while preventing safety incidents Exposure to human rights risks related to our activities and supply chain Promoting respect for human rights related to our operations and in our supply chain Economic impact through taxes, jobs, supply chain and local content Promoting diversity and inclusion in our workforce
	Workforce for the future		Equinor has a responsibility to help build skills required for the energy transition (126.9 million work hours)		
	Respecting the rights of people		With around 8000 suppliers, our activities and human rights commitments will impact thousands of people		
	Socio-economic impact		15.7bn USD in purchase of goods and services, 11.8bn USD in payments to governments		
Governance and Transparency	Integrity and anti-corruption		Equinor is present in countries where corruption risk is high	Partnerships for the goals (17)	<ul style="list-style-type: none"> Supporting initiatives to promote transparency and anti-corruption Transparent reporting of payments to governments

High impact
 Higher impact
 Highest impact

Overview of climate ambitions

Ambition year	Ambitions	Boundary	Scope	Baseline year
2025	Upstream CO ₂ intensity <8kg CO ₂ /boe	Operational control 100%, upstream	Scope 1 CO ₂	NA
	>30% share of annual gross capex to renewables and low carbon solutions	Equinor gross capex	NA	NA
2030	Net 50% emission reduction	Operational control 100%	Scope 1 and 2 CO ₂ and CH ₄	2015
	>50% share of annual gross capex to renewables and low carbon solutions	Equinor gross capex	NA	NA
	Reduce net carbon intensity by 20%***	Scope 1 and 2 GHG emissions (100% operator basis). Scope 3 GHG emissions from use of sold products (equity production), net of negative emissions. Energy production (equity)	Scope 1, 2 and 3 CO ₂ and CH ₄	2019
	Renewable energy capacity 12-16 GW*	Equity basis	Installed capacity (GW)	NA
	Upstream CO ₂ intensity ~6kg CO ₂ /boe	Operational control 100%, upstream	Scope 1 CO ₂	NA
	Carbon Capture and Storage (CCS): 5-10 million tonnes CO ₂ (geological) storage per year	Equity basis	NA	NA
	Eliminate routine flaring	Operational control 100%	Flared hydrocarbons	NA
	Keep methane emission intensity near zero	Operational control 100%	CH ₄	2016
2035	Reduce maritime emissions by 50% in Norway	Scope 1 GHG emissions from drilling rigs and floatels. Scope 3 GHG emissions from all vessel contracted by Equinor.	Scope 1 and 3 CO ₂ and CH ₄	2005
	Carbon Capture and Storage (CCS): 15-30 million tonnes CO ₂ (geological) storage per year	Equity basis	NA	NA
	Establishing a 10% market share of hydrogen in Europe	NA	NA	NA
2040	Reduce net carbon intensity by 40%***	Scope 1 and 2 GHG emissions (100% operator basis). Scope 3 GHG emissions from use of sold products (equity production), net of negative emissions. Energy production (equity)	Scope 1, 2 and 3 CO ₂ and CH ₄	2019
	Reduce absolute emissions in Norway by 70%	Operational control 100%, Norway	Scope 1 and 2 CO ₂ and CH ₄	2005
2050	Net-zero emissions and 100% net carbon intensity reduction**	Scope 1 and 2 GHG emissions (100% operator basis). Scope 3 GHG emissions from use of sold products (equity production), net of negative emissions. Energy production (equity)	Scope 1, 2 and 3 CO ₂ and CH ₄	2019
	Reduce absolute emissions in Norway to near zero	Operational control 100% Norway	Scope 1 and 2 CO ₂ and CH ₄	2005
	Reduce maritime emissions by 50% globally	Scope 1 GHG emissions from drilling rigs and floatels. Scope 3 GHG emissions from all vessel contracted by Equinor	Scope 1 and 3 CO ₂ and CH ₄	2008

*Including Equinor's equity share of Scatec ASA.

**Remaining emissions will be compensated through quota trading systems, such as the EU ETS, or through high-quality offsets.

***For more details, please see the Net-GHG emissions and net carbon intensity methodology note on equinor.com.

Definitions and abbreviations

Announced Pledges (APS)	IEA scenario which includes all recent major national announcements of 2030 targets and longer term net zero and other pledges, regardless of whether these have been anchored in implementing legislation or in updated NDCs.
Area of high biodiversity value	Comprises "Key biodiversity areas" included in the World Database on Key Biodiversity Areas managed by International Union for Conservation of Nature (IUCN) and Particularly Valuable and Sensitive Areas ("Særlig verdifulle og sårbare områder") on the Norwegian Continental Shelf.
BoD	Board of Directors.
BoD SSEC	Board of Directors' Safety, Sustainability and Ethics Committee.
boe	Barrel of oil equivalent.
Capex	Capital expenditure.
CCS	Carbon capture and storage.
CCUS	Carbon capture, utilisation and storage.
CCSA	The CCSA is the trade association promoting the commercial deployment of Carbon Capture, Utilisation and Storage (CCUS).
Carbon dioxide (CO₂) emissions	CO ₂ released to the atmosphere as a result of our processes and activities, including CO ₂ emissions from energy generation, heat production, flaring (including well testing/well work-over), and remaining emissions from carbon capture and treatment plants. Separate data compiled for Equinor operated activities and equity basis.
Carbon dioxide (CO₂) emission reductions	The total estimated quantity of CO ₂ emissions achieved by implementing a specific measure compared to the expected emissions at an installation without the measure (or best available technology for greenfield developments).
Carbon dioxide (CO₂) equivalents	Carbon dioxide equivalent is a quantity that describes, for a given mixture and amount of greenhouse gas, the amount of CO ₂ that would have the same global warming potential.
CDP	CDP is a not-for-profit charity that runs a global disclosure system for investors, companies, cities, states and regions to report and benchmark their environmental impacts.
CEC	Corporate Executive Committee
COSO	The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is a joint initiative of five professional organizations. Advises on developing thought leadership that enhances internal control, risk management, governance and fraud deterrence.
Dividends declared	Includes cash dividend and scrip dividend.
Economic value generated	Total revenues including income from sales of liquids on behalf of the Norwegian state's direct financial interest
EIA	Environmental Impact Assessment.
EITI	Extractives Industries Transparency Initiative.
Employee wages and benefits	Salaries, pensions, payroll tax and other compensations.
Energy consumption	Energy used for power generation and heat production in combustion processes, unused energy from flaring (including well testing/work-over and venting), energy sold/delivered to third parties and gross energy (heat and electricity) purchased.
EPA	Equinor's Economic Planning Assumptions
ESG	Referring to non-financial reporting topics "Environmental", "Social" and "Governance".
FEED	Front End Engineering Design. Means Basic Engineering conducted after completion of Conceptual Design or Feasibility Study.

Flared hydrocarbons	Weight of hydrocarbons combusted in operational flare systems. Includes safety and production flaring. For Equinor operated activities.
Flaring intensity	Volume of flared hydrocarbons from upstream activities (including LNG) per thousand tonnes of hydrocarbons produced.
Freshwater	Naturally occurring water with a low concentration of salts, or generally accepted as suitable for abstraction and treatment to produce potable water. Includes water from public installations, wells (including groundwater reservoirs), lakes, streams, rivers and purchased freshwater. Freshwater produced from salt water on facilities/installations is not included.
Greenhouse gases (GHG)	For Equinor, the relevant GHGs are CO ₂ and methane (CH ₄). Other GHGs are not included as they are assessed to be non-material for Equinor. Equinor uses a global warming potential that is 25 times higher than CO ₂ in a 100-year perspective for methane, aligned with industry reporting practice.
GR	Global Reporting Initiative is an independent, international organisation that provide the world's most widely used standards for sustainability reporting – the GRI Standards.
H ₂ S	Hydrogen sulfide is a highly toxic and flammable gas.
Hazardous waste	Waste is considered to be hazardous waste according to the regulations under which the activity operates or where the waste can pose a substantial hazard to human health and/or the environment when improperly managed.
HOP	Human and organisational performance.
Human rights steering committee (HRSC)	Equinor steering committee mandated by the Corporate Executive Committee (CEC) to oversee and provide guidance to the implementation of Equinor's human rights policy.
IDD	Integrity Due Diligence (IDD) is performed to identify known integrity concerns, prior to establishing a new agreement with a counterparty.
IEA	International Energy Agency.
IOGP	The International association of Oil & Gas Producers.
IPIECA	The global oil and gas industry association for environmental and social issues.
IPCC	Intergovernmental Panel on Climate Change.
KPI	Key Performance Indicator.
LNG	Liquefied natural gas.
LPG	Liquefied petroleum gas.
Low carbon research and development (R&D) expenditure	The share of annual research expenditures, in percentages of total R&D expenditures, spent on new energy solutions and energy efficiency technologies.
Methane emissions	CH ₄ released to the atmosphere including emissions from energy generation and heat production at own plants, flaring (including well testing/well work-over), cold venting, diffuse emissions, and the storage and loading of crude oil.
Methane intensity	Total methane emissions from our up- and midstream oil and gas activities divided by the marketed gas, both on a 100 % operated basis.
MoU	Memorandum of Understanding. A memorandum of understanding is an agreement between two or more parties outlined in a formal document. It is not legally binding but signals the willingness of the parties to move forward with a contract. The MOU can be seen as the starting point for negotiations as it defines the scope and purpose of the talks.
MSc	Master of Science degree.
NCS	The Norwegian Continental Shelf
Net carbon intensity (NCI)	GHG emissions associated with the production and use of energy produced by Equinor, including negative emissions related to carbon services and offsets, divided by the amount of energy produced by the company (gCO ₂ e/MJ). A detailed description of the net carbon intensity indicator is available at equinor.com.

Net income	Net profit after all revenues, income items and expenses have been accounted for.
Net zero emissions ambition	Covers scope 1 and 2 GHG emissions on an operational control basis (100%) and scope 3 GHG emissions (use of products, category 11, on an equity share basis).
NGO	Non-governmental organisation. A non-profit organization that operates independently of any government, typically one whose purpose is to address a social or political issue.
Nitrogen oxides (NO _x)	Nitrogen oxides, as nitrous compounds in fuel released from power generation and heat production, flaring and process.
Non-hazardous waste	Waste that is not defined as hazardous waste. This excludes drill cuttings and produced and flow-back water from our USA onshore operations which are exempted from regulation and are registered separately as 'exempted waste'.
Non-methane volatile organic compounds (nmVOC) emissions	nmVOC released to the atmosphere from power generation and heat production, flaring (including well testing/well work-over), process, cold venting and fugitives.
NPV	Net Present Value.
n/r	Not reported.
OGCI	Oil and Gas Climate Initiative.
Oil spill	All unintentional release of a liquid petroleum hydrocarbon into the natural environment.
Operations	Temporary or permanent sites, activities and assets used for exploration, extraction, refining, transporting, distributing, and marketing petroleum products.
Payments to governments	Payments made directly by Equinor to governments, such as income tax, host government entitlements (value), bonuses, royalties and fees, related to exploration and production activities. Includes environmental fees and taxes. Payments made on behalf of other license partners, e.g. area fees, are included.
Produced water	Water that is brought to the surface during operations which extract hydrocarbons from oil and gas reservoirs.
Protected area	A protected area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values. (IUCN Definition 2008)
Purchase of goods and services	Part of the cost is charged to partners in activities we operate.
Recovered waste	Waste from Equinor operated activities that has been delivered for reuse, recycling or incineration with energy recovery.
Regular discharges of oil in water to sea	Oil in regulated or controlled discharges to the sea from Equinor operated activities. This includes produced water, process water, displacement water, ballast water, jetting water, drainage water and water discharged from treatment plants.
RES	RES is the world's largest independent renewable energy company.
Scope 1 GHG emissions	Direct GHG emissions from operations that are owned and/or controlled by the organisation (Source: Greenhouse gas protocol). The global warming potential (GWP) of CH ₄ is, in accordance with the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) (2007), considered to be 25 times the GWP of CO ₂ .
Scope 2 GHG emissions:	Indirect GHG emissions from energy imported from third parties, heating, cooling, and steam consumed within the organisation. We use IEA/NVE/e-grid (location-based) and AIB (market-based) as sources of scope 2 emissions factor, expressed as kg CO ₂ /kWh. The location-based calculation method reflects the emissions intensity of grids, taking electricity trade adjustments into account. The market-based calculation method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contracts between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims. (Source: Greenhouse gas protocol). When no such contracts are in place, residual mix emission factors are used.
Scope 3 GHG emissions	All GHG emissions that occur as a consequence of the operations of the organisation but are not directly controlled or owned by the company, such as use of sold products (equity basis). Emissions from use of sold products is calculated from IPCC emission factors, combined with IEA statistics on regional energy consumption.

SDG	The United Nations' Sustainable Development Goals.
SDS	The International Energy Agency's (IEA) Sustainable Development Scenario.
Serious incident frequency (SIF)	The number of serious incidents (including near misses) per million hours worked. An incident is an event or chain of events that has caused or could have caused injury, illness and/or damage to/loss of property, the environment or a third party. All undesirable incidents are categorised according to degree of seriousness, based on established categorisation matrices.
SHE Index	Index to reflect the status of diversity and inclusion in corporate life, created by EY.
Shift	Center of expertise on the UN Guiding Principles on Business and Human Rights
Sickness absence	The total number of sickness absence hours as a percentage of planned working hours (Equinor ASA employees).
Social investments, sponsorships and donations	Includes voluntary and contractual payments. Part of the cost is charged to partners in activities we operate.
STEM	Science, technology, engineering and mathematics.
Stated Policies (STEPS)	IEA scenario STEPS provides a conservative benchmark for the future, because it does not take it for granted that governments will reach all announced goals. Includes what has actually been put in place to reach these and other energy-related objectives.
Sulphur oxides (SO _x) emissions	SO _x released from power generation and heat production, flaring and process.
TCFD	Task Force on Climate-related Financial Disclosures.
The Paris Agreement	A legally binding international treaty on climate change. It was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016. Its goal is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.
Total recordable injury frequency (TRIF)	Number of fatal accidents, lost-time injuries, injuries involving substitute work and medical treatment injuries at work, per million hours worked, amongst Equinor employees and contractors.
Total Serious incident frequency (SIF)	The number of actual and potential serious safety incidents categorised with a level 1 or 2 out of five degrees of seriousness per million hours worked.
UNGC	United Nations Global Compact. A voluntary initiative to implement universal sustainability principles and to take steps to support UN goals.
UNGP	United Nations Guiding Principles on Business and Human Rights.
Upstream CO ₂ intensity	Total scope 1 emissions of CO ₂ (kg CO ₂) from exploration and production, divided by total production (boe).
VPSHR:	Voluntary Principles on Security and Human Rights.
Water stress	The World Resources Institute's Aqueduct® tool is used to determine baseline water stress, which is the ratio of total annual water withdrawal from a catchment to average annual available water to the same catchment. The Aqueduct® tool classifies stress into five levels, Low, Low-medium, Medium-high, High and Extremely high. (Aqueduct® indicator: Baseline Water Stress).
Waste	Materials are defined as waste when; they are classified as such according to the regulations under which the activity operates or where the material is contained and intended to be transported for further handling and/or re-use or disposal by a 3rd party. Residual materials from industrial activity, which are discharged, recycled, injected or reused at the place of generation as part of the consented operations, are not included.
Work related illness (WRI)	Number of illnesses amongst Equinor employees and contractors arising due to work activities.

Task Force on Climate-related Financial Disclosures (TCFD) reference index

TCFD recommendation	Reference to Equinor disclosure
Governance – Disclose the organisation’s governance around climate-related risks and opportunities	
a) Describe the board’s oversight of climate-related risks and opportunities.	<ul style="list-style-type: none"> AR 3.9 – The work of the Board of Directors SR – Embedding sustainability in how we work CDP C1 – Governance
b) Describe management’s role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> AR 3.10 – Risk management and internal control SR – Embedding sustainability in how we work SR – Getting to net zero, Strategic approach CDP C1 – Governance CDP C2 – Risks and opportunities
Strategy – Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<ul style="list-style-type: none"> AR 2.13 – Risk review AR 2.14 – Safety, security and sustainability – Climate change and energy transition SR – Getting to net zero – Strategic approach CDP C2 – Risks and opportunities
b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning.	<ul style="list-style-type: none"> AR 2.1 – Strategy and market overview – Equinor’s corporate strategy AR 2.14 – Safety, security and sustainability – Climate change and energy transition AR 4.1 Consolidated financial statements of the Equinor group – Notes to the Consolidated financial statements – Note 3: Consequences of initiatives to limit climate changes (wording tbc) and Note 11: Property, plant and equipment Equinor’s Energy transition plan (expected to be published 22 March 2022) SR – Getting to net zero – Strategic approach CDP C2 – Risks and opportunities Equinor’s Energy Perspectives 2021
c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul style="list-style-type: none"> AR 2.14 – Safety, security and sustainability – Climate change and energy transition SR – Getting to net zero – Strategic approach

TCFD recommendation	Reference to Equinor disclosure
Risk management – Disclose how the organisation identifies, assesses, and manages climate-related risks	
a) Describe the organisation’s processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> ▪ AR 2.13 – Risk review – Risk management ▪ SR – Embedding sustainability in how we work ▪ SR – Getting to net zero – Strategic approach ▪ CDP C2 – Risks and opportunities
b) Describe the organisation’s processes for managing climate-related risks	As above.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.	As above.
Metrics and targets – Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> ▪ AR 2.14 – Safety, security and sustainability – Climate change and energy transition ▪ SR – Getting to net zero – Strategic approach ▪ SR – Getting to net zero – GHG emissions from operations (Scope 1 and 2) ▪ SR – Getting to net zero – Investing in renewables and low carbon solutions ▪ SR – Getting to net zero – GHG emissions from products and supply chain (Scope 3) ▪ Equinor Sustainability Data Hub at equinor.com.
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<ul style="list-style-type: none"> ▪ AR 2.14 – Safety, security and sustainability – Climate change and energy transition ▪ SR – Getting to net zero – Strategic approach ▪ SR – Getting to net zero – GHG emissions from operations (Scope 1 and 2) ▪ SR – Getting to net zero – GHG emissions from products and supply chain (Scope 3) ▪ Equinor Sustainability Data Hub at equinor.com.
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> ▪ AR 2.1 – Strategy and market overview – Equinor’s corporate strategy ▪ AR 2.14 – Safety, security and sustainability – Climate change and energy transition ▪ SR – Getting to net zero – Strategic approach ▪ CDP C4 – Targets and performance

AR = Equinor’s 2021 Annual Report and Form 20-F
 SR = Equinor’s 2021 Sustainability Report
 CDP = Equinor’s 2021 CDP response

To Equinor ASA

Independent accountant's assurance report

Scope

We have been engaged by Equinor ASA (the "Company") to perform:

- a) A limited assurance engagement, as defined by International Standards on Assurance Engagements, to report on Equinor ASA's reporting on sustainability as Equinor ASA has defined and referred to in the Company's GRI index (see the document GRI Index 2021 on <https://www.equinor.com/content/dam/statoil/documents/sustainability-reports/2021/GRI-index-2021.pdf>) (the "Subject Matter for limited assurance") as at 31 December 2021 and for the period from 1 January 2021 to 31 December 2021.
- b) A reasonable assurance engagement as defined by International Standards on Assurance Engagements, to report on Equinor ASA's reporting on expressly defined disclosures as shown in table 1 as Equinor ASA has defined and referred to in the Company's GRI index (the "Subject Matter for reasonable assurance") as at 31 December 2021 and for the period from 1 January 2021 to 31 December 2021.

Table 1: Disclosure description and boundary as defined in the GRI-index	
Disclosure description:	Boundary:
Renewable energy production	Equity basis
Renewable installed capacity	Equity basis
Scope 1 GHG emissions	Operational control
CO2 emissions (Scope 1)	Operational control
CH4 emissions	Operational control
Scope 2 GHG emissions (location based)	Operational control
Scope 2 GHG emissions (market based)	Operational control
Number of oil spills	Operational control
Volume of oil spills	Operational control
Oil and gas leakages with a leakage rate of 0.1kg per second or more [KPI]	Operational control
Total serious incident frequency (SIF) [KPI]	Operational control
Actual SIF	Operational control
Total recordable injury frequency (TRIF) [KPI]	Operational control
Employee TRIF	Operational control
Contractor TRIF	Operational control
Total fatalities	Operational control
Employees fatalities	Operational control
Contractors fatalities	Operational control

We did not perform assurance procedures over the sections "Stress-testing our management approach to climate risk" on page 19 to 22 in the 2021 Sustainability report, or on Equinor's reporting on Greenhouse gas ("GHG") emissions at individual field level presented in the Sustainability performance data (datahub).

Furthermore, we did not perform assurance procedures on the historical information presented for 2016, 2017 and 2018 referred to by Equinor ASA in the 2021 Sustainability Report.

Criteria applied by Equinor ASA.

In preparing the Subject Matter for limited assurance and the Subject Matter for reasonable assurance, Equinor ASA applied the relevant criteria from the Global Reporting Initiative (GRI) sustainability reporting standards, "Core" option (the "Criteria"). The Criteria can be accessed at www.globalreporting.org and is available to the public. Such Criteria were specifically designed for companies and other organizations that want to report their sustainability impacts in a consistent and credible way. As a result, the information relating to the Subject Matters may not be suitable for another purpose. We consider these reporting criteria to be relevant and appropriate to review the Subject Matters.

Equinor ASA's responsibility

The Chief Executive Officer (CEO) and Executive Management are responsible for selecting the Criteria, and for presenting the Subject Matters in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matters, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities limited assurance engagement

Our responsibility is to express a conclusion on the presentation of the Subject Matter for limited assurance based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000')*. This standard requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter for limited assurance is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

EY's responsibilities reasonable assurance engagement

Our responsibility is to express an opinion on the presentation of the Subject Matter for reasonable assurance based on the evidence we have obtained.

We conducted our engagement in accordance with the ISAE 3000, and the terms of reference for this engagement. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter for reasonable

assurance is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants. EY also applies *International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

This engagement is designed to express a) limited assurance on the Subject Matter for limited assurance and b) reasonable assurance on the Subject Matter for reasonable assurance.

The Green House Gas quantification process used in preparing the reporting is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs, including CO₂ and CH₄. Additionally, GHG emissions are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge. Our verification of these disclosures relates to the criteria for estimation set by local authorities.

a) Procedures performed to express limited assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter for limited assurance and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Review of the Company's process for preparation and presentation of the Subject Matter for limited assurance to develop an understanding of how the reporting is conducted within the business

Independent auditor's report - Equinor ASA

A member firm of Ernst & Young Global Limited

- Interviewed those in charge of sustainability reporting to develop an understanding of the process for the preparation of the sustainability reporting
- Tested on a sample basis the information in the Subject Matter for limited assurance against source data and other information prepared by those in charge
- Assessed the overall presentation of the 2021 Sustainability Report against the criteria in the GRI Standards including a review of the consistency of information against the GRI index.

We also performed such other procedures as we considered necessary in the circumstances.

b) Procedures performed to express reasonable assurance

Procedures to obtain a reasonable assurance level include examining, on a test basis, evidence supporting the quantitative and qualitative information.

To obtain reasonable assurance our procedures included:

- All activities described under procedures performed to express limited assurance
- Digital site visits and interviews with Company's personnel at a sample of locations in order to gather and review underlying data and assess the implementation of the processes and controls related to the preparation of the selected safety and environmental KPIs
- Recalculating the safety and climate disclosures presented in Table 1 on the first page of our report and considering the reasonableness of the estimates made by the Company
- For indicators containing CO₂ emissions in Table 1 on the first page of our report, we have compared the reporting by the Company for Norway to the preliminary EU ETS reporting

We also performed such other procedures as we considered necessary in the circumstances.

Limited assurance conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for limited assurance as at 31 December 2021 and for the period from 1 January 2021 to 31 December 2021 in order for it to be in accordance with the Criteria.

Reasonable assurance opinion

In our opinion the disclosures in the Subject Matter for reasonable assurance as at 31 December 2021 and for the period from 1 January 2021 to 31 December 2021 are presented, in all material respects, in accordance with the Criteria.

Stavanger, 8 March 2022
ERNST & YOUNG AS



Tor Inge Skjellevik
State Authorised Public Accountant (Norway)

Cautionary statement

This report contains certain forward-looking statements that involve risks and uncertainties. In some cases, we use words such as “accelerate”, “aim”, “aligned”, “ambition”, “believe”, “commit”, “could”, “consistent”, “continue”, “expect”, “focus”, “guidance”, “leading”, “likely”, “may”, “outlook”, “strategy”, “target”, “will”, and similar expressions to identify forward-looking statements. Forward-looking statements include all statements other than statements of historical fact, including, among others, statements regarding Equinor’s ambitions, plans, intentions, aims and expectations with respect to Equinor’s climate ambitions and energy transition, including but not limited to: its ambition to reduce net group-wide operated greenhouse gas emissions by 50% by 2030, its net zero and net carbon intensity ambitions, carbon efficiency, carbon-neutral global operations, growth in renewable energy capacity, internal carbon price on investment decisions, break-even considerations and targets, financial metrics for investment decisions, future competitiveness, future levels of, and expected value creation from, oil and gas production, scale and composition of the oil and gas portfolio, capex allocation, development of CCUS, hydrogen and ammonia businesses, net positive impact, and use of compensation and offset mechanisms and natural sinks and support of TCFD recommendations.

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 and are beyond Equinor’s control and are difficult to predict. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including societal shifts in consumer demand and technological advancements, levels of industry product supply, demand and pricing in particular in light of recent significant oil price volatility triggered other things, by the changing dynamic among OPEC+ members and the uncertainty regarding demand created by the Covid-19 pandemic; the impact of Covid-19 or other pandemic outbreaks; health, safety and environmental risks; price and availability of alternative fuels; the political and economic policies of Norway and other jurisdictions where we have assets; general economic conditions; an inability to meet strategic objectives or exploit growth or investment opportunities; adverse changes in tax regimes; currency exchange rate and interest rate fluctuations, the development and use of new technology; geological or technical difficulties; operational problems; the difficulties involving transportation infrastructure; the actions of competitors; the actions of counterparties; the actions of governments (including the Norwegian state as majority shareholder); the

availability of and access to low-carbon electricity supplies from shore; political and social stability and economic growth in relevant areas of the world; global political events and actions; including war, changes in, or non-compliance with, laws and governmental regulations; the timing of bringing new projects on stream; an inability to meet strategic objectives or exploit growth or investment opportunities; adverse changes in tax regimes; the development and use of new technology; geological or technical difficulties; operational problems; the difficulties involving transportation infrastructure; the actions of competitors; the actions of counterparties and competitors; natural disasters, adverse weather conditions; climate change and other changes to business conditions; the effects of climate change; an inability to attract and retain skilled personnel; relevant governmental approvals; labour relations and industrial actions by workers and other factors discussed elsewhere in Equinor’s publications, any of which could impair Equinor’s ability to meet its climate ambitions and energy transition.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, we cannot assure you that future results will meet these expectations. Additional information, including information on factors that may affect Equinor’s business, is contained in Equinor’s latest Annual Report and Form 20-F, filed with the U.S. Securities and Exchange Commission (and section Risk review – Risk factors thereof), which is available at Equinor’s website (www.equinor.com).

You should not place undue reliance on these forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements for many reasons. Equinor does not assume any responsibility for the accuracy and completeness of any forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made. Unless required by law, we will not necessarily update any of these statements.

The achievement of Equinor’s net carbon intensity ambition depends, in part, on broader societal shifts in consumer demands and technological advancements, each of which are beyond Equinor’s control. Should society’s demands and technological innovation not shift in parallel with Equinor’s pursuit of significant greenhouse gas emission reductions, Equinor’s ability to meet its climate ambitions will be impaired. Equinor is including an estimate of emissions from the use of sold products (GHG protocol category 11) in the calculation of its net zero ambition and net carbon intensity ambition as a means to more accurately evaluate the emission lifecycle of what we produce to respond to the energy transition and potential business opportunities arising from shifting consumer demands. Including these emissions in the calculations should in no way be construed as an acceptance by Equinor of responsibility for the emissions caused by such use.

Photography

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Illustrations and design

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