



# Neptune Energy UK Creating the UK's first Integrated Energy Hub

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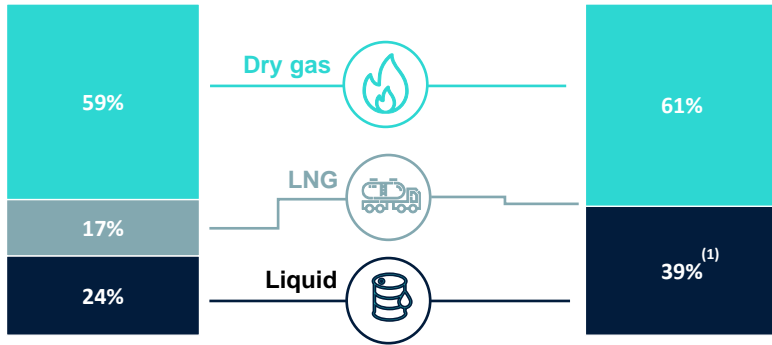




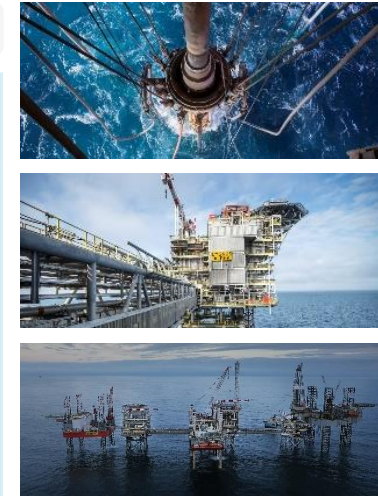
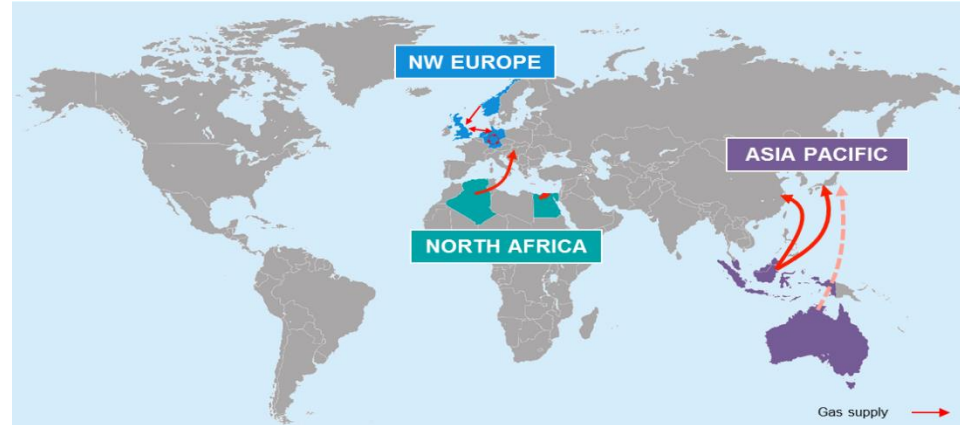
# Gas-weighted portfolio

## Gas weighted by volume, balanced by revenue

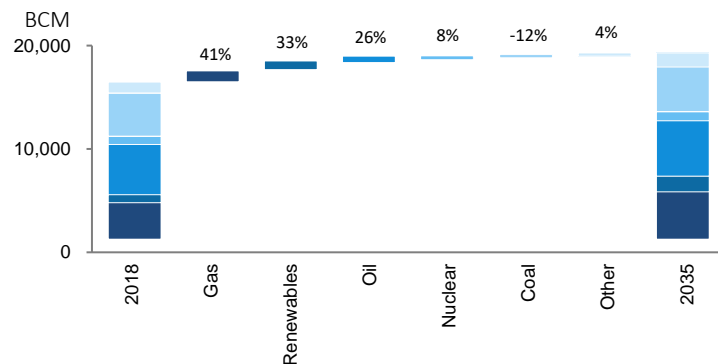
Well positioned in diversified markets



## Diversified access to global markets



## Global energy demand growth by fuel type



## Benefits of a gas-weighted portfolio

- Natural gas viewed as key for the global transition to a low-carbon energy world
  - Gas demand expected to increase by 41% by 2040
- Widely considered as cleanest burning fossil fuel for electricity production and heating
  - c.46% lower carbon emissions than coal and c.27% lower than diesel / gasoline
- Longer life assets with lower decommissioning costs
- Lower operating and development costs with significantly higher recovery factor and structural reliability

## Neptune's positioning

- Gas-weighted production and balanced revenue mix
- Diversified supply and access to domestic and global gas markets
  - LNG offers flexibility and mobility
- Oil linked contracts provides exposure to upside from oil prices

Source: Company information, EIA, Shell LNG outlook 2020 | <sup>1</sup> Including oil linked

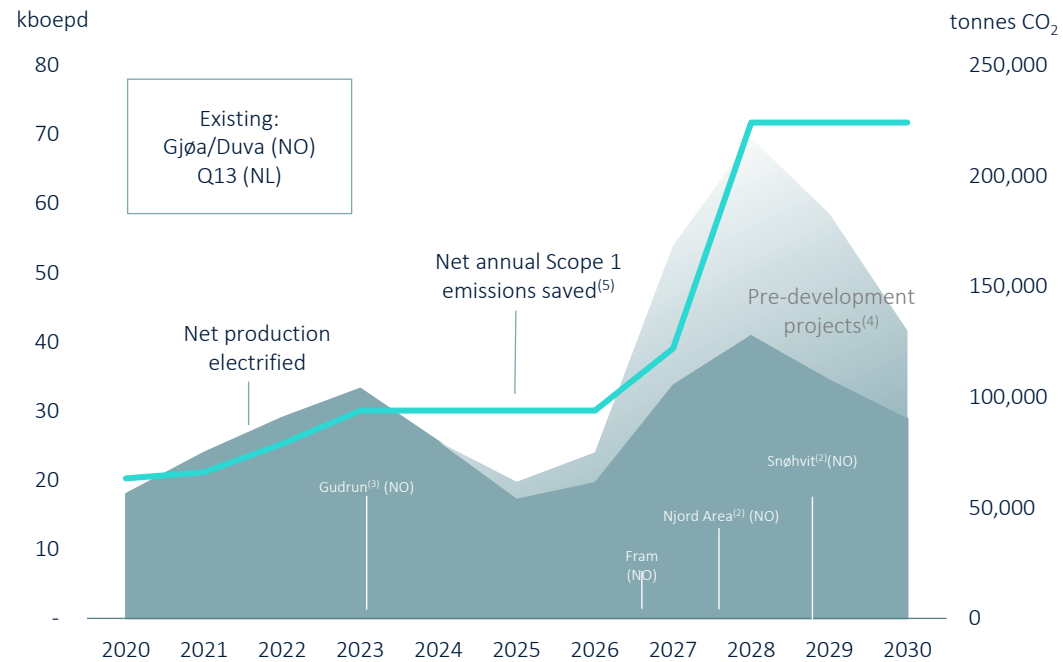
# Accelerating low carbon development

Beyond net zero, aiming to store more carbon than we emit



## Lower carbon energy production

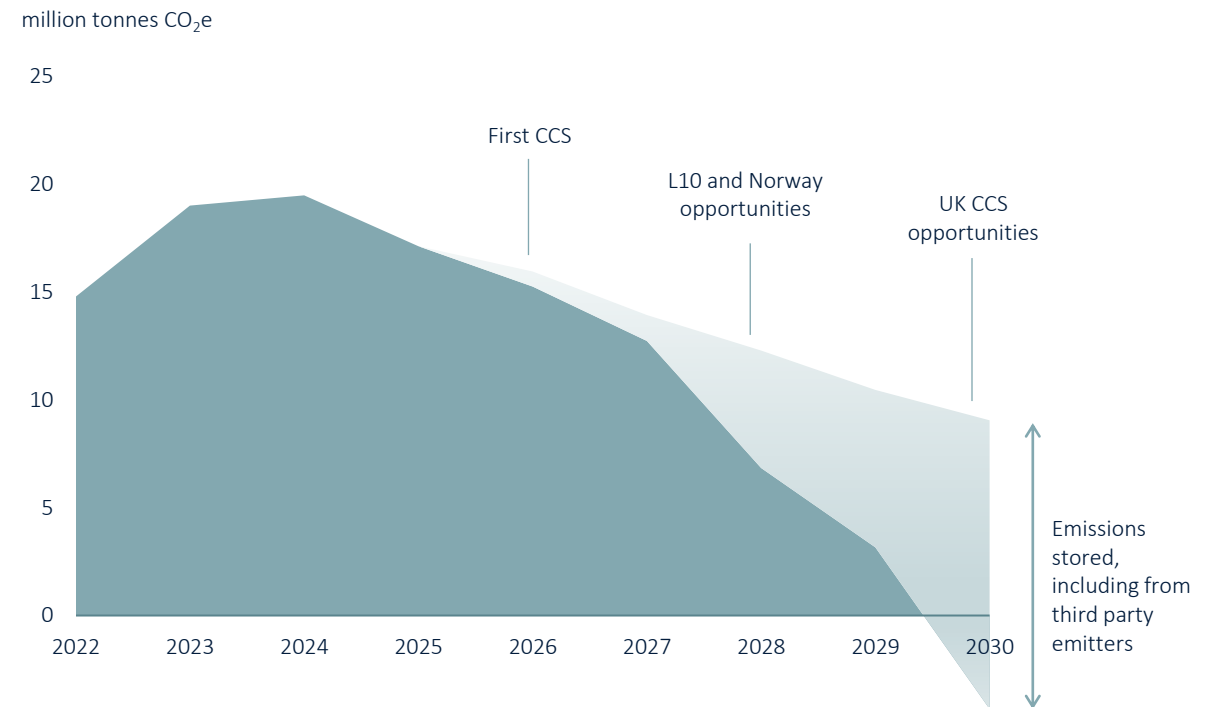
Electrification of production in North Sea by 2028<sup>(1)</sup>



1. By 2028 100% of our production in Norway is expected to be from hubs that have been fully or partially electrified. | 2. Plans submitted for electrification of Njord (including Hyme, Bauge, Fenja) and Snøhvit. | 3. Gudrun electrification project is due to start-up in mid-2023. | 4. Potential pre-development projects include Hamlet, Ofelia, Blasto, Dugong, Calypso and Grosbeak. | 5. Emissions saved from using power from shore instead of fuel gas. Calculated on an equity share basis, excluding Fram.

## Integrated energy hubs

Expanding our pipeline of CCS opportunities



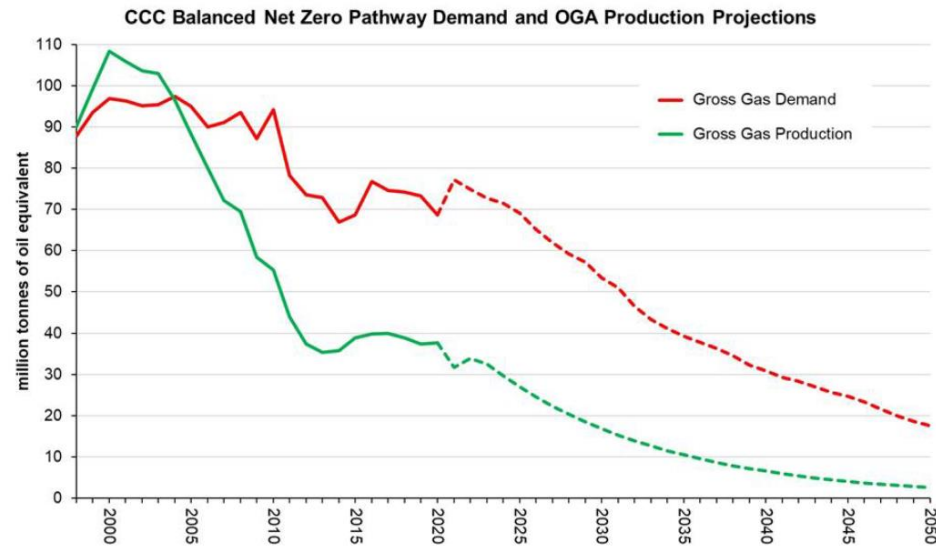
Assumptions: Conditional to reaching agreements with key emitters. | Based on estimated equity share of CCS projects. | Our calculation methodology for Scope 1 emissions follows the IPIECA/API/OGP Petroleum Industry Guidelines for Reporting GHG emissions. These emissions are calculated on an equity share basis. | Emissions from the use of sold products are Scope 3 category 11 emissions. This includes 2P reserves.

# The UK Outlook



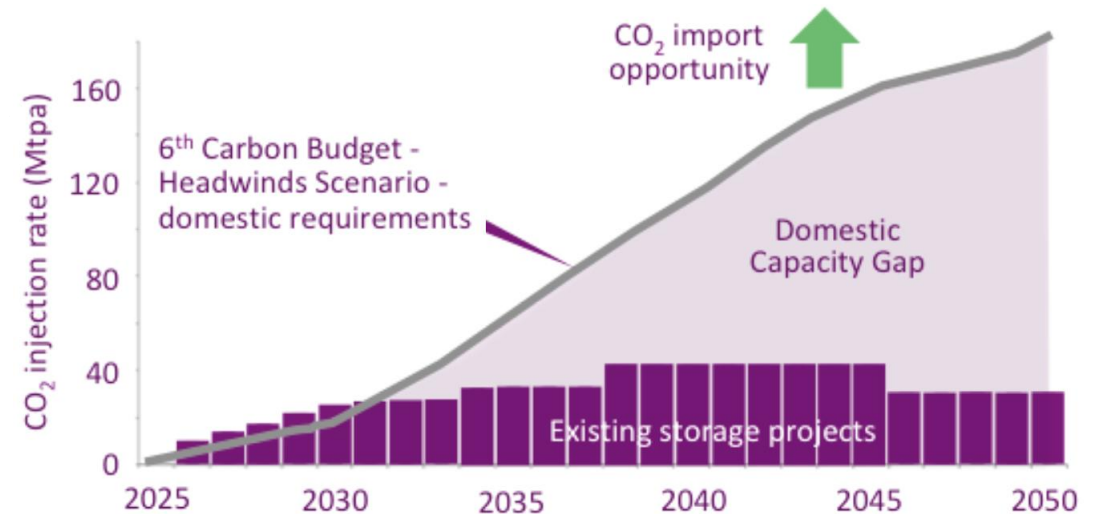
Strong investment case for UK domestic hydrocarbon production and large CCS/H<sub>2</sub> opportunity to meet climate goals and beyond

**Hydrocarbon Production**  
Gas & Oil Demand vs domestic supply gap ~44%



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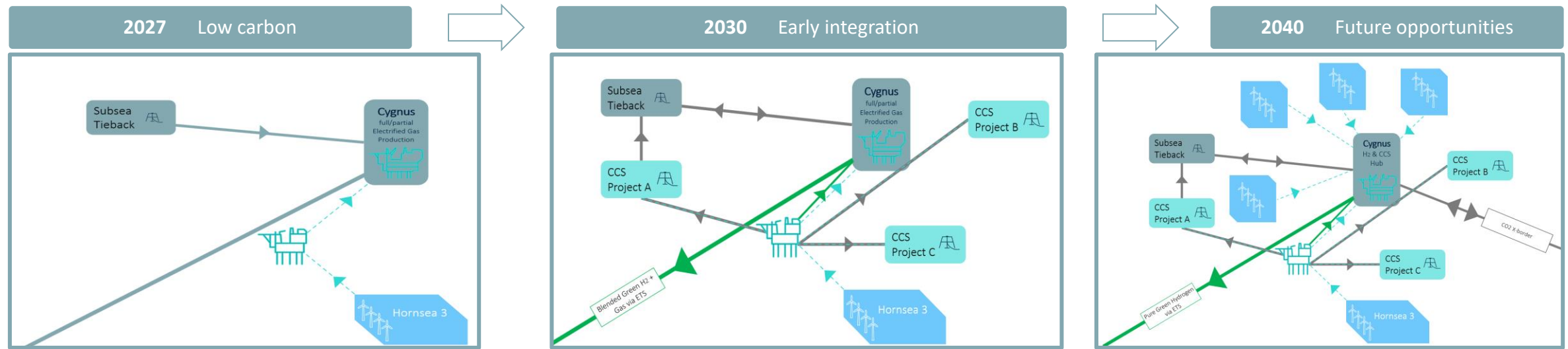
**Carbon Storage**  
100 Mtpa gap of projects to meet domestic 'demand'  
Up to 78 Gt of storage identified in UKCS



# Development of Integrated Energy Hub 2027-2040



Build a robust large-scale Integrated Energy Hub, with flexible energy sources

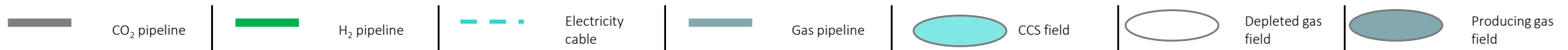


## Opportunities

- Fast pace advantage, extensive regional subsurface knowledge base
- 'The perfect postcode': scale-up potential, synergy value
- Aligned with energy independence, UK plc priorities

## Gaps to close

- Regulatory: licence rounds timing, stability
- Political: policy and fiscal challenges, cross-border carbon
- Commercial: emitter, business model evolution



# Challenges to move forward at pace



## Within the Industry

### Maintain Talent Pool

retain, attract and develop the talent to meet the challenges

### Find the Synergies

E&P&S\*, re-purpose, combine, centralise,..

### Develop Right Technology

Surveillance, stimulation, re-purpose, innovation ..

### Create Regulatory Predictability

aligned approach critical across regulatory framework and predictable process in time and outcome (NSTA, DESNZ, OPRED, Crown Estate,...)

## Outside of direct Industry

### Change the Rhetoric

UK needs O&G for decades to come  
Energy Transition is an 'and' strategy not 'or'

### Expand Stakeholder Group

O&G, Supply chain, Shipping Industry, Emitters,  
Aggregators, Windfarm Operators

### Become CCUS & H<sub>2</sub> Competitive

strive for best in class to win in North Sea and Global market







NEPTUNE ENERGY

*going beyond net zero*