UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from_______ to

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
Date of event requiring this shell company report

Commission file number 1-15200

Equinor ASA

(Exact Name of Registrant as Specified in Its Charter)

N/A
(Translation of Registrant's Name Into English)

Norway
(Jurisdiction of Incorporation or Organization)

Forusbeen 50, N-4035, Stavanger, Norway
(Address of Principal Executive Offices)

Torgrim Reitan
Chief Financial Officer
Equinor ASA
Forusbeen 50, N-4035
Stavanger, Norway
Telephone No.: 011-47-5199-0000
Fax No.: 011-47-5199-0050
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange On Which Registered
American Depositary Shares	**EQNR**	**New York Stock Exchange**
Ordinary shares, nominal value of NOK 2.50 each	**EQNR**	**New York Stock Exchange***

*Listed, not for trading, but only in connection with the registration of American Depositary Shares, pursuant to the requirements of the Securities and Exchange Commission

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Ordinary shares of NOK 2.50 each	**3,121,942,270**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files)

☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 762(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

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If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

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INTRODUCTION

Unless otherwise indicated, all references herein to “we”, “our”, the “company”, the “group” or “Equinor” are references to Equinor ASA and its consolidated subsidiaries.

This document is our annual report on Form 20-F for the year ended 31 December 2022 (“**2022 Form 20-F**”). Reference is made to our Norwegian Integrated Annual Report for 2022 which is attached hereto as Exhibit 15.4 (the “**2022 Annual Report**”) and our 2022 Remuneration Report which is attached hereto as exhibit 15.6 (the **“2022 Remuneration Report**”). Only (i) the information included in this 2022 Form 20-F, (ii) the information in the 2022 Annual Report and the 2022 Remuneration Report that is incorporated by reference in this 2022 Form 20-F (excluding any page references incorporated in the incorporated material unless specifically noted otherwise), and (iii) the other exhibits to this 2022 Form 20-F shall be deemed to be filed with the Securities and Exchange Commission (“**SEC**”) for any purpose, including incorporation by reference into the Registration Statement on Form F-3 filed on July 10, 2020 (File No. 333-239808), and Registration Statement on Form S-8 filed on February 9, 2022 (File No. 333-262601) and any other documents filed by us pursuant to the Securities Act of 1933, as amended, which purport to incorporate by reference the 2022 Form 20-F. Unless otherwise indicated, references to major headings include all information under such major headings, including subheadings, unless such reference is a reference to a subheading, in which case such reference includes only the information contained under such subheading. Any other information shall not be deemed to be so incorporated by reference.

In addition to the information set out below, the information set forth under the heading “Terms and abbreviations” in Section 5.9 of Chapter 5 on pages 327 – 334 of the 2022 Annual Report is incorporated herein by reference.

The 2022 Annual Report contains references to our website (https://www.equinor.com). Information on our website or any other website referenced in the 2022 Annual Report is not incorporated into this document and should not be considered part of this document.

The SEC maintains an Internet website that contains reports and other information regarding issuers that file electronically with the SEC. Our filings with the SEC are available to the public through the SEC’s website at http://www.sec.gov.

The information about Equinor’s competitive position in this 2022 Form 20-F (including the information in the 2022 Annual Report that is incorporated by reference herein) is based on several sources such as investment analyst reports, independent market studies, and internal assessments of market share based on publicly available information about the financial results and performance of market players.

USE AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Since 2007, Equinor has been preparing its audited consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and as issued by the International Accounting Standards Board. IFRS has been applied consistently to all periods in our audited consolidated financial statements as of 31 December 2022 and 2021, and for the three years ended 31 December 2022 included in this 2022 Form 20-F (the “Consolidated financial statements”).

Non-GAAP financial measures are defined as numerical measures that either exclude or include amounts that are not excluded or included in the comparable measures calculated and presented in accordance with generally accepted accounting principles: (i.e, IFRS in the case of Equinor). The following financial measures included in this 2022 Form 20-F may be considered non-GAAP financial measures:

a) Net debt to capital employed ratio, Net debt to capital employed ratio adjusted, including lease liabilities and Net debt to capital employed ratio adjusted
b) Return on average capital employed (ROACE)
c) Organic capital expenditures
d) Free cashflow
e) Adjusted earnings and adjusted earnings after tax
f) Total shareholder return (TSR)
g) Gross capital expenditure (gross capex)

a) Net debt to capital employed ratio

In Equinor’s view, net debt ratio provides a more informative picture of Equinor’s financial strength than gross interest-bearing financial debt. Three different net debt ratios are provided below; 1) net debt to capital employed ratio, 2) net debt to capital employed ratio adjusted, including lease liabilities, and 3) net debt to capital employed ratio adjusted.

The calculation is based on gross interest-bearing financial debt in the balance sheet and excludes cash, cash equivalents and current financial investments. Certain adjustments are made, e.g. collateral deposits classified as cash and cash equivalents in the Consolidated balance sheet are considered non-cash in the non-GAAP calculations. The financial investments held in Equinor Insurance AS are excluded in the non-GAAP calculations as they are deemed restricted. These two adjustments increase net debt and give a more prudent definition of the net debt to capital employed ratio than if the IFRS based definition was to be used. Following implementation of IFRS16 Equinor presents a “net debt to capital employed adjusted” excluding lease liabilities from the gross interest-bearing debt. Net interest-bearing debt adjusted for these items is included in the average capital employed. The table below reconciles the net interest-bearing debt adjusted, the capital employed and the net debt to capital employed adjusted ratio with the most directly comparable financial measure or measures calculated in accordance with IFRS.

Forward-looking net debt to capital employed ratio adjusted, including lease liabilities included in this 2022 Form 20-F is not reconcilable to its most directly comparable IFRS measure without unreasonable efforts, because the amounts excluded from IFRS measures used to determine net debt to capital employed ratio adjusted, including lease liabilities cannot be predicted with reasonable certainty.

Calculation of capital employed and net debt to capital employed ratio (in USD million)		For the year ended 31 December 2022	2021	2020
Shareholders' equity		**53,988**	39,010	33,873
Non-controlling interests		**1**	14	19
Total equity	A	**53,989**	39,024	33,892
Current finance debt and lease liabilities		**5,617**	6,386	5,777
Non-current finance debt and lease liabilities		**26,551**	29,854	32,338
Gross interest-bearing debt	B	**32,168**	36,239	38,115
Cash and cash equivalents		**15,579**	14,126	6,757
Current financial investments		**29,876**	21,246	11,865
Cash and cash equivalents and current financial investment	C	**45,455**	35,372	18,621
Net interest-bearing debt before adjustments	B1 = B-C	**(13,288)**	867	19,493
Other interest-bearing elements [1]		**6,538**	2,369	627
Net interest-bearing debt adjusted, including lease liabilities	B2	**(6,750)**	3,236	20,121
Lease liabilities		**3,668**	3,562	4,405
Net interest-bearing debt adjusted	B3	**(10,417)**	(326)	15,716
Calculation of capital employed:				
Capital employed	A+B1	**40,701**	39,891	53,385
Capital employed adjusted, including lease liabilities	A+B2	**47,239**	42,259	54,012
Capital employed adjusted	A+B3	**43,571**	38,697	49,608
Calculated net debt to capital employed				
Net debt to capital employed	(B1)/(A+B1)	**(32.6%)**	2.2%	36.5%
Net debt to capital employed adjusted, including lease liabilities	(B2)/(A+B2)	**(14.3%)**	7.7%	37.3%
Net debt to capital employed adjusted	(B3)/(A+B3)	**(23.9%)**	(0.8%)	31.7%

1) Other interest-bearing elements are cash and cash equivalents adjustments regarding collateral deposits classified as cash and cash equivalents in the Consolidated balance sheet but considered as non-cash in the non-GAAP calculations as well as financial investments in Equinor Insurance AS classified as current financial investments.

b) Return on average capital employed (ROACE)

ROACE is defined as adjusted earnings after tax divided by average capital employed adjusted. For a reconciliation for adjusted earnings after tax, see e) later in this section. Average capital employed adjusted at 31 December 2022 is calculated as the average of the capital employed adjusted at 31 December 2022 and at 31 December 2021 as presented in the table Calculation of capital employed and net debt to capital employed ratio section a).

Equinor uses ROACE to measure the return on capital employed adjusted, regardless of whether the financing is through equity or debt. This measure provides useful information for both the group and investors about performance during the period under evaluation. The use of ROACE should not be viewed as an alternative to income before financial items, income taxes and minority interest, or to net income, which are measures calculated in accordance with IFRS or ratios based on these figures.

Forward-looking ROACE included in this 2022 Form 20-F is not reconcilable to its most directly comparable IFRS measure without unreasonable efforts, because the amounts excluded from IFRS measures used to determine ROACE cannot be predicted with reasonable certainty.

Calculated ROACE based on IFRS (in USD million, except percentages)		31 December 2022	2021
Net income/(loss)	A	**28,744**	8,576
Average total equity	1	**46,506**	36,458
Average current finance debt and lease liabilities		**6,001**	6,081
Average non-current finance debt and lease liabilities		**28,202**	31,096
- Average cash and cash equivalents		**(14,853)**	(10,442)
- Average current financial investments		**(25,561)**	(16,555)
Average net-interest bearing debt	2	**(6,210)**	10,180
Average capital employed	B = 1+2	**40,296**	46,638
Calculated ROACE based on Net income/loss and capital employed	A/B	**71.3 %**	**18.4 %**

Calculated ROACE based on Adjusted earnings after tax and capital employed adjusted (in USD million, except percentages)		31 December 2022	2021
Adjusted earnings after tax	A	**22,691**	10,042
Average capital employed adjusted	B	**41,134**	44,153
Calculated ROACE based on Adjusted earnings after tax and capital employed adjusted	A/B	**55.2%**	22.7%

c) Organic capital expenditures

Capital expenditures, defined as Additions to PP&E, intangibles and equity accounted investments in note 5 Segments to the Consolidated financial statements, amounted to USD 10.0 billion in 2022.

Organic capital expenditures are capital expenditures excluding acquisitions, recognised lease assets (RoU assets) and other investments with significant different cash flow patterns. Organic capital expenditure is a measure which Equinor believes gives relevant information about Equinor's investments in maintenance and development of the company's assets.

In 2022, a total of USD 1.9 billion was excluded in the organic capital expenditures. Among items excluded were additions of Right of Use (RoU) assets related to leases and acquisition of Triton Power in UK, certain Statfjord licence shares and US based battery storage developer East Point Energy, resulting in organic capital expenditure of USD 8.1 billion.

In 2021, a total of USD 0.4 billion was excluded in the organic capital expenditures. Among items excluded were acquisition of 100% interest in Polish onshore renewables developer Wento and additions of Right of Use (RoU) assets related to leases, resulting in organic capital expenditure of USD 8.1 billion.

Forward-looking organic capital expenditures included in this 2022 Form 20-F are not reconcilable to the most directly comparable IFRS measure without unreasonable efforts, because the amounts excluded from such IFRS measure to determine organic capital expenditures cannot be predicted with reasonable certainty.

d) Free cash flow

Free cash flow represents, and is used by management to evaluate, cash generated from operational and investing activities available for debt servicing and distribution to shareholders. However, free cash flow is not a measure of our liquidity under IFRS and should not be considered in isolation or as a substitute for an analysis of our results as reported in this 2022 Form 20-F. Our definition of free cash flow is limited and does not represent residual cash flows available for discretionary expenditures.

The following table provides a reconciliation of Free cash flow to Cash flows provided by operating activities before taxes paid and working capital items, the most directly comparable financial measure presented in accordance with IFRS, as of the dates indicated:

Free cash flow (in USD billion)	2022	2021
Cash flows provided by operating activities before taxes paid and working capital items	**83.6**	42.0
Taxes paid	**(43.9)**	(8.6)
Capital expenditures and investments	**(8.6)**	(8.2)
Proceeds from sale of assets and businesses	**1.0**	1.9
Free cash flow before capital distribution	**32.1**	27.1
Dividend paid	**(5.4)**	(1.8)
Share buy-back	**(3.3)**	(0.3)
Free cash flow	**23.4**	25.0

e) Adjusted earnings and adjusted earnings after tax

Management considers adjusted earnings and adjusted earnings after tax together with other non-GAAP financial measures as defined below, to provide an indication of the underlying operational and financial performance in the period (excluding financing) by adjusting by items that are not well correlated to Equinor's operating performance, and therefore better facilitate comparisons between periods.

Adjusted earnings are based on net operating income/(loss) and adjusts for certain items affecting the income for the period in order to separate out effects that management considers may not be well correlated to Equinor's underlying operational performance in the individual reporting period. Management considers adjusted earnings to be a supplemental measure to Equinor's IFRS measures, which provides an indication of Equinor's underlying operational performance in the period and facilitates an alternative understanding of operational trends between the periods. Adjusted earnings include adjusted revenues and other income, adjusted purchases, adjusted operating expenses and selling, general and administrative expenses, adjusted depreciation expenses and adjusted exploration expenses. Adjusted earnings adjusts for the following items:

- **Changes in fair value of derivatives:** Certain gas contracts are, due to pricing or delivery conditions, deemed to contain embedded derivatives, required to be carried at fair value. Also, certain transactions related to historical divestments include contingent consideration, are carried at fair value. The accounting impacts of changes in fair value of the aforementioned are excluded from adjusted earnings. In addition, adjustments are also made for changes in the unrealised fair value of derivatives related to some natural gas trading contracts. Due to the nature of these gas sales contracts, these are classified as financial derivatives to be measured at fair value at the balance sheet date. Unrealised gains and losses on these contracts reflect the value of the difference between current market gas prices and the actual prices to be realised under the gas sales contracts. Only realised gains and losses on these contracts are reflected in adjusted earnings. This presentation best reflects the underlying performance of the business as it replaces the effect of temporary timing differences associated with the re-measurements of the derivatives to fair value at the balance sheet date with actual realised gains and losses for the period
- **Periodisation of inventory hedging effect:** Commercial storage is hedged in the paper market and is accounted for using the lower of cost or market price. If market prices increase above cost price, the inventory will not reflect this increase in value. There will be a loss on the derivative hedging the inventory since the derivatives always reflect changes in the market price. An adjustment is made to reflect the unrealised market increase of the commercial storage. As a result, loss on derivatives is matched by a similar adjustment for the exposure being managed. If market prices decrease below cost price, the write-down of the inventory and the derivative effect in the IFRS income statement will offset each other and no adjustment is made
- **Over/underlift**: Over/underlift is accounted for using the sales method and therefore revenues were reflected in the period the product was sold rather than in the period it was produced. The over/underlift position depended on a number of factors related to our lifting programme and the way it corresponded to our entitlement share of production. The effect on income for the period is therefore adjusted, to show estimated revenues and associated costs based upon the production for the period to reflect operational performance and comparability with peers.
- The **operational storage** is not hedged and is not part of the trading portfolio. Cost of goods sold is measured based on the FIFO (first-in, first-out) method, and includes realised gains or losses that arise due to changes in market prices. These gains or losses will fluctuate from one period to another and are not considered part of the underlying operations for the period
- **Impairment and reversal of impairment** are excluded from adjusted earnings since they affect the economics of an asset for the lifetime of that asset, not only the period in which it is impaired or the impairment is reversed. Impairment and reversal of impairment can impact both the exploration expenses and the depreciation, amortisation and net impairments line items
- **Gain or loss from sales of assets** is eliminated from the measure since the gain or loss does not give an indication of future performance or periodic performance; such a gain or loss is related to the cumulative value creation from the time the asset is acquired until it is sold
- **Eliminations (Internal unrealised profit on inventories:):** Volumes derived from equity oil inventory will vary depending on several factors and inventory strategies, i.e. level of crude oil in inventory, equity oil used in the refining process and level of in-transit cargoes. Internal profit related to volumes sold between entities within the group, and still in inventory at period end, is

eliminated according to IFRS (write down to production cost). The proportion of realised versus unrealised gain will fluctuate from one period to another due to inventory strategies and consequently impact net operating income/(loss). Write-down to production cost is not assessed to be a part of the underlying operational performance, and elimination of internal profit related to equity volumes is excluded in adjusted earnings

- **Other items of income and expense** are adjusted when the impacts on income in the period are not reflective of Equinor's underlying operational performance in the reporting period. Such items may be unusual or infrequent transactions but they may also include transactions that are significant which would not necessarily qualify as either unusual or infrequent. However, other items adjusted do not constitute normal, recurring income and operating expenses for the company. Other items are carefully assessed and can include transactions such as provisions related to reorganisation, early retirement, etc.
- **Change in accounting policy** are adjusted when the impacts on income in the period are unusual or infrequent, and not reflective of Equinor's underlying operational performance in the reporting period

Adjusted earnings after tax – equals the sum of net operating income/(loss) less income tax in reporting segments and adjustments to operating income taking the applicable marginal tax into consideration. Adjusted earnings after tax excludes net financial items and the associated tax effects on net financial items. It is based on adjusted earnings less the tax effects on all elements included in adjusted earnings (or calculated tax on operating income and on each of the adjusting items using an estimated marginal tax rate). In addition, tax effect related to tax exposure items not related to the individual reporting period is excluded from adjusted earnings after tax. Management considers adjusted earnings after tax, which reflects a normalised tax charge associated with its operational performance excluding the impact of financing, to be a supplemental measure to Equinor's net income. Certain net USD denominated financial positions are held by group companies that have a USD functional currency that is different from the currency in which the taxable income is measured. As currency exchange rates change between periods, the basis for measuring net financial items for IFRS will change disproportionally with taxable income which includes exchange gains and losses from translating the net USD denominated financial positions into the currency of the applicable tax return. Therefore, the effective tax rate may be significantly higher or lower than the statutory tax rate for any given period. Adjusted taxes included in adjusted earnings after tax should not be considered indicative of the amount of current or total tax expense (or taxes payable) for the period.

Adjusted earnings and adjusted earnings after tax should be considered additional measures rather than substitutes for net operating income/(loss) and net income/(loss), which are the most directly comparable IFRS measures. There are material limitations associated with the use of adjusted earnings and adjusted earnings after tax compared with the IFRS measures as such non-GAAP measures do not include all the items of revenues/gains or expenses/losses of Equinor that are needed to evaluate its profitability on an overall basis. Adjusted earnings and adjusted earnings after tax are only intended to be indicative of the underlying developments in trends of our on-going operations for the production, manufacturing and marketing of our products and exclude pre-and post-tax impacts of net financial items. Equinor reflects such underlying development in our operations by eliminating the effects of certain items that may not be directly associated with the period's operations or financing. However, for that reason, adjusted earnings and adjusted earnings after tax are not complete measures of profitability. These measures should therefore not be used in isolation.

Items impacting net operating income/(loss) in the full year of 2022 (in USD million)	Equinor group	E&P Norway	E&P International	E&P USA	MMP	REN	Other
Total revenues and other income	**150,806**	75,930	7,431	5,523	148,105	185	(86,367)
Adjusting items	**(896)**	(487)	185	-	(506)	(110)	22
Changes in fair value of derivatives	**(207)**	(263)	205	-	(149)	-	-
Periodisation of inventory hedging effect	**(349)**	-	-	-	(349)	-	-
Impairment from associated companies	**1**	-	-	-	-	1	-
Over-/underlift	**510**	507	3	-	-	-	-
Other adjustments[1)]	**(0)**	-	(22)	-	-	-	22
Gain/loss on sale of assets	**(850)**	(731)	-	-	(9)	(111)	(0)
Adjusted total revenues and other income	**149,910**	75,443	7,616	5,523	147,599	75	(86,345)
Purchases [net of inventory variation]	**(53,806)**	0	(116)	(0)	(139,916)	-	86,227
Adjusting items	**(610)**	-	-	-	(33)	-	(577)
Operational storage effects	**(33)**	-	-	-	(33)	-	-
Eliminations	**(577)**	-	-	-	-	-	(577)
Adjusted purchases [net of inventory variation]	**(54,415)**	0	(116)	(0)	(139,949)	-	85,650
Operating and administrative expenses	**(10,594)**	(3,782)	(1,698)	(938)	(4,591)	(265)	681
Adjusting items	**64**	(54)	22	6	75	10	5
Over-/underlift	**(41)**	(54)	13	-	-	-	-
Other adjustments	**7**	-	2	-	-	-	5
Gain/loss on sale of assets	**23**	-	7	6	-	10	-
Provisions	**75**	-	-	-	75	-	-
Adjusted operating and administrative expenses	**(10,530)**	(3,836)	(1,675)	(933)	(4,516)	(255)	686
Depreciation, amortisation and net impairments	**(6,391)**	(4,167)	(1,731)	(361)	14	(4)	(142)
Adjusting items	**(2,488)**	(819)	286	(1,060)	(895)	-	-
Impairment	**1,111**	3	1,033	-	75	-	-
Reversal of impairment	**(3,598)**	(821)	(747)	(1,060)	(970)	-	-
Adjusted depreciation, amortisation and net impairments	**(8,879)**	(4,986)	(1,445)	(1,422)	(881)	(4)	(142)
Exploration expenses	**(1,205)**	(366)	(638)	(201)	-	-	-
Adjusting items	**59**	4	65	(11)	-	-	-
Impairment	**85**	4	65	15	-	-	-
Reversal of impairment	**(26)**	-	-	(26)	-	-	-
Adjusted exploration expenses	**(1,146)**	(361)	(573)	(212)	-	-	-
Net operating income/(loss)	**78,811**	67,614	3,248	4,022	3,612	(84)	399
Sum of adjusting items	**(3,871)**	(1,355)	559	(1,065)	(1,360)	(100)	(550)
Adjusted earnings/(loss)	**74,940**	66,260	3,806	2,957	2,253	(184)	(151)
Tax on adjusted earnings	**(52,250)**	(51,373)	(1,248)	(79)	474	14	(38)
Adjusted earnings/(loss) after tax	**22,691**	14,887	2,558	2,878	2,727	(170)	(189)

1) The adjustment in E&P International and Other is related to recirculation of currency effects resulting from exit of equity accounted companies.

Items impacting net operating income/(loss) in the full year of 2021 (in USD million)	Equinor group	E&P Norway	E&P International	E&P USA	MMP	REN	Other
Total revenues and other income[1)]	**90,924**	39,386	5,566	4,149	87,393	1,411	(46,980)
Adjusting Items	**(1,836)**	(339)	43	-	(155)	(1,381)	(4)
Changes in fair value of derivatives	**(146)**	(145)	36	-	(37)	-	-
Periodisation of inventory hedging effect	**49**	-	-	-	49	-	-
Impairment from associated companies	**4**	-	-	-	-	4	-
Over-/underlift	**(125)**	(194)	69	-	-	-	-
Gain/loss on sale of assets	**(1,561)**	-	(5)	-	(167)	(1,385)	(4)
Provisions	**(57)**	-	(57)	-	-	-	-
Adjusted total revenues and other income[1)]	**89,088**	39,047	5,609	4,149	87,238	30	(46,984)
Purchases [net of inventory variation]	**(35,160)**	(0)	(58)	(0)	(80,873)	(0)	45,771
Adjusting Items	**230**	-	-	-	(231)	-	461
Operational storage effects	**(231)**	-	-	-	(231)	-	-
Eliminations	**461**	-	-	-	-	-	461
Adjusted purchases [net of inventory variation]	**(34,930)**	(0)	(58)	(0)	(81,104)	(0)	46,232
Operating and administrative expenses[1)]	**(9,378)**	(3,652)	(1,406)	(1,074)	(3,753)	(163)	670
Adjusting Items	**(11)**	62	(32)	35	(87)	-	12
Over-/underlift	**23**	55	(32)	-	-	-	-
Other adjustments[2)]	**(43)**	7	-	-	(50)	-	-
Gain/loss on sale of assets	**47**	-	-	35	-	-	12
Provisions	**(37)**	-	-	-	(37)	-	-
Adjusted operating and administrative expenses[1)]	**(9,389)**	(3,590)	(1,438)	(1,039)	(3,841)	(163)	682
Depreciation, amortisation and net impairments[1)]	**(11,719)**	(4,900)	(3,321)	(1,734)	(1,604)	(3)	(156)
Adjusting Items	**1,288**	(1,102)	1,587	69	735	-	-
Impairment	**2,963**	276	1,836	116	735	-	-
Reversal of impairment	**(1,675)**	(1,379)	(250)	(47)	-	-	-
Adjusted depreciation, amortisation and net impairments[1)]	**(10,431)**	(6,002)	(1,734)	(1,665)	(869)	(3)	(156)
Exploration expenses	**(1,004)**	(363)	(451)	(190)	-	-	0
Adjusting Items	**152**	7	101	44	-	-	-
Impairment	**175**	7	101	66	-	-	-
Reversal of impairment	**(22)**	-	-	(22)	-	-	-
Adjusted exploration expenses	**(852)**	(356)	(350)	(146)	-	-	0
Net operating income/(loss)[1)]	**33,663**	30,471	329	1,150	1,163	1,245	(695)
Sum of adjusting items	**(177)**	(1,372)	1,698	147	262	(1,381)	469
Adjusted earnings/(loss)[1)]	**33,486**	29,099	2,028	1,297	1,424	(136)	(227)
Tax on adjusted earnings	**(23,445)**	(21,825)	(670)	(16)	(998)	23	40
Adjusted earnings/(loss) after tax[1)]	**10,042**	7,274	1,358	1,281	426	(112)	(187)

1) E&P Norway, E&P International, MMP and Other segments are restated due to implementation of IFRS 16 in the segments

2) The adjustment for MMP is related to an insurance settlement.

f) Total shareholder return (TSR)

Total shareholder return (TSR) is the sum of a share's price growth and dividends for the same period, divided by the share price at beginning of period.

g) Gross capital expenditure (gross capex)

Capital expenditures, defined as Additions to PP&E, intangibles and equity accounted investments, amounted to USD 10.0 billion in 2022 and USD 8.5 billion in 2021 (as referenced in note 5 Segments to the Consolidated financial statements).

Gross capital expenditures are capital expenditures that are adjusted to exclude additions of Right of use assets related to leases (as referenced in note 12, Property, plant and equipment, to the consolidated financial statements) and to include Equinor's proportionate share of capital expenditures in equity accounted investments not included in additions to equity accounted investments, within the REN segment for 2021 and 2022. The calculation of gross capital expenditures excludes additions to right of use assets related to leases, as management believes that this better reflects the Group's investments in the business to drive growth.

In 2022, a net total adjustment of USD 0.4 billion was excluded, resulting in gross capital expenditures of USD 9.6 billion. In 2021, a net total adjustment of USD 0.3 billion was included, resulting in gross capital expenditures of USD 8.8 billion.

Forward-looking gross capital expenditures included in this 2022 Form 20-F are not reconcilable to the most directly comparable IFRS measure without unreasonable efforts, because the amounts excluded from such IFRS measure to determine gross capital expenditures cannot be predicted with reasonable certainty.

FORWARD-LOOKING STATEMENTS

This 2022 Form 20-F (including information incorporated herein from the 2022 Annual Report) contains certain forward-looking statements that involve risks and uncertainties, in particular in the sections incorporated by reference in Item 4 of this 2022 Form 20-F. In some cases, we use words such as "aim", "ambition", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "likely", "objective", "outlook", "may", "plan", "schedule", "seek", "should", "strategy", "target", "will", "goal" and similar expressions to identify forward-looking statements. All statements other than statements of historical fact, including: the commitment to develop as a broad energy company and ambition to be a leading company in the energy transition; ambition to reach net zero by 2050 and expectations regarding progress on our energy transition plan and just transition plan; our ambitions regarding reduction in operated emissions and net carbon intensity and allocation of gross capex* to renewables and low carbon solutions; our ambitions to decarbonise and maintain value in oil and gas, industrialise and upscale offshore wind, industrialise and commercialise carbon capture and storage and upscale and develop new value chains in hydrogen; ambition to attain a leadership position in the European CCS market; aims, expectations and plans for renewables production capacity and power generation, investments in renewables and low-carbon solutions and the balance between oil and renewables production; our expectations with respect to net carbon intensity, operated emissions, carbon and methane intensity and flaring reductions; our internal carbon price and other financial metrics for investment decisions; break-even considerations and targets; aims and expectations regarding Equinor's resilience across different climate scenarios; future levels of, and expected value creation from, oil and gas production, scale and composition of the oil and gas portfolio, and development of CCS and hydrogen businesses; use of compensation and offset mechanisms and high-quality carbon sinks; plans to develop fields; our intention to optimise and mature our portfolio; future worldwide economic trends, market outlook and future economic projections and assumptions, including commodity price assumptions; expectations and plans regarding capital expenditures; future financial performance, including cash flow, liquidity and return on average capital employed (ROACE)*; expectations regarding cash flow and returns from our oil and gas portfolio and renewable projects; organic capital expenditures through 2026; expectations and estimates regarding production and execution of projects; the ambition to keep unit of production cost in the top quartile of our peer group; scheduled maintenance activity and the effects thereof on equity production; business strategy and competitive position; sales, trading and market strategies; research and development initiatives and strategy, including ambitions regarding allocation of research and development capital towards renewables and low carbon-solutions; expectations related to production levels, unit production cost, investment, exploration activities, discoveries and development in connection with our ongoing transactions and projects; our ambitions, expectations and plans regarding diversity and inclusion and employee training; plans and expectations regarding completion and results of acquisitions, disposals and other contractual arrangements and delivery commitments; plans, ambitions and expectations regarding recovery factors and levels, future margins and future levels or development of capacity, reserves or resources; planned turnarounds and other maintenance activity; expectations regarding oil and gas volume growth, including for volumes lifted and sold to equal entitlement production; estimates related to production and development, forecasts, reporting levels and dates; operational expectations, estimates, schedules and costs; expectations relating to licences and leases; oil, gas, alternative fuel and energy prices, volatility, supply and demand; plans and expectations regarding processes related to human rights laws, corporate structure and organizational policies; technological innovation, implementation, position and expectations; expectations regarding role and composition of the board and our remuneration policies; our goal of safe and efficient operations; effectiveness of our internal policies and plans; our ability to manage our risk exposure, our liquidity levels and management of liquidity reserves; estimated or future liabilities, obligations or expenses; expected impact of currency and interest rate fluctuations and LIBOR discontinuation; projected outcome, impact or timing of HSE regulations; HSE goals and objectives of management for future operations; our ambitions and plans regarding biodiversity (including our aim to develop a net-positive impact approach for projects) and value creation for society; expectations related to regulatory trends; impact of PSA effects; projected impact or timing of administrative or governmental rules, standards, decisions, standards or laws (including taxation laws); projected impact of legal claims against us; plans for capital distribution, share buy-backs and amounts and timing of dividends are forward-looking statements.

You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons, including the risks described in the risk factors incorporated in Item 3.D of this 2022 Form 20-F.

These forward-looking statements reflect current views about future events, are based on management's current expectations and assumptions 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. 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 levels of industry product supply, demand and pricing, in particular in light of significant oil price volatility and the uncertainty caused by the European security situation, including Russia's invasion of Ukraine; unfavorable macroeconomic conditions and inflationary pressures; exchange rate and interest rate fluctuations; levels and calculations of reserves and material differences from reserves estimates; regulatory stability and access to resources, including attractive low carbon opportunities; the effects of climate change and changes in stakeholder sentiment and regulatory requirements regarding climate change; changes in market demand and supply for renewables; inability to meet strategic objectives; the development and use of new technology; social and/or political instability, including as a result of Russia's invasion of Ukraine; failure to manage digital and cyber threats; operational problems; unsuccessful drilling; availability of adequate infrastructure; the actions of field partners and other third-parties; reputational damage; the actions of competitors; the actions of the Norwegian state as majority shareholder and exercise of ownership by the Norwegian state; changes or uncertainty in or non-compliance with laws and governmental regulations; adverse changes in tax regimes; the political and economic policies of Norway and other oil-producing countries; regulations on hydraulic fracturing and low-carbon value chains; liquidity, interest rate, equity and credit risks; risks relating to trading and commercial supply activities; an inability to attract and retain personnel; ineffectiveness of crisis management systems; inadequate insurance coverage; health, safety and environmental risks; physical security risks;

failure to meet our ethical and social standards; non-compliance with international trade sanctions; and other factors discussed elsewhere in this 2022 Form 20-F.

The achievement of Equinor's climate ambitions 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 its energy transition plan, Equinor's ability to meet its climate ambitions will be impaired. The calculation of Equinor's net carbon intensity presented in this report includes an estimate of emissions from the use of sold products (GHG protocol category 11) 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.

The reference to any scenario in this report, including any potential net-zero scenarios, does not imply Equinor views any particular scenario as likely to occur. Third-party scenarios discussed in this report reflect the modeling assumptions and outputs of their respective authors, not Equinor, and their use by Equinor is not an endorsement by Equinor of their underlying assumptions, likelihood or probability. Investment decisions are made on the basis of Equinor's separate planning process. Any use of the modeling of a third-party organization within this report does not constitute or imply an endorsement by Equinor of any or all of the positions or activities of such organization.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this 2022 Form 20-F, either to make them conform to actual results or changes in our expectations.

Part I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

A. Directors and Senior Management

Not applicable.

B. Advisers

Not applicable.

C. Auditors

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

A. Offer statistics

Not applicable.

B. Method and Expected Timetable

Not applicable.

ITEM 3. KEY INFORMATION

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reason for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

The information set forth under the heading "*Risk Factors*" in section 5.2 of chapter 5 on pages 277 – 282 of the 2022 Annual Report is incorporated herein by reference.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Equinor ASA was incorporated on 18 September 1972, is a public limited liability company organised under the laws of Norway and is subject to the provisions of the Norwegian Public Limited Liability Companies Act. Equinor's head office is located at Forusbeen 50, 4035 Stavanger, Norway. The telephone number of its principal place of business is +47-5199-00 00.

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Equinor in 2022 on page 11;
- Equinor's Energy transition plan on pages 12 – 15;
- Our history in Section 1.2 of Chapter 1 on pages 18 – 19;
- Investments in Section 2.2.2 of Chapter 2 on pages 87 – 88;
- Key events in Section 3.1.1 of Chapter 3 on pages 116 – 117;
- Projects under development, Decommissioning on the NCS and Climate measures in Section 3.1.1 of Chapter 3 on pages 122 – 124;
- Key events in Section 3.1.2 of Chapter 3 on pages 125 – 126;
- Fields under development internationally in Section 3.1.2 of Chapter 3 on page 130;
- Key events in Section 3.1.3 of Chapter 3 on page 132;
- Fields under development in the US in Section 3.1.3 of Chapter 3 on page 135;
- Overview in Section 3.2 of Chapter 3 on pages 136 – 138;
- Key events in Section 3.3 of Chapter 3 on pages 142 – 143; and
- Key projects in Section 3.3 of Chapter 3 on page 146.

The information set forth in the third and fourth paragraphs of the section entitled "*Introduction*" of this 2022 Form 20-F is also incorporated herein by reference. See also notes 5 Segments and 6 Acquisitions and disposals to the Consolidated financial statements.

B. Business Overview

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Key figures 2022 on pages 4 – 6;
- Key figures – segment performance on page 6;
- This is Equinor in Section 1.1 of Chapter 1 on page 17;
- Our Business in Section 1.3 of Chapter 1 on pages 20 – 22;
- Equinor's market perspective in Section 1.4 of Chapter 1 on pages 23 – 24;
- Equinor's Strategy in Section 1.5 of Chapter 1 on pages 25 – 29;
- Sustainability at Equinor in Section 1.7 of Chapter 1 on page 32;
- Performance 2022 on pages 45 – 46 of Chapter 2;
- Safe and secure operations in Section 2.1.1 of Chapter 2 on pages 49 – 54;
- Management approach in Section 2.1.2 of Chapter 2 on pages 55 – 56;
- Performance evaluation in Section 2.1.2 of Chapter 2 on pages 58 – 59;
- Management approach in Section 2.1.3 of Chapter 2 on pages 60 – 61;
- Performance evaluation in Section 2.1.3 of Chapter 2 on page 63;
- Management approach in Section 2.1.4 of Chapter 2 on pages 64 – 65;
- Performance evaluation in Section 2.1.4 of Chapter 2 on pages 68 – 69;
- Management approach in Section 2.2.3 of Chapter 2 on page 91;
- Procurement and ripple effects in Section 2.2.3 of Chapter 2 on page 92;
- Performance evaluation in Section 2.2.3 of Chapter 2 on page 93;
- Management approach in Section 2.2.4 of Chapter 2 on pages 94 – 95;
- Performance evaluation in Section 2.2.4 of Chapter 2 on page 97;
- Exploration & Production Norway in Section 3.1.1 of Chapter 3 on pages 116 – 124;
- Exploration & Production International in Section 3.1.2 of Chapter 3 on pages 125 – 131;
- Exploration & Production USA in Section 3.1.3 of Chapter 3 on pages 132 – 135;
- High-value growth in renewables in Section 3.2 of Chapter 3 on pages 136 – 139;
- Marketing, midstream and processing (MMP), including new market opportunities in low carbon solutions in Section 3.3 of Chapter 3 on pages 140 – 148; and
- Other group in Section 3.4 of Chapter 3 on page 149.

See also notes 5 Segments and 7 Total revenues and other income to the Consolidated financial statements.

The information about Equinor's competitive position in the sections of the 2022 Annual Report that are incorporated by reference herein is based on several sources such as investment analyst reports, independent market studies, and internal assessments of market share based on publicly available information about the financial results and performance of market players.

Applicable laws and regulations

Equinor operates in around 30 countries and is exposed and committed to compliance with numerous laws and regulations globally. The graphic entitled 'Where we are' in Section 1.3 of Chapter 1 and the risks set forth under the heading 'Policies and legislation' in Section 5.2 of Chapter 5 of the 2022 Annual Report are also incorporated herein by reference.

This section gives a general description on the legal and regulatory framework in the various jurisdictions where Equinor operates and in particular in the countries of Equinor's core activities.

Regulatory framework for upstream oil and gas operations

Currently, Equinor is subject to two main regimes applicable to petroleum activities worldwide:

- Corporate income tax regimes; and
- Production sharing agreements (PSAs)

Equinor is also subject to a wide variety of health, safety and environmental (HSE) laws and regulations concerning its products, operations and activities. Relevant laws and regulations include jurisdiction specific laws and regulations, international regulations, conventions or treaties, as well as EU directives and regulations.

Concession regimes

Under a concession regime, companies are granted licences by the government to extract petroleum. This is similar to the Norwegian system described below. Typically, the licences are offered to pre-qualified companies following bidding rounds. The criteria for the evaluation of bidding offers under these regimes can be the level of offered signature bonus (bid amount), minimum exploration programme, and local content. In exchange for those commitments, the successful bidder(s) receive a right to explore, develop and produce petroleum within a specified geographical area for a limited period of time. The terms of the licences are usually not negotiable. The fiscal regime may entitle the relevant jurisdiction to royalties, profit tax or special petroleum tax.

PSA regimes

PSAs are normally awarded to the contractor parties after bidding rounds announced by the government. Main bid parameters are a minimum exploration programme and signature bonuses, allocation of profit oil and, in some cases, tax.

Under a PSA, the host government typically retains the right to the hydrocarbons in place. The contractor receives a share of the production for services performed. Normally, the contractor carries the exploration and development costs and risk prior to a commercial discovery and is then entitled to recover those costs during the production phase. The remaining share of the production - the profit share, is split between the government and the contractor according to a mechanism set out in the PSA. The contractor is usually subject to income tax on its own share of the profit oil. Fiscal provisions in a PSA are to a large extent negotiable and are unique to each PSA.

Norway

Norway is not a member of the European Union (EU) but is a member of the European Free Trade Association (EFTA). The EU and the EFTA Member States have entered into the Agreement on the European Economic Area, referred to as the EEA Agreement, which provides for the inclusion of EU legislation in the national law of the EFTA Member States (except Switzerland). Equinor's business activities are subject to both the EFTA Convention and EU laws and regulations adopted pursuant to the EEA Agreement.

The principal laws governing Equinor's petroleum activities in Norway and on the NCS are the Norwegian Petroleum Act of 29 November 1996 (the Petroleum Act) and the regulations issued thereunder, and the Norwegian Petroleum Taxation Act of 13 June 1975 (the Petroleum Taxation Act).

Under the Petroleum Act, the Norwegian Ministry of Petroleum and Energy ("MPE") is responsible for resource management and for administering petroleum activities on the NCS. The main task of the MPE is to ensure that petroleum activities are conducted in accordance with the applicable legislation, the policies adopted by the Norwegian Parliament (the Storting) and relevant decisions of the Norwegian State.

The Storting's role in relation to major policy issues in the petroleum sector can affect Equinor in two ways: first, when the Norwegian State acts in its capacity as majority owner of Equinor shares and, second, when the Norwegian State acts in its capacity as regulator:

- The Norwegian State's shareholding in Equinor is managed by the Ministry of Trade, Industry and Fisheries. The Ministry will normally decide how the Norwegian State will vote on proposals submitted to general meetings of the shareholders. However, in certain exceptional cases, it may be necessary for the Norwegian State to seek approval from the Storting before voting on a certain proposal. This will normally be the case if Equinor issues additional shares and such issuance would significantly dilute the Norwegian State's holding, or if such issuance would require a capital contribution from the Norwegian State in excess of government mandates. A vote by the Norwegian State against an Equinor proposal to issue additional shares would prevent Equinor from raising additional capital in this manner and could adversely affect Equinor's ability to pursue business opportunities. The information regarding the Norwegian State's ownership in the information set forth under the heading "Major

Shareholders” in Section 5.3 of Chapter 5 and the risks set forth in “Ownership and action by the Norwegian State” in Section 5.2 of Chapter 5 of the 2022 Annual Report are also incorporated herein by reference.

- The Norwegian State exercises important regulatory powers over Equinor, as well as over other companies and corporations on the NCS. As part of its business, Equinor or the partnerships to which Equinor is a party, frequently need to apply for licences and other approvals from the Norwegian State. Although Equinor is majority-owned by the Norwegian State, it does not receive preferential treatment with respect to licences granted by or under any other regulatory rules enforced by the Norwegian State.

The Petroleum Act sets out the principle that the Norwegian State is the owner of all subsea petroleum on the NCS, that the exclusive right to resource management is vested in the Norwegian State and that the Norwegian State alone is authorised to award licences for petroleum activities as well as determine their terms. Licensees are required to submit a plan for development and operation (PDO) to the MPE for approval. For fields of a certain size, the Storting has to accept the PDO before it is formally approved by the MPE. Equinor is dependent on the Norwegian State for approval of its NCS exploration and development projects and its applications for production rates for individual fields.

Production licences are the most important type of licence awarded under the Petroleum Act. A production licence grants the holder an exclusive right to explore for and produce petroleum within a specified geographical area. The licensees become the owners of the petroleum produced from the field covered by the licence. Production licences are normally awarded for an initial exploration period, which is typically six years, but which can be shorter. The maximum period is ten years. During this exploration period, the licensees must meet a specified work obligation set out in the licence. If the licensees fulfil the obligations set out in the initial licence period, they are entitled to require that the licence be extended for a period specified at the time when the licence is awarded, typically 30 years.

The terms of the production licences are decided by the MPE. Production licences are awarded to groups of companies forming a joint venture at the MPE’s discretion. The members of the joint venture are jointly and severally liable to the Norwegian State for obligations arising from petroleum operations carried out under the licence. The MPE decides the form of the joint operating agreements and accounting agreements. The MPE uses the same standard form of joint operating agreement and accounting agreement for all licenses.

The governing body of the joint venture is the management committee. In licences awarded since 1996 where the State’s direct financial interest (SDFI) holds an interest, the Norwegian State, acting through Petoro AS, may veto decisions made by the joint venture management committee, which, in the opinion of the Norwegian State, would not be in compliance with the obligations set forth in the licence with respect to the Norwegian State’s exploitation policies or financial interests. This power of veto has never been used.

Interests in production licences may be transferred directly or indirectly subject to the consent of the MPE and the approval of the tax treatment by the Ministry of Finance. In most licences, there are no pre-emption rights in favour of the other licensees. However, the SDFI, or the Norwegian State, as appropriate, still hold pre-emption rights in all licences.

The day-to-day management of a field is the responsibility of an operator appointed by the MPE. The operator is in practice always a member of the joint venture holding the production licence, although this is not legally required. The terms of engagement of the operator are set out in the joint operating agreement.

If important public interests are at stake, the Norwegian State may instruct the operators on the NCS to reduce the production of petroleum. An example of this occurred in May 2020, when the Norwegian State imposed a reduction in oil production for the rest of the year, due to the Covid-19 pandemic that led to a lower demand for oil and gas. The reduction in production was distributed between all fields on a pro rata basis.

A licence from the MPE is also required in order to establish facilities for the transportation and utilisation of petroleum. Ownership of most facilities for the transportation and utilisation of petroleum in Norway and on the NCS is organised in the form of joint ventures. The participants’ agreements are similar to joint operating agreements for production.

Licensees are required to prepare a decommissioning plan before a production licence or a licence to establish and use facilities for the transportation and utilisation of petroleum expires or is relinquished, or the use of a facility ceases. On the basis of the decommissioning plan, the MPE makes a decision as to the disposal of the facilities.

The information regarding Equinor’s activities and shares in Equinor’s production licences on the NCS, set forth under the heading ‘Exploration & Production Norway’ in Section 3.1.1 of Chapter 3 of the 2022 Annual Report is incorporated herein by reference.

On 1 July 2022, the MPE decided that parts of the Norwegian Security Act would apply to Equinor. This enables Equinor to receive and handle classified information from the authorities. In 2023, the MTIF and the MPE notified that the Security Act will apply in its entirety to Equinor as an undertaking controlling infrastructure and engaging in activities which are of vital importance to

fundamental national functions. The Security Act entered into force 1 January 2019 and is designed to protect national security interests. The National Security Authority supervises undertakings which are covered by the act.

Gas sales and transportation from the NCS

Equinor markets gas from the NCS on its own behalf and on the Norwegian State's behalf. Dry gas is mainly transported through the Norwegian gas transport system (Gassled) to customers in the UK and mainland Europe, while liquified natural gas is transported by vessels to worldwide destinations.

The Norwegian gas transport system, consisting of the pipelines and terminals through which licensees on the NCS transport their gas, is owned by a joint venture called Gassled. The Norwegian Petroleum Act of 29 November 1996 and the pertaining Petroleum Regulation establish the basis for non- discriminatory third-party access to the Gassled transport system.

The tariffs for the use of capacity in the transport system are determined by applying a formula set out in separate tariff regulations stipulated by the MPE. The tariffs are paid for booked capacity rather than the volumes actually transported.

The information set forth under the heading '*Marketing, midstream and processing (MMP), including new market opportunities in low carbon solutions*' in Section 3.3 of Chapter 3 of the 2022 Annual Report is also incorporated herein by reference.

The Norwegian State's participation

In 1985, the Norwegian State established the State's direct financial interest (SDFI) through which the Norwegian State has direct participating interests in licences and petroleum facilities on the NCS. As a result, the Norwegian State holds interests in a number of licences and petroleum facilities in which Equinor also holds interests. Petoro AS, a company wholly owned by the Norwegian State, was formed in 2001 to manage the SDFI assets.

The Norwegian State has a coordinated ownership strategy aimed at maximising the aggregate value of its ownership interests in Equinor and the Norwegian State's oil and gas. This is reflected in the Owner's Instruction described below, which contains a general requirement that, Equinor, in its activities on the NCS, take account of these ownership interests in decisions that may affect the execution of this marketing arrangement.

SDFI oil and gas marketing and sale

Equinor markets and sells the Norwegian State's oil and gas together with Equinor's own production. The arrangement has been implemented by the Norwegian State through a separate instruction (the Owner's Instruction) adopted by an extraordinary shareholder meeting in 2001, with the Norwegian State as sole shareholder at the time. The Owner's Instruction sets out the specific terms for the marketing and sale of the Norwegian State's oil and gas.

Equinor is obliged under the Owner's Instruction to jointly market and sell the Norwegian State's oil and gas as well as Equinor's own oil and gas. The overall objective of the marketing arrangement is to obtain the highest possible total value for Equinor's oil and gas and the Norwegian State's oil and gas, and to ensure an equitable distribution of the total value creation between the Norwegian State and Equinor.

The Norwegian State may at any time utilise its position as majority shareholder of Equinor to withdraw or amend the Owner's Instruction.

US

Petroleum activities in the US are extensively regulated by multiple agencies in the US federal government, and by tribal, state and local regulation. The US government directly regulates development of hydrocarbons on federal lands, in the US Gulf of Mexico, and in other offshore areas. Different federal agencies directly regulate portions of the industry, and other general regulations related to environmental, safety, and physical controls apply to all aspects of the industry. In addition to regulation by the US federal government, any activities on US tribal lands (indigenous persons' semi-sovereign territory) are regulated by governments and agencies in those areas. Significantly for Equinor's US onshore interests, each individual state has its own regulations of all aspects of hydrocarbon development within its borders. A recent trend also includes local municipalities adopting their own hydrocarbon regulations.

In the US, hydrocarbon interests are considered a private property right. In areas owned by the US government, that means that the government owns the minerals in its capacity as landowner. The federal government, and each tribal and state government, establishes the terms of its own leases, including the length of time of the lease, the royalty rate, and other terms.

The vast majority of onshore minerals, including hydrocarbons, in every US state in which Equinor has onshore interests, belong to private individuals.

In order to explore for or develop hydrocarbons, a company must enter into a lease agreement with the applicable governmental agency for federal, state or tribal land, and for private lands, with each owner of the minerals the company wishes to develop. In each lease, the lessor retains a royalty interest in the production (if any) from the leased area. The lessee owns a working interest and has the right to explore and produce oil and gas. The lessee incurs all the costs and liabilities but will share only the portion of the revenue that is net of costs and expenses and not reserved to the lessor through its royalty interest.

Leases typically have a primary term for a specified number of years (from one to ten years) and a conditional secondary term that is tied to the production life of the properties. If oil and gas is being produced in paying quantities at the end of the primary term, or the operator satisfies other obligations specified in the agreement, the lease typically continues beyond the primary term (Held by Production). Leases typically involve paying the lessor both a signing bonus based on the number of leased acres and a royalty payment based on the production.

Each US state has its own agencies that regulate the development, exploration, and production of oil and gas activities. These state agencies issue drilling permits and control pipeline transportation within state boundaries. The state agencies particularly relevant to Equinor's US onshore activities include: (a) Pennsylvania Department of Environmental Protection's Office of Oil and Gas Management, (b) Ohio Department of Natural Resources, Division of Oil and Gas, and (c) West Virginia Department of Environmental Protection. In addition, some state utility departments handle pipeline transportation within state boundaries, and each state also has its own department regulating environmental, health, and safety issues arising from oil and gas operations.

Brazil

In Brazil, licences are mainly awarded according to a concession regime or a production sharing regime (the latter specifically for areas within the pre-salt polygon area or strategic areas) by the Federal Government. All state-owned and private oil companies may participate in the bidding rounds provided they follow the bidding rules and meet the qualification criteria. The tender protocol issued for each bidding round contains the draft of the concession agreement or the production sharing agreement that the winners must adhere to without the possibility of negotiating its terms, i.e., all the agreements signed under a certain bidding round contain the same general provisions and only differ in the particular items presented in the offers. There is no restriction on foreign participation, provided that the foreign investor incorporates a company under the Brazilian law for signing the agreement and complies with the requirements established by the Brazilian National Agency of Petroleum, Natural Gas and Biofuels (ANP).

The current criteria for the evaluation of bidding offers under the concession regime are: (a) signature bonus; and (b) minimum exploration program. However, in past bidding rounds the participants also had to offer a local content percentage as a firm commitment. Companies can bid individually or in consortium always observing the qualification criteria for operator and non-operators.

The concession agreements are signed by ANP on behalf of the Federal Government. Generally, concessions are granted for a total period of 35 years and typically the exploration phase lasts from two to eight years, while the production phase may last 27 years from the declaration of commerciality. Concessionaires are entitled to request the extension of each of these phases, subject to ANP approval.

In bidding rounds involving the production sharing regime, the law grants to the Brazilian government-controlled company Petroleo Brasileiro S.A. – Petrobras, a right of preference to be the sole operator in the pre-salt fields, with a minimum 30% of participating interest. If this right is exercised, Petrobras may still participate in the bidding round and present offers for the remaining 70% under the same conditions applicable to other participants. Likewise, in the concession bidding rounds, companies may bid individually or together with other companies. The winners are required to form a consortium with Pre-Sal Petroleo S.A. (PPSA), a Brazilian state-owned company, which is responsible for managing the production sharing agreement and selling the production allocated to the Government under the profit oil. PPSA appoints 50% of the members of the operating committee, including the chairperson, in addition to certain veto rights and casting vote.

The current criteria for the evaluation of bidding offers under the production sharing regime is the offered percentage of profit oil. The winner will be the company which offers the highest percentage to the government in accordance with the technical and economic parameters established for each block in the tender documents under a certain bidding round.

Production sharing contracts are signed by the Ministry of Mines and Energy on behalf of the Federal Government. Generally, the contracts are valid for a period of 35 years which, by law, cannot be extended. Of the two phases of the contract – exploration and production – the exploration phase may be extended provided that the total period of the contract remains as 35 years.

In order to perform the exploration and exploitation of oil and gas reserves, companies must obtain an environmental license granted by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA), which, together with ANP, is responsible for the safety and environmental regulations regarding upstream activities.

HSE regulation relevant for the Norwegian upstream oil and gas activities in Norway

Equinor's oil and gas operations in Norway must be conducted in compliance with a reasonable standard of care, taking into consideration the safety of workers, the environment and the economic values of installations and vessels. The Petroleum Act specifically requires that petroleum operations are carried out in such a manner that a high level of safety is maintained and developed in step with technological developments. Equinor is also required at all times to have a plan to deal with emergency situations in Equinor's petroleum operations. During an emergency, the Norwegian Ministry of Labour and Social Inclusion/Norwegian Ministry of Transport/Norwegian Coastal Administration may decide that other parties should provide the necessary resources, or otherwise adopt measures to obtain the necessary resources, to deal with the emergency for the licensees' account.

Liability for pollution damage

The Norwegian Petroleum Act imposes strict liability for pollution damage regardless of fault. Accordingly, as a holder of licences on the NCS, Equinor is subject to statutory strict liability under the Petroleum Act as a result of pollution caused by spills or discharges of petroleum from petroleum facilities in any of Equinor's licences.

A claim against the license holders for compensation relating to pollution damage shall initially be directed to the operator, which in accordance with the terms of the joint operating agreement, will distribute the claim to the other licensees in accordance with their participating interest in the licences.

Discharge permits

Emissions and discharges from Norwegian petroleum activities are regulated through several acts, including the Petroleum Act, the CO_2 Tax Act, the Sales Tax Act, the Greenhouse Gas Emission Trading Act and the Pollution Control Act. Discharge of oil and chemicals in relation to exploration, development and production of oil and natural gas are regulated under the Pollution Control Act. In accordance with the provisions of this Act, an operator must apply for a discharge permit from relevant authorities on behalf of the licence group in order to discharge any pollutants into water. Further, the Petroleum Act states that burning of gas in flares beyond what is necessary for safety reasons to ensure normal operations is not permitted without approval from the MPE. All operators on the NCS have an obligation to, and are responsible, for establishing sufficient procedures for the monitoring and reporting of any discharge into the sea. The Norwegian Environment Agency, the Norwegian Petroleum Directorate and the Norwegian Oil Industry Association have established a joint database for reporting emissions to air and discharges to sea from the petroleum activities, the Environmental Web (EW). All operators on the NCS report emission and discharge data directly into the database.

Regulations on reduction of carbon emissions and CO_2 storage

Equinor's operations in Norway are subject to emissions taxes as well as emissions allowances granted for Equinor's larger European operations under the emissions trading scheme. The agreed strengthening of the EU's emission trading scheme is expected to affect energy and industry installations, which include Equinor's installations at the NCS. The price of emissions allowances has increased significantly since the reforms to the EU Emission Trading Scheme in 2018, and is expected to increase further towards 2030.

The Norwegian Climate Act promotes the implementation of Norway's climate targets as part of the transition to a low-emission society in Norway in 2050. This act may influence our activities through plans and actions implemented by the state to achieve these targets and reference is made to the Climate Plan 2021- 2030 launched 8 January 2021 by the Norwegian Government for achievement of at least 50% and towards 55% reduction in GHG emissions in 2030 compared to 1990 levels. The Climate Plan states that the carbon cost for offshore oil & gas production in Norway will increase to 2000 NOK/t CO2 towards 2030. The Norwegian Government has recently presented an update of the plan, which sets out how to achieve its transition target of reducing Norway's own emissions by 55%.

EU directive 2009/31/EU on storage of CO_2 is implemented in the Pollution Control Act and the Petroleum Act and in regulations adopted under the Petroleum Act. The CO_2 capture and storage at Equinor's Sleipner and Snøhvit fields as well as the Northern Lights and Smeaheia projects are governed by these regulations.

HSE regulation of upstream oil and gas activities in the US

Equinor's upstream activities in the US are heavily regulated at multiple levels, including federal, state, and local municipal regulation. Equinor is subject to those regulations as a part of its activities in the US onshore (including Equinor's assets in Ohio, Pennsylvania and West Virginia), and in the US Gulf of Mexico.

The National Environmental Policy Act of 1969 is an umbrella procedural statute that requires federal agencies to consider the environmental impacts of their actions. Several substantive US federal statutes specifically cover certain potential environmental effects of hydrocarbon extraction activities. Those include: the Clean Air Act, which regulates air quality and emissions; the Federal Water Pollution Control Act (commonly known as the Clean Water Act), which regulates water quality and discharges; the Safe Drinking Water Act, which establishes drinking water standards for tap water and underground injection rules; the Resource Conservation and Recovery Act of 1976, which regulates hazardous and solid waste management; the Comprehensive Environmental

Response, Compensation and Liability Act of 1980, which addresses remediation of legacy disposal sites and release reporting; and the Oil Pollution Act, which provides for oil spill prevention and response.

Other US federal statutes are resource-specific. The Endangered Species Act of 1973 protects listed endangered and threatened species and critical habitat. Other statutes protect certain species, including the Migratory Bird Treaty Act, the Bald and Golden Eagle Protection Act and the Marine Mammal Protection Act of 1972. Other statutes govern natural resource planning and development on federal lands onshore and on the Outer Continental Shelf (OCS), including: the Mineral Leasing Act; the Outer Continental Shelf Lands Act; the Federal Land Policy and Management Act of 1976; the Mining Law of 1872; the National Forest Management Act of 1976; the National Park Service Organic Act; the Wild and Scenic Rivers Act; the National Wildlife Refuge System Administration Act of 1966; the Rivers and Harbors Appropriation Act; and the Coastal Zone Management Act of 1972.

The federal government regulates offshore exploration and production for the OCS, which extends from the edge of state waters (either 3 or 9 nautical miles from the coast, depending on the state) out to the edge of national jurisdiction, 200 nautical miles from shore. The Bureau of Ocean Energy Management (BOEM) manages federal OCS leasing programs, conducts resource assessments, and licences seismic surveys. The Bureau of Safety and Environmental Enforcement (BSEE) regulates all OCS oil and gas drilling and production. The Office of Natural Resources Revenue (ONRR) collects and disburses rents and royalties from offshore and onshore federal and Native American lands.

Additional federal statutes cover certain products or wastes, and focus on human health and safety: the Toxic Substances Control Act regulates new and existing chemicals and products that contain these chemicals; the Hazardous Materials Transportation Act regulates transportation of hazardous materials; the Occupational Safety and Health Act of 1970 regulates hazards in the workplace; the Emergency Planning and Community Right-to-Know Act of 1986 provides emergency planning and notification for hazardous and toxic chemicals.

The federal and state governments share authority to administer some federal environmental programs (e.g., the Clean Air Act and Clean Water Act). States also have their own, sometimes more stringent, environmental laws. Counties, cities and other local government entities may have their own requirements as well.

Equinor continually monitors regulatory and legislative changes at all levels and engages in the stakeholder process through trade associations and direct comments to suggested regulatory and legislative regimes, to ensure that its operations remain in compliance with all applicable laws and regulations. In particular, BSEE drilling and production regulations were extensively revised in response to the 2010 Deepwater Horizon blowout and oil spill. The revised regulatory regime includes requirements for enhanced well design, improved blowout preventer design, testing and maintenance, and an increased number of trained inspectors. The Biden Administration continues to review and revise these regulations, and Equinor is engaged with relevant governmental and industry stakeholders to ensure that Equinor's operations remain in compliance.

HSE regulation of upstream oil and gas activities in Brazil

Equinor's oil and gas operations in Brazil must be conducted in compliance with a reasonable standard of care, taking into consideration the safety and health of workers and the environment. The Brazilian Petroleum Law (Law No. 9,478/97) describes the government's policy objectives for the rational use of the country's energy resources, including the protection of the environment. In addition to the Petroleum Law, Equinor is also subject to many other laws and regulations issued by different authorities, including ANP, IBAMA, Federal Environmental Council (CONAMA) and Brazilian Navy. All those authorities have the power to impose fines in case of non-compliance with the respective rules. The concession and production sharing contracts also impose obligations on operators and consortium members, who are jointly and severally liable. They must, at their own account and risk, assume and fully respond to all losses and damages caused directly or indirectly by the applicable consortium's operations and their performance irrespective of fault, to the ANP, the Federal Government and third parties.

The exploration, drilling and production of oil and gas depend on environmental licences which define the conditions for the implementation of the project and compliance measures to mitigate and control environment impact. Equinor is subject to fines and even licence suspension and/or cancellation in case of non-compliance with such conditions.

In Brazil, Equinor is also required to have an emergency response system as per ANP Ordinance 44/2009 to deal with emergency situations in its petroleum operations, as well as an oil spill response plan for each asset to minimise the environmental impact of any environmental unexpected situation that may generate spill of oil or chemical to sea.

Discharge permits

Discharges from Brazilian petroleum activities are regulated through several acts, including the CONAMA Resolution 393/2007 for produced water, CONAMA Resolution No. 357/2005 and CONAMA Resolution No. 430/2011 for effluents (sewage, etc) and IBAMA technical instructions for drilling waste. According to Environmental Ministry Ordinance No. 422/2011, the discharge of chemicals in connection with exploration, development and production of oil and natural gas is assessed as part of the permitting process and the operator must apply for any discharge permit from relevant authorities on behalf of the licence group in order to discharge any pollutants into the water.

Regulations on reduction of carbon emissions

Although Equinor's operations in Brazil are not subject to emissions taxes (CO_2 limit) yet, there are initiatives within the Brazilian congress for the establishment of a carbon market. At this point it is unclear if and when these initiatives will be turned into law.

The CONAMA Regulation No. 382/06 regulates air emissions limits for pollutant gases (e.g. NOx) from all fixed sources that have total power consumption higher than 100MW.

Gas flares must be authorised by the ANP under ANP Resolution No. 806/2020, which also sets out cases in which ANP authorisation is not necessary.

The Brazilian government signed the Paris Agreement in 2015. During COP26, Brazil updated its ambition to reduce its greenhouse gas emissions by 37% until 2025 and 50% until 2030, compared to 2005 levels. Because of the desire to boost the economy and an expected growing energy demand, the focus on emissions reduction is on improved control of Forests and Land Use and for that Brazil continue to adhere to the Forest for Deal agreement, committing to take actions to reduce illegal deforestation until 2030. The country also adheres to the Global Methane Pledge.

To meet the growing energy demand challenge, the Brazilian government has indicated acceptance for an increase in total emissions in the short term from the industrial and power generation sectors, although the efficiency in power generation and usage will certainly be an important part of the Brazilian government's future approach to the issue.

Regulatory framework for renewable energy operations

Equinor's renewables positions currently mainly consist of offshore wind farms in operation and development in the UK, the state of New York and Poland. In these jurisdictions the legislation is structured around a lease where permission to develop is granted following a series of approvals relating largely to environmental and social impact assessments. The government separately auctions a subsidized power purchase price either through renewable offtake certificates or contracts for difference. In both cases, Equinor and its partners take the risk for developing, constructing and operating the wind farms within a fixed timeframe.

Taxation of Equinor

Norway

Equinor's profits, both from offshore oil and natural gas activities and from onshore activities, are subject to Norwegian corporate income tax. In addition, a special petroleum tax is levied on profits from petroleum production and pipeline transportation on the NCS. In June 2022 the parliament enacted a cash-flow based tax system for the special petroleum tax with effect from 1 January 2022. After the reform, the standard corporate income tax rate is 22% and the special petroleum tax rate is 71.8%. The corporate tax is deductible in the basis for the special petroleum tax, resulting in a 78% marginal tax rate. For further information, see note 11 Income taxes to the Consolidated Financial Statements.

Investment costs in the ordinary tax base (22%) will continue to be depreciated over six years. In the special tax base, investments are written off immediately in line with the cash-flow based tax system. Projects covered by the temporary rules introduced in 2020 have had a tax uplift of 17.69% in 2022. In 2023 the tax uplift is reduced to 12.4%. The temporary rules apply to investments covered by field or infrastructure plans (PDOs and PIOs) submitted to the MPE after 12 May 2020 and before 1 January 2023 and approved before 1 January 2024. The temporary rules will continue to apply until (and including) the year of planned production or project start-up according to the approved plans.

Equinor's international petroleum activities are subject to tax pursuant to local legislation.

US

Equinor's operations in the US are subject generally to corporate income, severance and production, ad valorem and transaction taxes levied by the federal, state and local tax authorities, and to royalties payable to federal, state and local authorities and, in some cases, private landowners. The federal corporate income tax rate in the US is 21%, and there is an alternative 15% minimum tax on corporate book income for corporations with profits over USD 1 billion, effective for tax years beginning after 31 December 2022.

Brazil

Corporate income tax and social contribution are levied on taxable net income at a combined rate of 34%. A simplified tax regime with a lower effective tax rate is available for legal entities with gross revenues below a threshold of 78 million Brazilian reais per year. In addition, there are several indirect taxes but exports are exempt. In January 2023 a new President takes office and new rounds of discussions around certain tax proposals are expected to occur, such as creation of withholding tax on dividends and an export tax for crude oil, among other proposals.

Imports of assets are subject to several customs duties, but a special regime is available for certain assets used in the oil and gas activities allowing suspension of the federal duties and reduction of state duties.

The concession regime usually includes a 10% royalty, and special participation tax that varies based on time, location and production between 10% and 40%. PSA regime usually includes a 15% royalty, an annual 80% cost recovery ceiling, and a biddable government profit share.

Disclosures regarding oil and gas operations

Exhibit 15.5 to this 2022 Form 20-F is incorporated herein by reference. See also notes 5 Segments and 7 Total revenues and other income to the Consolidated financial statements.

The information set forth under the headings "Operational data", "Sales volumes" and "Sales prices" in Section 2.2 of Chapter 2 on pages 75-77, "Unit Production Cost (UPC)" in Section 2.2.1 of Chapter 2 on page 82, and "Optimised oil and gas portfolio" in Section 3.1 of Chapter 3 on pages 111-115 of the 2022 Annual Report is also incorporated herein by reference.

Supplementary oil and gas information pursuant to FASB Topic 932
The following information is reported pursuant to FASB Topic 932.

Capitalised cost related to oil and gas producing activities

Consolidated companies

(in USD million)	2022	2021	At 31 December 2020
Unproved properties	5,917	7,077	**9,034**
Proved properties, wells, plants and other equipment	181,189	193,918	**194,655**
Total capitalised cost	187,106	200,994	**203,690**
Accumulated depreciation, impairment and amortisation	(133,584)	(139,890)	**(136,524)**
Net capitalised cost	53,523	61,104	**67,165**

Net capitalised cost related to equity accounted investments as of 31 December 2022 was USD 463 million, USD 900 million in 2021 and USD 450 million in 2020. The reported figures are based on capitalised costs within the upstream segments in Equinor, in line with the description below for result of operations for oil and gas producing activities.

Expenditures incurred in oil and gas property acquisition, exploration and development activities

These expenditures include both amounts capitalised and expensed.

Consolidated companies

(in USD million)	Norway	Eurasia excluding Norway	Africa	USA	Americas excluding USA	Total
Full year 2022						
Exploration expenditures	494	27	57	150	360	**1,088**
Development costs	4,483	320	379	712	965	**6,859**
Acquired proved properties	110	226	38	0	0	**374**
Acquired unproved properties	6	0	0	0	0	**6**
Total	5,093	573	474	862	1,325	**8,327**
Full year 2021						
Exploration expenditures	522	61	5	139	299	**1,026**
Development costs	4,732	322	256	605	977	**6,892**
Acquired proved properties	3	5	0	0	0	**8**
Acquired unproved properties	6	9	1	24	(3)	**37**
Total	5,263	397	262	768	1,273	**7,963**
Full year 2020						
Exploration expenditures	470	197	81	215	409	**1,372**
Development costs	4,466	436	279	983	565	**6,729**
Acquired proved properties	0	0	36	7	0	**43**
Acquired unproved properties	0	41	2	1	24	**68**
Total	4,936	674	398	1,206	998	**8,212**

Expenditures incurred in exploration and development activities related to equity accounted investments was USD 155 million in 2022, USD 233 million in 2021 and USD 71 million in 2020.

Results of operation for oil and gas producing activities
As required by Topic 932, the revenues and expenses included in the following table reflect only those relating to the oil and gas producing operations of Equinor.

The results of operations for oil and gas producing activities are included in the two upstream reporting segments Exploration & Production Norway (E&P Norway) and Exploration & Production International (E&P International) as presented in note 5 Segments to the Consolidated financial statements. Production cost is based on operating expenses related to production of oil and gas. From the operating expenses certain expenses such as; transportation costs, accruals for over/underlift position and royalty payments costs are excluded. These expenses and mainly upstream business administration are included as other expenses in the tables below. Other revenues mainly consist of gains and losses from sales of oil and gas interests and gains and losses from commodity-based derivatives within the upstream segments.

Income tax expense is calculated on the basis of statutory tax rates adjusted for uplift and tax credits. No deductions are made for interest or other elements not included in the table below.

Consolidated companies

(in USD million)	Norway	Eurasia excluding Norway	Africa	USA	Americas excluding USA	Total
Full year 2022						
Sales	155	554	615	166	88	**1,578**
Transfers	74,468	1,252	3,019	5,168	1,853	**85,760**
Other revenues	1,308	(203)	(1)	213	57	**1,374**
Total revenues	75,931	1,603	3,633	5,547	1,998	**88,712**
Exploration expenses	(366)	(249)	(69)	(220)	(320)	**(1,224)**
Production costs	(2,916)	(202)	(470)	(399)	(518)	**(4,505)**
Depreciation, amortisation and net impairment losses	(4,167)	(623)	(530)	(361)	(579)	**(6,260)**
Other expenses	(866)	(201)	3	(533)	(413)	**(2,010)**
Total costs	(8,315)	(1,275)	(1,066)	(1,513)	(1,830)	**(13,999)**
Results of operations before tax	67,616	328	2,567	4,034	168	**74,713**
Tax expense	(52,070)	(152)	(1,043)	2,458	361	**(50,447)**
Results of operations	15,546	176	1,524	6,492	529	**24,266**
Net income/(loss) from equity accounted investments	0	52	0	0	120	**172**

Consolidated companies

(in USD million)	Norway	Eurasia excluding Norway	Africa	USA	Americas excluding USA	Total
Full year 2021						
Sales	97	476	638	207	16	**1,434**
Transfers	38,578	960	2,021	3,712	1,249	**46,520**
Other revenues	711	(14)	0	221	14	**932**
Total revenues	39,386	1,422	2,659	4,140	1,279	**48,886**
Exploration expenses	(363)	(108)	23	(211)	(362)	**(1,021)**
Production costs	(2,600)	(196)	(497)	(397)	(378)	**(4,068)**
Depreciation, amortisation and net impairment losses	(4,900)	(2,462)	(444)	(1,734)	(416)	**(9,956)**
Other expenses	(1,052)	(140)	53	(674)	(292)	**(2,105)**
Total costs	(8,915)	(2,906)	(865)	(3,016)	(1,448)	**(17,150)**
Results of operations before tax	30,471	(1,484)	1,794	1,124	(169)	**31,736**
Tax expense	(22,887)	835	(652)	(14)	(201)	**(22,919)**
Results of operations	7,585	(649)	1,142	1,110	(370)	**8,817**
Net income/(loss) from equity accounted investments	0	176	0	0	39	**215**

Consolidated companies

(in USD million)	Norway	Eurasia excluding Norway	Africa	USA	Americas excluding USA	Total
Full year 2020						
Sales	76	189	240	218	5	**728**
Transfers	11,778	652	1,621	2,181	910	**17,142**
Other revenues	165	14	0	216	5	**400**
Total revenues	12,019	855	1,861	2,615	920	**18,270**
Exploration expenses	(423)	(295)	(1,034)	(1,000)	(739)	**(3,491)**
Production costs	(2,048)	(192)	(440)	(563)	(376)	**(3,619)**
Depreciation, amortisation and net impairment losses	(5,727)	(2,081)	(737)	(3,827)	(713)	**(13,085)**
Other expenses	(688)	(150)	(56)	(753)	(220)	**(1,867)**
Total costs	(8,886)	(2,718)	(2,267)	(6,143)	(2,048)	**(22,062)**
Results of operations before tax	3,133	(1,863)	(406)	(3,528)	(1,128)	**(3,792)**
Tax expense	(1,429)	718	(168)	(30)	(252)	**(1,159)**
Results of operations	1,704	(1,145)	(574)	(3,558)	(1,380)	**(4,951)**
Net income/(loss) from equity accounted investments	0	(136)	0	0	(10)	**(146)**

Average production cost in USD per boe based on entitlement volumes (consolidated)	Norway	Eurasia excluding Norway	Africa	USA	Americas excluding USA	Total
2022	6	13	12	4	21	**7**
2021	5	11	12	3	19	**6**
2020	4	10	9	4	14	**5**

Production cost per boe is calculated as the production costs in the result of operations table, divided by the produced entitlement volumes (mboe) for the corresponding period.

C. Organizational Structure

Exhibit 8 to this 2022 Form 20-F is incorporated herein by reference.

D. Property, Plant and Equipment

Equinor has interests in real estate in many countries throughout the world, including as part of certain developments and projects of Equinor or in which Equinor participates.

Equinor's largest office buildings are (i) its head office located at Forusbeen 50, Stavanger, Norway which comprises approximately 135,000 square meters of office space, (ii) its office building in Sandslivegen 90, Bergen, Norway which comprises approximately 99,488 square meters of office space, and (iii) its office building located at Fornebu on the outskirts of Oslo which comprises approximately 65,500 square meters. All three office buildings are leased by Equinor. Under a new lease agreement entered into in 2022 for the office building at Fornebu, Equinor has reduced its area to 44,500 square meters with effect from around the start of year 2024. The office building in Bergen is owned by Sandsliveien 90 AS, a subsidiary of Equinor Pensjon.

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Investments in Section 2.2.2 of Chapter 2 on pages 87 – 88;
- Exploration & Production Norway in Section 3.1.1 of Chapter 3 on pages 116 – 124;
- Exploration & Production International in Section 3.1.2 of Chapter 3 on pages 125 – 131;
- Exploration & Production USA in Section 3.1.3 of Chapter 3 on pages 132 – 135;
- High-value growth in renewables in Section 3.2 of Chapter 3 on pages 136 – 139;
- Marketing, midstream and processing (MMP), including new market opportunities in low carbon solutions in Section 3.3 of Chapter 3 on pages 140 – 148; and
- Production per field in Section 5.5 of Chapter 5 on pages 297 – 301.

See also notes 12 Property, plant and equipment and 25 Leases to the Consolidated financial statements

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The discussion does not address certain items in respect of 2020. A discussion of such items may be found in the Annual Report on Form 20-F for the year ended 31 December, 2021, filed with the SEC 18 March 2022.

A. Operating Results

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Group Analysis in Section 2.2 of Chapter 2 on pages 70 – 74;
- Group outlook in Section 2.2 of Chapter 2 on page 74;
- Efficient and predictable operations in Section 2.2.1 of Chapter 2 on pages 80 – 82;
- Contextual Introduction, Management approach, Physical Climate Risk and Performance Disclosure in Section 2.2.2 of Chapter 2 on pages 83 – 87;
- Return on average capital employed (ROACE), Relative ROACE (peer group rank) and Relative TSR in Section 2.2.2 of Chapter 2 on pages 88 – 89;
- Net zero pathway in Section 2.3.1 of Chapter 2 on pages 100 – 103;
- Emissions reductions in Section 2.3.2 of Chapter 2 on pages 104 – 108;
- Reporting Segment Performance in Chapter 3 on pages 110 – 111;
- Performance review in Section 3.1.1 of Chapter 3 on pages 118 – 119;
- Performance review in Section 3.1.2 of Chapter 3 on pages 126 – 127;
- Performance review in Section 3.1.3 of Chapter 3 on pages 132 – 133;
- Performance review in Section 3.2 of Chapter 3 on pages 138 – 139;
- Performance review in Section 3.3 of Chapter 3 on pages 146 – 148; and
- Performance review in Section 3.4 of Chapter 3 on page 149.

See also the information set forth under the heading “Applicable Laws and Regulations” in “Item 4—Information on the Company—B. Business Overview” of this 2022 Form 20-F, and note 3 Consequences of inititiatives to limit climate changes to the Consolidated financial statements.

B. Liquidity and capital resources

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Capital and liquidity management in Section 1.6 of Chapter 1 on pages 30 – 31, excluding the information in the second and sixth paragraphs under the sub-heading “Debt and Credit Rating”; and
- Review of cash flows and Balance sheet and financial indicators in Section 2.2 of Chapter 2 on pages 72 – 73; and
- Investments in Section 2.2.2 of Chapter 2 on pages 87 – 88.

Any credit rating referred to in this 2022 Form 20-F is not a recommendation to buy, hold or sell any of our or our subsidiaries’ securities. Credit ratings may be changed, suspended or withdrawn at any time, and each rating should be evaluated independently of any other rating.

Equinor expects to complete the transition from London Inter-bank Offered Rates (LIBOR) to alternative reference rates within 2023. For interest rate derivatives contracts, Equinor in general follows the ISDA Fallback Protocol outlining the process for conversion of LIBOR to the Official ISDA Fallback Rates for derivatives, or other official adjusted reference rates (such as SONIA or SOFR). The transition from LIBOR to alternative reference rates for floating rate bonds follows in general the principles outlined by ICMA (International Capital Markets Association) and loan agreements and facilities in general follows the LMA (Loan Market Association). Equinor believes that the financial risks for Equinor related to the transition are small.

See also notes 18 Trade and other receivables, 19 Cash and cash equivalents, 21 Finance debt, 23 Provisions and other liabilities, 24 Trade, other payables and provisions, 25 Leases, and 26 Other commitments, contingent liabilities and contingent assets to the Consolidated financial statements.

Principal contractual obligations

The following table summarises principal contractual obligations, excluding derivatives and other hedging instruments, as well as asset retirement obligations which for the most part are expected to lead to cash disbursements more than five years into the future. See note 23 for a maturity profile on asset retirement obligations and other provisions.

Non-current finance debt in the table represents principal payment obligations, including interest obligation. Obligations payable by Equinor to entities accounted for in the Equinor group using the equity method are included in the table below with Equinor's full proportionate share. For assets that are included in the Equinor accounts through joint operations or similar arrangements, the amounts in the table include the net commitment payable by Equinor (i.e., Equinor's proportionate share of the commitment less Equinor's ownership share in the applicable entity).

Principal contractual obligations

	As at 31 December 2022 Payment due by period [1]				
(in USD million)	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Undiscounted non-current finance debt- principal and interest[2]	3,147	6,292	5,785	19,953	**35,177**
Undiscounted leases[3]	1,325	1,421	504	585	**3,835**
Nominal minimum other long-term commitments[4]	2,603	3,995	2,569	5,733	**14,900**
Total contractual obligations	7,075	11,708	8,858	26,271	**53,912**

1) "Less than 1 year" represents 2023; "1-3 years" represents 2024 and 2025, "3-5 years" represents 2026 and 2027, while "More than 5 years" includes amounts for later periods.
2) See note 21 Finance debt to the Consolidated financial statements. The main differences between the table and the note relate to interest.
3) See note 4 Financial risk management to the Consolidated financial statements.
4) See note 26 Other commitments and contingencies to the Consolidated financial statements.

Equinor had contractual commitments of USD 5,454 million at 31 December 2022. The contractual commitments reflect Equinor's share and mainly comprise construction and acquisition of property, plant and equipmentas well as committed investments/funding or resources in equity accounted entities.

Equinor's projected pension benefit obligation was USD 7,670 million, and the fair value of plan assets amounted to USD 5,218 million as of 31 December 2022. The company's payments regarding these benefit plans are mainly related to employees in Norway. See note 22 Pensions to the Consolidated financial statements for more information.

Off balance sheet arrangements

Equinor is party to various agreements such as transportation and processing capacity contracts, that are not recognised in the balance sheet. Furthermore, Equinor is lessee in a range of lease contracts, whereas all leases shall be recognised in the balance sheet. Commitments regarding the non-lease components of lease contracts as well as leases that have not yet commenced are not

recognised in the balance sheet and represent off balance sheet commitments. Equinor is also party to certain guarantees, commitments and contingencies that, pursuant to IFRS, are not necessarily recognised in the balance sheet as liabilities. See note 26 Other commitments and contingencies to the Consolidated financial statements for more information.

Summarised financial information related to guaranteed debt securities

The following summarised financial information provides financial information of Equinor Energy AS as co-obligor and guarantor as required by SEC Rule 3-10 and 13-01 of Regulation S-X.

Equinor Energy AS is a 100% owned subsidiary of Equinor ASA. Equinor Energy AS is the co-obligor of certain existing debt securities of Equinor ASA and has guaranteed certain existing debt securities of Equinor ASA, including in each case debt securities that are registered under the US Securities Act of 1933 ("US registered debt securities").

As co-obligor, Equinor Energy AS fully, unconditionally and irrevocably assumes and agrees to perform, jointly and severally with Equinor ASA, the payment and covenant obligations for certain debt held by Equinor ASA. As a guarantor, Equinor Energy AS fully and unconditionally guarantees the payment obligations for certain debt held by Equinor ASA. Total debt at 31 December 2022 is USD 26,683 million, all of which is either guaranteed by Equinor Energy AS (USD 24,540 million), or for which Equinor Energy AS is co-obligor (USD 2,143 million). In the future, Equinor ASA may from time to time issue debt for which Equinor Energy AS will be the co-obligor or guarantor.

The applicable US registered debt securities and related guarantees of Equinor Energy AS are unsecured and rank equally with all other unsecured and unsubordinated indebtedness of Equinor ASA and Equinor Energy AS. The guarantees of Equinor Energy AS are subject to release in limited circumstances upon the occurrence of certain customary conditions. With respect to US registered debt securities (and certain other debt securities) issued on or after 18 November 2019, Equinor Energy AS will automatically and unconditionally be released from all obligations under its guarantee and the guarantee shall thereupon terminate and be discharged of no further force or effect, in the event that at substantially the same time as its guarantee of such debt securities is terminated, the aggregate amount of indebtedness for borrowed money for which Equinor Energy AS is an obligor (as a guarantor, co-issuer or borrower) does not exceed 10% of the aggregate principal amount of indebtedness for borrowed money of Equinor ASA and its subsidiaries, on a consolidated basis, as of such time.

Internal dividends, group contributions and repayment of capital from Equinor Energy AS to Equinor ASA are regulated in the Norwegian Public Limited Liabilities Act §§ 3-1 - 3-5.

The following summarised financial information for the year ended 31 December 2022 provides financial information about Equinor ASA, as issuer, and Equinor Energy AS, as co-obligor and guarantor on a combined basis after elimination of transactions between Equinor ASA and Equinor Energy AS. Investments in non-guarantor subsidiaries are eliminated. Currency gain on transactions between Equinor ASA and Equinor Energy AS of USD 4,607 million is included in financial items in accordance with the IFRS group accounting principles and are included in external items in the Condensed profit and loss statement.

Intercompany balances and transactions between the obligor group and the non-guarantor subsidiaries are presented on separate lines. Transactions with related parties are also presented on a separate line item and include transactions with the Norwegian State's and the Norwegian State’s share of dividend declared but not paid.

The combined summarized financial information is prepared in accordance with Equinor's IFRS accounting policies as described in note 2 Significant accounting policies to the Consolidated financial statements.

COMBINED PROFIT AND LOSS STATEMENT FOR EQUINOR ASA AND EQUINOR ENERGY AS

(unaudited, in USD million)	Full year 2022
Revenues and other income	**137,153**
External	122,110
Non-guarantor subsidiaries	14,649
Related parties	394
Operating expenses	**(58,328)**
External (incl depreciation)	(31,245)
Non-guarantor subsidiaries	(12,971)
Related parties	(14,112)
Net operating income	**78,825**
Net financial items	**1,118**
External	(115)
Non-guarantor subsidiaries	1,233
Related parties	-
Income before tax	**79,943**
Income tax	(51,197)
Net income	**28,746**

COMBINED BALANCE SHEET FOR EQUINOR ASA AND EQUINOR ENERGY AS

(unaudited, in USD million)	At 31 December 2022
Non-current assets	**49,422**
External	35,398
Non-guarantor subsidiaries	12,505
Related parties	1,519
Current assets	**64,426**
External	57,912
Non-guarantor subsidiaries	6,336
Related parties	178
Non-current liabilities	**53,935**
External	52,107
Non-guarantor subsidiaries	139
Related parties	1,689
Current liabilities	**53,010**
External	30,550
Non-guarantor subsidiaries	21,402
Related parties	1,058

C. Research and development, Patents and Licences, etc.

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Technology development in Section 1.3 of Chapter 1 on page 21; and
- Research and development in Section 1.5 of Chapter 1 on page 29.

See also notes 9 Auditor's remuneration and Research and development expenditures and 12 Property, plant and equipment to the Consolidated financial statements.

D. Trend information

The information set forth under the heading "*Equinor's market perspective*" in Section 1.4 of Chapter 1 on pages 23 – 24 of the 2022 Annual Report is incorporated herein by reference. See also "Item 5. Operating and Financial Review—A. Operating Results" of this 2022 Form 20-F.

E. Critical Accounting Estimates

Not Applicable.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

Members of Equinor's board of directors as of 31 December 2022:

Jon Erik Reinhardsen
Born: 1956
Position: Shareholder-elected chair of the board and chair of the board's compensation and executive development committee.
Term of office: Chair of the board of Equinor ASA since 1 September 2017. Up for election in 2023.
Independent: Yes
Other directorships:
Listed companies: Member of the board of Oceaneering International, Inc. and Telenor ASA.
Non-listed companies: Member of the board of Awilhelmsen AS and Bico bygg og Innredning AS and chair of the board of Fire Security AS.
Number of shares in Equinor ASA as of 31 December 2022: 4,584
Loans from Equinor: None
Experience: Reinhardsen is a part-time senior advisor with BearingPoint Capital. Reinhardsen was the Chief Executive Officer of Petroleum Geo-Services (PGS) from 2008 - 2017. PGS delivers global geophysical- and reservoir services. In the period 2005 - 2008 Reinhardsen was President Growth, Primary Products in the international aluminium company Alcoa Inc. with headquarters in the US, and he was in this period based in New York. From 1983 - 2005, Reinhardsen held various positions in the Aker Kværner group, including Group Executive Vice President of Aker Kværner ASA, Deputy Chief Executive Officer and Executive Vice President of Aker Kværner Oil & Gas AS in Houston and Executive Vice President in Aker Maritime ASA.
Education: Master's degree in Applied Mathematics and Geophysics from the University of Bergen. He has also attended the International Executive Program at the Institute for Management Development (IMD) in Lausanne, Switzerland.
Family relations: No family relations to other members of the board, members of the corporate executive committee or the corporate assembly.
Other matters: In 2022, Reinhardsen participated in eight ordinary board meetings, four extraordinary board meetings, six meetings of the compensation and executive development committee and two meetings of the audit committee. Reinhardsen is a Norwegian citizen and resident in Norway.

Anne Drinkwater
Born: 1956
Position: Shareholder-elected deputy chair of the board, chair of the board's audit committee and member of the board's safety, sustainability and ethics committee.
Term of office: Member of the board of Equinor ASA since 1 July 2018, deputy chair of the board since 1 July 2022. Up for election in 2023.
Independent: Yes
Other directorships:
Listed company: Non-executive member of the board of Balfour Beatty plc.
Number of shares in Equinor ASA as of 31 December 2022: 1,100
Loans from Equinor: None
Experience: Drinkwater was employed with bp in the period 1978 - 2012, holding a number of different leadership positions in the company. In the period 2009 - 2012 she was chief executive officer of bp Canada. She has extensive international experience, including being responsible for operations in the US, Norway, Indonesia, the Middle East and Africa. Through her

career Drinkwater has acquired a deep understanding of the oil and gas sector, holding both operational roles, and more distinct business responsibilities.
Education: Bachelor of Science in Applied Mathematics and Statistics, Brunel University London.
Family relations: No family relations to other members of the board, members of the corporate executive committee or the corporate assembly.
Other matters: In 2022, Drinkwater participated in eight ordinary board meetings, four extraordinary board meetings, six meetings of the audit committee and five meetings of the safety, sustainability and ethics committee. Drinkwater is a British citizen and resident in the US.

Rebekka Glasser Herlofsen
Born: 1970
Position: Shareholder-elected member of the board, the board's audit committee and the board's compensation and executive development committee.
Term of office: Member of the board of Equinor ASA since 19 March 2015. Up for election in 2023.
Independent: Yes
Other directorships:
Listed companies: Member of the board of SATS ASA, Rockwool International A/S, BW Offshore ASA and Wilh. Wilhelmsen Holding ASA.
Non-listed companies: Chair of the Board of Norwegian Hull Club (NHC) and Handelsbanken Norge, and board member of Torvald Klaveness Group.
Number of shares in Equinor ASA as of 31 December 2022: 220
Loans from Equinor ASA: None
Experience: Herlofsen is an independent board member and consultant. She was previously the Chief Financial Officer in Wallenius Wilhelmsen ASA, an international shipping company. Before joining Wallenius Wilhelmsen, she was the Chief Financial Officer in the shipping company Torvald Klaveness since 2012. She has broad financial and strategic experience from several corporations and board directorships. Herlofsen's professional career began in the Nordic Investment Bank, Enskilda Securities, where she worked with corporate finance from 1995 to 1999 in Oslo and London. During the next ten years Herlofsen worked in the Norwegian shipping company Bergesen d.y. ASA (later BW Group). During her period with Bergesen d.y. ASA/BW Group she held leading positions within M&A, strategy and corporate planning and was part of the group management team.
Education: MSc in Economics and Business Administration ("Siviløkonom") and Certified Financial Analyst Program (AFA), the Norwegian School of Economics (NHH). Breakthrough Program for Top Executives at IMD business school, Switzerland.
Family relations: No family relations to other members of the Board, members of the Corporate Executive Committee or the Corporate Assembly.
Other matters: In 2022, Herlofsen participated in eight ordinary board meetings, four extraordinary board meetings, three meetings of the compensation and executive development committee and six meetings of the audit committee. Herlofsen is a Norwegian citizen and resident in Norway.

Jonathan Lewis
Born: 1961
Position: Shareholder-elected member of the board, chair of the board's safety, sustainability and ethics committee and member of the board's audit committee.
Term of office: Member of the board of Equinor ASA since 1 July 2018. Up for election in 2023.
Independent: Yes
Other directorships:
Listed company: Member of the board of Capita plc.
Number of shares in Equinor ASA as of 31 December 2022: None
Loans from Equinor: None
Experience: Lewis joined Capita as its chief executive officer (CEO) in December 2017; having previously spent 30 years working for large multi-national companies in technology-enabled industries. Lewis came to Capita plc from Amec Foster Wheeler plc, a global consulting, engineering and construction company, where he was CEO from 2016 - 2017. Prior to this, he held a number of senior leadership positions at Halliburton, where he was employed in the period 1996 - 2016. Lewis has previously held several directorships within technology and the oil and gas industry.
Education: Lewis has a PhD in Reservoir Characterisation from University of Reading and a Bachelor of Science degree in Geology from Kingston University.
Family relations: No family relations to other members of the board, members of the corporate executive committee or the corporate assembly.
Other matters: In 2022, Lewis participated in eight ordinary board meetings, four extraordinary board meetings, three meetings of the compensation and executive development committee, five meetings of the audit committee and five meetings of the safety, sustainability and ethics committee. Lewis is a British and US citizen, and resident in the UK.

Finn Bjørn Ruyter
Born: 1964

Position: Shareholder-elected member of the board and member of the board's audit committee and the board's compensation and executive development committee.
Term of office: Member of the board of Equinor ASA since 1 July 2019. Up for election in 2023.
Independent: Yes
Other directorships:
Non-listed companies: Chair of the board of Fornybar Norge AS and board member of Cegal Sysco AS, in addition to several companies fully or partly owned by Hafslund.
Number of shares in Equinor ASA as of 31 December 2022: 620
Loans from Equinor: None
Experience: Ruyter has since July 2012 been chief executive officer (CEO) of Hafslund AS. He was chief financial officer (CFO) in the company from 2010 - 2011. In 2009 - 2010 he worked in the Philippine hydro power company SN Aboitiz Power. In the period 1996 - 2009 he led the power trading entity and from 1999 also the energy division in Elkem. From 1991 - 1996 Ruyter worked with energy trading in Norsk Hydro.
Education: Master's degree in Mechanical Engineering from the Norwegian University of Technology (NTNU) and an MBA from BI Norwegian School of Management.
Family relations: No family relations to other members of the board, members of the corporate executive committee or the corporate assembly.
Other matters: In 2022, Ruyter participated in eight ordinary board meetings, four extraordinary board meetings, six meetings of the audit committee and six meetings of the compensation and executive development committee. Ruyter is a Norwegian citizen and resident in Norway.

Tove Andersen
Born: 1970
Position: Shareholder-elected member of the board and the board's safety, sustainability and ethics committee.
Term of office: Member of the board of Equinor ASA since 1 July 2020. Up for election in 2023.
Independent: Yes
Other directorships:
Listed company: Member of the board of Borregaard ASA.
Number of shares in Equinor ASA as of 31 December 2022: 4,700
Loans from Equinor: None
Experience: Andersen is President & CEO of Tomra Systems ASA as of 16 August 2021. Prior to this, she held the position as executive vice president for Europe in Yara International ASA. Andersen was part of the executive management team in Yara since 2016 where she also held positions as executive vice president, Production and executive vice president, Supply Chain. Previously she has had several management roles within Yara and Norsk Hydro/Yara and she started in Norsk Hydro in 1997. She has extensive international industrial experience, and she has broad board experience.
Education: Master of Science (Sivilingeniør) from Norwegian Institute of Technology (NTNU) and a Master of Business Administration from the BI Norwegian Business School.
Family relations: No family relations to other members of the board, members of the corporate executive committee or the corporate assembly.
Other matters: In 2022, Andersen participated in eight ordinary board meetings, three extraordinary board meetings, two meetings of the compensation and executive development committee and two meetings of the board's safety, sustainability and ethics committee. Andersen is a Norwegian citizen and resident in Norway.

Michael D. Lewis
Born: 1967
Position: Shareholder-elected member of the board and the board's compensation and executive development committee.
Term of office: Member of the board of Equinor ASA since 1 July 2022. M. Lewis resigned from his position as member of the board of directors in Equinor ASA with effect as of 16 March 2023.
Independent: Yes
Other directorships:
Non-listed companies: Member of the Natural Environment Research Council (NERC) and the board of Energy UK.
Number of shares in Equinor ASA as of 31 December 2022: None
Loans from Equinor ASA: None
Experience: Lewis joined as CEO to E.ON UK plc in 2017; having previously held the position as CEO of E.ON Climate & Renewables GmbH in the period 2015-2017 and Chief Operating Officer in the same company from 2007-2015. He held the role as Vice President Corporate Strategy in E.ON AG from 2004-2007. Lewis has also worked as Equity Analyst, Strategy Analyst and Environmental Specialist and Environmental Scientist in other companies. Lewis has extensive international experience and broad board experience.
Education: Lewis holds an MA in Environmental Law from De Montfort University, MSc Pollution and Environmental Control from the University of Manchester and BEng (Hons) Engineering Technology from Leicester Polytechnic. He is a Chartered Engineer (CEng) and a Fellow of the Institution of Mechanical Engineers (FIMechE).
Family relations: No family relations to other members of the board, members of the corporate executive committee or the

corporate assembly.
Other matters: In 2022, Lewis participated in four ordinary board meetings, one extraordinary board meetings and three meetings of the compensation. Lewis is a dual British/German citizen, and currently resident in the UK.

Haakon Bruun-Hanssen
Born: 1960
Position: Shareholder-elected member of the board, the board's compensation and executive development committee and the board's safety, sustainability and ethics committee.
Term of office: Member of the Board of Equinor ASA since 12 December 2022. Up for election in 2023.
Independent: Yes
Other directorships:
Non-listed companies: Member of the Advisory Board at Kongsberg Defence & Aerospace (KDA) and Dolphitech
Number of shares in Equinor ASA as of 31 December 2022: None
Loans from Equinor ASA: None
Experience: Bruun-Hanssen held the position as Chief of Norwegian Defence Forces from 2013-2020, previously having held the position as Chief Norwegian Joint Operational Headquarters from 2011-2013 and Chief Royal Norwegian Navy from 2009-2011, Chief of staff Royal Norwegian Navy from 2007-2009 and Chief Naval Operations centre from 2003-2007. Prior to this he has had an extensive career in the Norwegian Military.
Education: Bruun-Hanssen has a broad education through the Norwegian Military; Petty Officer training school, Norwegian naval Academy, Submarine Commanding officer course and Higher command course, Forsvarets Høyskole. He is also educated at Military Command and Staff college, Instituut Defensie Leergangen in The Netherlands and has participated in work sessions relating to board roles and tasks at Insead In-Board Nordic Academy.
Family relations: No family relations to other members of the board, members of the corporate executive committee or the corporate assembly.
Other matters: Bruun-Hanssen is a Norwegian citizen, and resident in Norway.

Stig Lægreid
Born: 1963
Position: Employee-elected member of the board and member of the board's safety, sustainability and ethics committee.
Term of office: Member of the board of Equinor ASA since 1 July 2013. Up for election in 2023.
Independent: No
Other directorships: None
Number of shares held in Equinor ASA as of 31 December 2022: 5
Loans from Equinor: None
Experience: Lægreid is now a full-time employee representative as the leader of NITO, Equinor. He has been occupied as weight estimator for platform design from 2005 and prior to this as project engineer and constructor for production of primary metals. Employed in ÅSV and Norsk Hydro since 1985.
Education: Bachelor’s degree, Mechanical Construction from Oslo college of engineering (OIH).
Family relations: No family relationships to other board members, members of the corporate executive committee or the corporate assembly.
Other matters: In 2022, Lægreid participated in eight ordinary board meetings, four extraordinary board meetings and five meetings of the safety, sustainability and ethics committee. Lægreid is a Norwegian citizen and resident in Norway.

Per Martin Labråten
Born: 1961
Position: Employee-elected member of the board, and member of the board’s compensation and executive development committee and the board’s safety, sustainability and ethics committee.
Term of office: Member of the board of Equinor ASA since 8 June 2017. Up for election in 2023.
Independent: No
Other directorships: Labråten is a member of the executive committee of the Industry Energy (IE) trade union and holds a number of positions as a result of this.
Number of shares in Equinor ASA as of 31 December 2022: 587
Loans from Equinor: None
Experience: Labråten is now a full-time employee representative as the leader of IE Equinor branch. He has previously worked as a process technician at the petrochemical plant on Oseberg field in the North Sea.
Education: Labråten has a craft certificate as a process/chemistry worker.
Family relations: No family relations to other members of the board, members of the corporate executive committee or the corporate assembly.
Other matters: In 2022, Labråten participated in eight ordinary board meetings, four extraordinary board meetings, four meetings of the compensation and executive development committee and five meetings of the safety, sustainability and ethics committee. Labråten is a Norwegian citizen and resident in Norway.

Hilde Møllerstad
Born: 1966
Position: Employee-elected member of the board and member of the board's audit committee.
Term of office: Member of the board of Equinor ASA since 1 July 2019. Up for election in 2023.
Independent: No
Other directorships: Chair of Tekna's ethical board.
Number of shares held in Equinor ASA as of 31 December 2022: 6,290
Loans from Equinor: None
Experience: Møllerstad has been employed by Equinor since 1991 and works within petroleum technology discipline in Exploration & Production International. Møllerstad has been a member of the Corporate Assembly in Equinor from 2013 - 2019 and was a board member of Tekna Private from 2012 - 2017 and she has had several trust offices in Tekna Equinor since 1993.
Education: Chartered engineer from Norwegian University of Science and Technology (NTNU) and Project Management Essential (PME) from Norwegian Business School BI/ Norwegian University of Science and Technology (BI/NTNU).
Family relations: No family relationships to other board members, members of the corporate executive committee or the corporate assembly.
Other matters: In 2022, Møllerstad participated in eight ordinary board meetings, four extraordinary board meetings and five meetings of the audit committee. Møllerstad is a Norwegian citizen and resident in Norway.

The composition of the board of directors changed as follows in 2022: Michael D. Lewis was elected to the board with effect from 1 July 2022; Jeroen van der Veer left the board as of 30 June 2022 and Anne Drinkwater replaced him as the deputy chair as of 1 July 2022; Haakon Bruun-Hanssen was elected with effect from 12 December 2022 replacing Bjørn Tore Godal who left the board as of 11 December 2022.

Members of Equinor's corporate executive committee as of 31 December 2022:

Anders Opedal
Born: 1968
Position: President and chief executive officer (CEO) since 2 November 2020
External offices: None
Numbers of shares in Equinor ASA as of 31 December 2022 46,996
Loans from Equinor: None
Experience: Opedal joined Equinor in 1997. From 2018 -2020 he held the position of Executive Vice President Technology, Projects and Drilling. From August to October 2018, he was Executive Vice President for Development, Production Brazil and prior to this Senior Vice President for Development, Production International Brazil. He also held the position as Equinor's Chief Operating Officer. In 2011 he took on the role as Senior Vice President in Technology, Projects and Drilling; where he was responsible for Equinor's NOK 300 billion project portfolio. From 2007 - 2010 he served as Chief Procurement Officer. He has held a range of technical, operational and leadership positions in the company and started as a petroleum engineer in the Statfjord operations. Prior to Equinor Opedal worked for Schlumberger and Baker Hughes.
Education: MBA from Heriot-Watt University and master's degree in Engineering (sivilingeniør) from the Norwegian Institute of Technology (NTH) in Trondheim.
Family relations: No family relations to other members of the corporate executive committee, members of the board or the corporate assembly.
Other matters: Opedal is a Norwegian citizen and resident in Norway.

Torgrim Reitan
Born: 1969
Position: Executive Vice President and Chief Financial Officer since 6 October 2022
External offices: None
Number of shares held in Equinor ASA as of 31 December 2022: 11,473
Loans from Equinor:
Experience: Reitan joined Equinor in 1995. He comes from the position of Senior Vice President for Finance and Control in Equinor's Renewables business area, which he held since 2020. From 2018 - 2020 he was Executive Vice President for Development and production international, and from 2015 - 2018 Reitan held the position as Executive Vice President of Development and Production USA. Prior to this he held the position as Executive Vice President and Chief Financial Officer from 2010 - 2015. He has held several management positions in Equinor prior to this, including Senior Vice President in trading and operations in the Natural gas business area in 2009 - 2010, Senior Vice President in Performance management and analysis from 2007 - 2009, and from 2005 - 2007 he was Senior Vice President in Performance Management, Tax and M&A. From 1995 - 2004 Reitan held various positions in the Natural Gas business area and corporate functions.
Education: Master of science degree from the Norwegian School of Economics and Business administration (NHH).
Family relations: No family relations to other members of the Corporate Executive Committee, members of the Board or the Corporate Assembly.
Other matters: Torgrim Reitan is a Norwegian citizen and resident in Norway.

Jannicke Nilsson
Born: 1965
Position: Executive vice president safety, security & sustainability (SSU) since 1 June 2021
External offices: Member of the board of Odfjell SE and Jotun A/S
Number of shares in Equinor ASA as of 31 December 2022: 59,380
Loans from Equinor: None
Experience: Nilsson joined Equinor in 1999. She comes from the position of Executive Vice President and COO, which she held from 1 December 2016. As COO, she established the Digital Centre of Excellence in 2017 to drive Equinor digital transformation to deliver tangible performance within its always safe, high value and low carbon values. In August 2013 she was appointed Programme Leader for the Equinor Technical Efficiency Programme (STEP). She has held a number of central management positions within Upstream Operations Norway, including Senior Vice President for Technical Excellence in Technology, Projects & Drilling, Senior Vice President for Operations North Sea, Vice President for Modifications and Project Portfolio Bergen and Platform Manager at Oseberg South.
Education: MSc in cybernetics and process automation and a BSc in automation from the Rogaland Regional College/University of Stavanger.
Family relations: No family relations to other members of the corporate executive committee, members of the board or the corporate assembly.
Other matters: Nilsson is a Norwegian citizen and resident in Norway.

Kjetil Hove
Born: 1965
Position: Executive vice president Exploration & Production Norway (EPN) since 1 January 2021
External offices: Member of the board of The Norwegian Oil & Gas Association (Norsk Olje & Gass)
Number of shares in Equinor ASA as of 31 December 2022: 20,149

Loans from Equinor: None
Experience: Hove joined Equinor in 1991. He has held several central management positions in Equinor. He comes from the position of Senior Vice President Field Life Extension, which he held since January 2020. Prior to this, Hove was Senior Vice President for Operations Technology in Development & Production Norway. From 2000 - 2012 he worked internationally, including as Country Manager for Equinor in Brazil for 3.5 years. Hove started his career in 1991 in Norsk Hydro within petroleum technology holding various positions within exploration, field development and operations in Norway.
Education: Master's degree in petroleum engineering from Norwegian University of Science and Technology (NTNU).
Family relations: No family relations to other members of the corporate executive committee, members of the board or the corporate assembly.
Other matters: Hove is a Norwegian citizen and resident in Norway.

Alasdair Cook
Born:1975
Position: Executive Vice President, Exploration & Production International (EPI) since 1 January 2021
External offices: Member of the Board of The Power of Nutrition
Number of shares in Equinor ASA as of 31 December 2022: 3,738
Loans from Equinor: None
Experience: Cook joined Equinor in 2016. He comes from the position of Executive Vice President Global Strategy & Business Development (GSB), which he had since May 2018. He started as SVP in Development & Production International (DPI) overseeing operations in Angola, Argentina, Azerbaijan, Libya, Nigeria, Russia and Venezuela. He joined from bp, where he was Chief of Staff to the CEO. From 2009 - 2014 Cook led the development of the Southern Gas Corridor from Azerbaijan to Europe. From 2005 - 2009 he led exploration and project developments in Vietnam and acted as President for bp Vietnam. He worked in field operations in the North Sea from 2002 - 2005, becoming Offshore Installation Manager on the Cleeton platform. Cook joined bp in 1996, initially working in commercial, project and exploration roles.
Education: MA in Natural Sciences from St. John's College, Cambridge University and International Executive Programme at INSEAD.
Family relations: No family relations to other members of the Corporate Executive Committee, members of the Board or the Corporate Assembly.
Other matters: Cook is a UK citizen and resident in the UK. Cook left the CEC as of 31 December 2022.

Geir Tungesvik
Born: 1961
Position: Executive Vice President, Projects, Drilling and Procurement (PDP), since 1 May 2022
External offices: None
Number of shares held in Equinor ASA as of 31 December 2022: 17,624
Loans from Equinor ASA: None
Experience: Geir Tungesvik joined Equinor in 1985. He comes from the position as Senior Vice President Project Development. Previously he has held central management positions in the company including the position as Senior Vice President for Drilling and Well, Vice President for exploration drilling, Vice President for Grane production field and Vice President for health, safety and environment in Exploration.
Education: Master of Science degree in petroleum from the University of Stavanger (UIS) and Master module in strategic management from the Norwegian Business School (BI).
Family relations: No family relations to other members of the Corporate Executive Committee, members of the Board or the Corporate Assembly.
Other matters: Tungesvik is a Norwegian citizen and resident in Norway.

Irene Rummelhoff
Born: 1967
Position: Executive vice president Marketing, Midstream & Processing (MMP) since 17 August 2018
External offices: Deputy chair of the board of Norsk Hydro ASA.
Number of shares in Equinor ASA as of 31 December 2022: 28,152
Loans from Equinor: None
Experience: Rummelhoff joined Equinor in 1991. She has held a number of management positions within international business development, exploration, and the downstream business in Equinor. Her most recent position, which she held from June 2015, was as Executive Vice President New Energy Solutions (NES).
Education: Master's degree in Petroleum Geosciences from the Norwegian Institute of Technology (NTH).
Family relations: No family relations to other members of the corporate executive committee, members of the board or the corporate assembly.
Other matters: Rummelhoff is a Norwegian citizen and resident in Norway.

Pål Eitrheim
Born: 1971
Position: Executive vice president Renewables (REN) since 17 August 2018
External offices: Member of the board of the Confederation of Norwegian Enterprise (NHO)
Number of shares in Equinor ASA as of 31 December 2022: 19,644
Loans from Equinor: None
Experience: Eitrheim joined Equinor in 1998. He has held a range of leadership positions in Equinor in Azerbaijan, Washington DC, the CEO office, corporate strategy and Brazil. In 2017-2018 he was Chief Procurement Officer. Between 2014 - 2017 he led Equinor's upstream business in Brazil. In 2013 Eitrheim led the Secretariat for the investigation into the terrorist attack on the In Amenas gas processing facility in Algeria.
Education: Master's degree in Comparative Politics from the University of Bergen, Norway and University College Dublin, Ireland.
Family relations: No family relations to other members of the corporate executive committee, the board or the corporate assembly.
Other matters: Eitrheim is a Norwegian citizen and resident in Norway.

Hege Skryseth
Born: 1967
Position: Executive vice president and chief technical officer since 1 September 2022
External offices: Member of the Board of Tomra, Netcompany and AutoStore
Number of shares in Equinor ASA as of 31 December 2022: 2,633
Loans from Equinor ASA: None
Experience: Skryseth joined Equinor on 1 September 2022. She comes from the position as Executive Vice President of Kongsberg, and President of Kongsberg Digital, a position which she held since 2013. Prior to Kongsberg, Skryseth held various leadership positions in international tech companies such as Microsoft Norway and Geodata (ESRI).
Education: Executive MBA from NHH and Bachelor from BI, college graduate from NITH.
Family relations: No family relations to other members of the Corporate Executive Committee, members of the Board or the Corporate Assembly.
Other matters: Skryseth is a Norwegian citizen and resident in Norway.

Siv Helen Rygh Torstensen
Born: 1970
Position: Executive vice president and General Counsel Legal & Compliance (LEG) since 1 June 2021
External offices: Member of the Council of Ethics, the Government Pension Fund Global
Number of shares in Equinor ASA as of 31 December 2022: 15,832
Loans from Equinor ASA: None
Experience: Rygh Torstensen joined Equinor in 1998. She comes from the position of Senior Vice President and General Counsel, which she held since 1 August 2019. Prior to that she held the position as Head of CEO office from July 2016. From 2011 - 2016 she was Vice President Corporate in LEG. From 1998 - 2011 Rygh Torstensen held various positions within LEG, including as Corporate Compliance Office and Acting General Counsel. Before joining Equinor she worked with the law firm Cappelen & Krefting DA and as a lawyer for Stavanger municipal council.
Education: Master of Law from the University of Bergen, Norway, and licensed as an Attorney at Law.
Family relations: No family relations to other members of the corporate executive committee, members of the board or the corporate assembly.
Other matters: Rygh Torstensen is a Norwegian citizen and resident in Norway.

Jannik Lindbæk
Born: 1965
Position: Executive Vice President Communication since 1 March 2022
External offices: None
Number of shares in Equinor ASA as of 31 December 2022: 12,542
Loans from Equinor ASA: None
Experience: Lindbæk joined Equinor in 2010. He was appointed Senior Vice President Communication 1 January 2021. He was Vice President Corporate Communications Political & Public Affairs Norway from 2019-2021. Prior to this he was Equinor's Vice President for communication in Brussels, before that in the CFO Global Business Services, and as Vice President Media Relations from 2010-2015. Before joining Equinor, Lindbæk was SVP Corporate Communication in Aker Solutions, PR manager in Microsoft and PR consultant in BWPR and GCI Monsen.
Education: Master's degree in Comparative Politics from the University of Bergen and London School of Economics.
Family relations: No family relations to other members of the Corporate Executive Committee, members of the Board or the Corporate Assembly.
Other matters: Lindbæk is a Norwegian citizen and resident in Norway.

Aksel Stenerud
Born: 1963
Position: Executive vice president, People & Organisation (PO) since 1 March 2022
External offices: Member of the board of Flow Group Norge AS
Number of shares held in Equinor ASA as of 31 December 2022: 9,372
Loans from Equinor ASA: None
Experience: Stenerud joined Equinor in 2008 and has held various leadership roles across the company. His most recent position, which he held from November 2021, was Vice President Employee Relations in Corporate PO. From August 2018, he was Vice President for PO in Exploration and Production International. He has also served as Vice President for Exploration and Production Norway from 2014-2018. Stenerud has had a long international career within HR and prior to this he served as an officer in the Norwegian Airforce.
Education: Graduate from the Air Defense academy. Minor and Intermediate in phsycology with the Norwegian university of science and technology in Trondheim.
Family relations: No family relations to other members of the Corporate Executive Committee, members of the Board or the Corporate Assembly.
Other matters: Stenerud is a Norwegian citizen and resident in Norway.

The following changes were made to the Corporate Executive Committee during 2022:

As of 1 March, Jannik Lindbæk became a member of the corporate executive committee as EVP COM and at the same date Aksel Stenerud replaced Ana Fonseca Nordang as EVP PO. Carrie Lockhart left the position as EVP for TDI as of 21 March, Elisabeth B. Kvalheim took over as acting EVP TDI and Hege Skryseth became EVP TDI as of 1 September. Arne Sigve Nylund retired and Geir Tungesvik became EVP PDP as of 1 May. Torgrim Reitan replaced Ulrica Fearn as CFO as of 6 October. Alasdair Cook left the company as of 31 December 2022 and Philippe F. Mathieu became EVP EPI from 1 January 2023.

The information set forth under the heading "Corporate Assembly" in Section 5.1 of Chapter 5 on pages 270 – 272 of the 2022 Annual Report is also incorporated herein by reference.

B. Compensation

The information set forth under the following headings of the 2021 Remuneration Policy included as an appendix to the 2022 Remuneration Report which is attached hereto as Exhibit 15.6 (the "2022 Remuneration Report") is incorporated herein by reference:

- Remuneration to the board of directors;
- Remuneration to the corporate assembly; and
- Remuneration to the CEC.

The information set forth under the following headings of the 2022 Remuneration Report is incorporated herein by reference:

- Overall company performance in 2022;
- Performance-based modifiers used in calculating variable pay;
- Summary of targets and achievement of corporate KPIs and goals forming the basis for annual variable pay;
- Key developments in corporate executive remuneration in 2022;
- Derogations and deviations from remuneration policy;
- Right to reclaim ('malus and clawback');
- Remuneration and share ownership of the board of directors and corporate assembly;
- Remuneration of the CEC;
- Shares awarded or due to the CEC for the reported financial year;
- Total number and value of shares held by the CEC; and
- Performance and AVP awarded to the CEC members in the reported financial year.

See also note 22 Pensions to the Consolidated financial statements.

C. Board Practices

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Governing bodies in Section 1.8 of Chapter 1 on page 33;
- Corporate Assembly, board of directors and management in Section 5.1 of Chapter 5 on pages 270 – 272; and
- The board of directors' committees in Section 5.1 of Chapter 5 on page 273.

See also “Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management” of this 2022 Form 20-F for more information regarding the expiration date of the current term of office of the members of our board of directors and the period during which our directors have served in such capacity, and the composition of the board of directors’ committees.

D. Employees

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Contextual introduction and Management approach in Section 2.1.4 of Chapter 2 on pages 64 – 65;
- The information set forth under the heading ‘Employment’ in Section 2.1.4 of Chapter 2 on page 67;
- The table entitled ‘Permanent employees in the Equinor group as of 31 December 2022’ in Section 2.1.4 of Chapter 2 on page 67 – 68; and
- The table entitled ‘Total workforce by region and employment type in the Equinor group in 2022 as of 31 December 2022’ in Section 2.1.4 of Chapter 2 on page 68.

E. Share Ownership

The information set forth under the following headings of the 2022 Remuneration Report is incorporated herein by reference:

- Total number and value of shares held by the members of the board of directors;
- Shares held by the members of the corporate assembly; and
- Total number and value of shares held by the CEC.

F. Disclosure of a registrant’s action to recover erroneously awarded compensation

Not applicable.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major shareholders

The information set forth under the heading “*Major Shareholders*” in Section 5.3 of Chapter 5 on pages 284 – 285 of the 2022 Annual Report is incorporated herein by reference.

B. Related Party Transactions

As part of its general loan arrangement for Equinor employees, Equinor has granted loans to Equinor-employed spouses of certain members of the corporate executive committee. Permanent employees in certain specified employee categories may take out a car loan from Equinor in accordance with standardised provisions set by the company. The standard maximum car loan is limited to the cost of the car, including registration fees, but not exceeding NOK 300,000. Employees outside the collective labour area are entitled to a car loan up to NOK 475,000 (managers) or NOK 575,000 (vice presidents and senior vice presidents). The car loan is interest-free, but the tax value, "interest advantage", must be reported as salary. Permanent employees of Equinor ASA may also apply for a consumer loan up to NOK 350,000. The interest rate on consumer loans corresponds to the standard rate in effect at any time for “reasonable loans” from employer as decided by the Norwegian Ministry of Finance, i.e., the lowest rate an employer may offer without triggering taxation of the benefit for the employee.

The information set forth under the heading “*Equal treatment of shareholders and transactions with close associates*” in Section 5.1 of Chapter 5 on pages 267 – 268 of the 2022 Annual Report is also incorporated herein by reference. See also note 27 Related parties to the Consolidated Financial Statements.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

See “Item 18. Financial Statements” of this 2022 Form 20-F.

Dividend policy and dividends

The information set forth under the following headings of the 2022 Annual Report is incorporated herein by reference:

- Capital distribution in Section 1.6 of Chapter 1 on page 30;
- Capital distribution in Section 2.2 of Chapter 2 on page 71; and
- Equity and dividends in Section 5.1 of Chapter 5 on pages 266 – 267.

See also note 20 Shareholders' equity and dividends to the Consolidated financial statements.

Legal or arbitration proceedings

Equinor is involved in a number of proceedings globally concerning matters arising in connection with the conduct of its business. No further update is provided on previously reported legal or arbitration proceedings. Equinor does not believe such proceedings will, individually or in the aggregate, have a significant effect on Equinor's financial position, profitability, results of operations or liquidity. See also note 11 Income taxes and note 26 Other commitments, contingent liabilities and contingent assets to the Consolidated Financial Statements.

B. Significant Changes

None.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Equinor's shares have been listed on the Oslo Børs (ticker: EQNR) and the New York Stock Exchange in the form of American Depositary Shares (ADS) (ticker: EQNR) since our initial public offering on 18 June 2001. The ADSs traded on the New York Stock Exchange are evidenced by American Depositary Receipts (ADR), and each ADS represents one ordinary share.

B. Plan of Distribution

Not applicable.

C. Markets

See "Item 9.A—The Offer and Listing—Offer and Listing Details" of this 2022 Form 20-F.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

Equinor's current articles of association were adopted at the annual general meeting of shareholders on 11 May 2022. The articles of association are included as exhibit 1 to this 2022 Form 20-F.

Summary of Equinor's articles of association:

Name of the company

The registered name is Equinor ASA. Equinor is a Norwegian public limited company.

Registered office

Equinor's registered office is in Stavanger, Norway, registered with the Norwegian Register of Business Enterprises under number 923 609 016.

Objective of the company

The objective of Equinor ASA is to develop, produce and market various forms of energy and derived products and services, as well as other business. The activities may also be carried out through participation in or cooperation with other companies.

Share capital

Equinor's share capital is NOK 7,938,675,397.50 divided into 3,175,470,159 shares.

Nominal value of shares

The nominal value of each ordinary share is NOK 2.50.

Board of directors

Equinor's articles of association provide that the board of directors shall consist of 9 - 11 directors. The board, including the chair and the deputy chair, shall be elected by the corporate assembly for a period of up to two years.

Corporate assembly

Equinor has a corporate assembly comprising 18 members who are normally elected for a term of two years. The general meeting elects 12 members with four deputy members, and six members with deputy members are elected by and among the employees.

General meetings of shareholders

Equinor's annual general meeting is held no later than 30 June each year. The annual general meeting shall address and decide adoption of the annual report and accounts, including the distribution of any dividend and any other matters required by law or the articles of association.

Documents related to the general meetings do not need to be sent to all shareholders if they are accessible on Equinor's website. A shareholder may request that such documents be sent to him/her.

Shareholders may vote in writing, including through electronic communication, during a specified period before the general meeting. Equinor's board of directors adopted guidelines for advance voting in March 2012, and these guidelines are described in the notices of the annual general meetings.

Marketing of petroleum on behalf of the Norwegian State

Equinor's articles of association provide that Equinor is responsible for marketing and selling petroleum produced under the State's direct financial interest's (SDFI) shares in production licences on the Norwegian continental shelf as well as petroleum received by the Norwegian State paid as royalty together with its own production. Equinor's general meeting adopted an instruction in respect of such marketing on 25 May 2001, as most recently amended by authorisation of the annual general meeting on 15 May 2018.

Nomination committee

The tasks of the nomination committee are to present a recommendation to:

- The general meeting regarding the election of shareholder-elected members and deputy members of the corporate assembly.
- The general meeting regarding the election of members of the nomination committee.
- The general meeting for the remuneration of members of the corporate assembly and the nomination committee.
- The corporate assembly regarding the election of shareholder-elected members to the board of directors.
- The corporate assembly for the remuneration for members of the board of directors.
- The corporate assembly for election of the chair and the deputy chair of the corporate assembly.

The general meeting may adopt instructions for the nomination committee.

Exhibit 2.1 to this 2022 Form 20-F is also incorporated herein by reference.

C. Material Contracts

The information set forth under the heading "Manufacturing" in Section 3.3 of Chapter 3 on page 145 of the 2022 Annual Report is incorporated herein by reference. See also note 27 Related parties to the Consolidated financial statements.

D. Exchange controls

Under Norwegian foreign exchange controls currently in effect, transfers of capital to and from Norway are not subject to prior government approval. An exception applies to the physical transfer of payments in currency exceeding certain thresholds, which must be declared to the Norwegian custom authorities. This means that non-Norwegian resident shareholders may receive dividend payments without Norwegian exchange control consent as long as the payment is made through a licensed bank or other licensed payment institution.

There are no restrictions affecting the rights of non-Norwegian residents or foreign owners to hold or vote for our shares.

E. Taxation

Norwegian tax consequences

This section describes material Norwegian tax consequences for shareholders in connection with the acquisition, ownership and disposal of shares and American Depositary Shares (“ADS”) in Equinor. The term “shareholders” refers to both holders of shares and holders of ADSs, unless otherwise explicitly stated.

The outline does not provide a complete description of all Norwegian tax regulations that might be relevant (i.e. for investors to whom special regulations may apply, including shareholders that carry on business activities in Norway, and whose shares or ADSs are effectively connected with such business activities), and is based on current law and practice. Shareholders should consult their professional tax advisers for advice about individual tax consequences.

Taxation of dividends received by Norwegian shareholders

Corporate shareholders (i.e., limited liability companies and similar entities) residing in Norway for tax purposes are generally subject to tax in Norway on dividends received from Norwegian companies. The basis for taxation is 3% of the dividends received, which is subject to the standard income tax rate of 22% (25% for financial institutions), implying that such dividends are effectively taxed at a rate of 0.66% (0.75% for financial institutions).

Individual shareholders residing in Norway for tax purposes are subject to tax for dividend income exceeding a basic tax-free allowance. For dividend distributions resolved from 1 January 2022 to 5 October 2022, the dividend income exceeding the basic tax-free allowance is grossed up with a factor of 1.6 before being included in the ordinary taxable income, resulting in an effective tax rate of 35.2% (22% x 1.6). For dividend distributions resolved on 6. October 2022 or later, dividend income exceeding the basic tax-free allowance is grossed up with a factor of 1.72 before being included in the ordinary taxable income, resulting in an effective tax rate of 37.84% (22% x 1.72). For the income year 2023, the dividend income exceeding the basic tax-free allowance is also grossed up with a factor of 1.72, resulting in an effective tax rate of 37.84% (22% x 1.72).

The tax-free allowance is computed for each individual share or ADS and corresponds as a rule to the cost price of that share or ADS multiplied by an annual risk-free interest rate. Any part of the calculated allowance for one year that exceeds the dividend distributed for the share or ADS (“unused allowance”) may be carried forward and set off against future dividends received on (or gains upon the realisation of, see below) the same share or ADS. Any unused allowance will also be added to the basis for computation of the allowance for the same share or ADS the following year.

Individual shareholders residing in Norway for tax purposes may hold the shares (but not ADS) in Equinor through a stock savings account. Dividend on shares owned through the stock savings account is only taxable when the dividend is withdrawn from the account.

Taxation of dividends received by foreign shareholders

Non-resident shareholders are as a starting point subject to Norwegian withholding tax at a rate of 25% on dividends from Norwegian companies. The distributing company is responsible for deducting the withholding tax upon distribution to non-resident shareholders.

Corporate shareholders that carry on business activities in Norway, and whose shares or ADSs are effectively connected with such activities are not subject to withholding tax. For such shareholders, 3% of the received dividends are subject to the standard income tax of 22% (25% for financial institutions).

Certain other important exceptions and modifications are outlined below.

The withholding tax does not apply to corporate shareholders in the EEA that are comparable to Norwegian limited liability companies or certain other types of Norwegian entities, and are further able to demonstrate that they are genuinely established and carry on genuine economic business activity within the EEA.

The withholding rate of 25% is often reduced in tax treaties between Norway and other countries. The reduced withholding tax rate will generally only apply to dividends paid on shares held by shareholders who are able to properly demonstrate that they are the beneficial owner and entitled to the benefits of the tax treaty.

Individual shareholders residing for tax purposes in the EEA may apply to the Norwegian tax authorities for a refund if the tax withheld by the distributing company exceeds the tax that would have been levied on individual shareholders resident in Norway. Individual shareholders residing for tax purposes in the EEA may hold the listed shares (but not ADS) in Equinor through a Norwegian stock savings account. Dividend on shares owned through the stock savings account will only be subject to withholding tax when withdrawn from the account.

Procedure for claiming a reduced withholding tax rate on dividends

A foreign shareholder that is entitled to an exemption from or reduction of withholding tax on dividends, may request that the exemption or reduction is applied at source by the distributor. Such request must be accompanied by satisfactory documentation which supports that the foreign shareholder is entitled to a reduced withholding tax rate. Specific documentation requirements apply.

For holders of shares and ADSs deposited with JPMorgan Chase Bank N.A. (JPMorgan), documentation establishing that the holder is eligible for the benefits under a tax treaty with Norway, may be provided to JPMorgan. JPMorgan has been granted permission by the Norwegian tax authorities to receive dividends from us for redistribution to a beneficial owner of shares and ADSs at the applicable treaty withholding rate.

The statutory 25% withholding tax rate will be levied on dividends paid to shareholders (either directly or through a depositary) who have not provided the relevant documentation to the relevant party that they are eligible for a reduced rate. The beneficial owners will in this case have to apply to Skatteetaten (The Norwegian Tax Administration) for a refund of the excess amount of tax withheld. Please refer to the tax authorities' web page for more information and the requirements of such application: www.skatteetaten.no/en/person.

Taxation on realisation of shares and ADSs

Corporate shareholders resident in Norway for tax purposes are not subject to tax in Norway on gains derived from the sale, redemption or other disposal of shares or ADSs in Norwegian companies. Capital losses are not deductible.

Individual shareholders residing in Norway for tax purposes are subject to tax in Norway on the sale, redemption or other disposal of shares or ADSs. Gains or losses in connection with such realisation are included in the individual's ordinary taxable income in the year of disposal, which is subject to the standard income tax rate of 22%. For shares realized in 2022, and prior to 6 October, taxable gain or deductible loss is grossed up with a factor of 1.6 before included in the ordinary taxable income, resulting in an effective tax rate of 35.2% (22% x 1.6). For shares realized on 6 October 2022 onwards, taxable gain or deductible loss is grossed up with a factor of 1.72 before included in the ordinary taxable income, resulting in an effective tax rate of 37.84% (22% x 1.72). For shares realized in 2023, the taxable gain or deductible loss is also grossed up with a factor of 1.72, resulting in an effective tax rate of 37.84% (22% x 1.72).
The taxable gain or deductible loss (before grossing up) is calculated as the sales price adjusted for transaction expenses minus the taxable basis. A shareholder's tax basis is normally equal to the acquisition cost of the shares or ADSs. Any unused allowance pertaining to a share may be deducted from a taxable gain on the same share or ADS but may not lead to or increase a deductible loss. Furthermore, any unused allowance may not be set off against gains from the realisation of the other shares or ADSs.

If a shareholder disposes of shares or ADSs acquired at different times, the shares or ADSs that were first acquired will be deemed to be first sold (the “FIFO” principle) when calculating gain or loss for tax purposes.

Individual shareholders residing in Norway for tax purposes may hold the shares (but not ADS) in Equinor through a stock savings account. Gain on shares owned through the stock savings account will only be taxable when withdrawn from the account whereas loss on shares will be deductible when the account is terminated.

A corporate shareholder or an individual shareholder who ceases to be tax resident in Norway due to Norwegian law or tax treaty provisions may, in certain circumstances, become subject to Norwegian exit taxation on unrealised capital gains related to shares or ADSs.
Shareholders not residing in Norway are generally not subject to tax in Norway on capital gains, and losses are not deductible on the sale, redemption or other disposal of shares or ADSs in Norwegian companies, unless the shareholder carries on business activities in Norway and such shares or ADSs are or have been effectively connected with such activities.

Wealth tax

The shares or ADSs are included in the basis for the computation of wealth tax imposed on individuals residing in Norway for tax purposes. Norwegian limited liability companies and certain similar entities are not subject to wealth tax.

For the income year 2022, the net wealth tax is 0.95% for net worth above a minimum threshold of NOK 1,700,000, and 1.1% for net worth above a minimum threshold of NOK 20,000,000. The assessment value of listed shares (including ADSs) for the 2022 wealth tax is 75% of the listed value of such shares or ADSs on 1 January 2023.

For the income year 2023, the net wealth tax is 1.0% for net worth above a minimum threshold of NOK 1,700,000, and 1.1% for net worth above a minimum threshold of NOK 20,000,000. The assessment value of listed shares (including ADSs) for the 2023 wealth tax is 80% of the listed value of such shares or ADSs on 1 January 2024.

Non-resident shareholders are not subject to wealth tax in Norway for shares and ADSs in Norwegian limited liability companies unless the shareholder is an individual and the shareholding is effectively connected with the individual's business activities in Norway.

Inheritance tax and gift tax

No inheritance or gift tax is imposed in Norway.

Transfer tax

No transfer tax is imposed in Norway in connection with the sale or purchase of shares or ADSs.

United States tax matters

This section describes the material United States federal income tax consequences for US holders (as defined below) of the ownership and disposition of shares or ADSs. It only applies to you if you hold your shares or ADSs as capital assets for United States federal income tax purposes. This discussion addresses only United States federal income taxation and does not discuss all of the tax consequences that may be relevant to you in light of your individual circumstances, including foreign, state or local tax consequences, estate and gift tax consequences, and tax consequences arising under the Medicare contribution tax on net investment income or the alternative minimum tax. This section does not apply to you if you are a member of a special class of holders subject to special rules, including dealers in securities, traders in securities that elect to use a mark-tomarket method of accounting for securities holdings, tax-exempt organisations, insurance companies, partnerships or entities or arrangements that are treated as partnerships for United States federal income tax purposes, persons that actually or constructively own 10% of the combined voting power of voting stock of Equinor or of the total value of stock of Equinor, persons that hold shares or ADSs as part of a straddle or a hedging or conversion transaction, persons that purchase or sell shares or ADSs as a part of a wash sale for tax purposes, or persons whose functional currency is not USD.

This section is based on the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations, published rulings and court decisions, all as currently in effect, and the Convention between the United States of America and the Kingdom of Norway for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Property (the “Treaty”). These laws are subject to change, possibly on a retroactive basis. In addition, this section is based in part upon the representations of the depositary and the assumption that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms. For United States federal income tax purposes, if you hold ADRs evidencing ADSs, you will generally be treated as the owner of the ordinary shares represented by those ADRs. Exchanges of shares for ADRs and ADRs for shares will not generally be subject to United States federal income tax.

A “US holder” is a beneficial owner of shares or ADSs that is, for United States federal income tax purposes: (i) a citizen or resident of the United States; (ii) a United States domestic corporation; (iii) an estate whose income is subject to United States federal income tax regardless of its source; or (iv) a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorised to control all substantial decisions of the trust.

You should consult your own tax adviser regarding the United States federal, state and local and Norwegian and other tax consequences of owning and disposing of shares and ADSs in your particular circumstances.

The tax treatment of the shares or ADSs will depend in part on whether or not we are classified as a passive foreign investment company, or PFIC, for United States federal income tax purposes. Except as discussed below, under “—PFIC rules”, this discussion assumes that we are not classified as a PFIC for United States federal income tax purposes.

Taxation of distributions

Under the United States federal income tax laws, the gross amount of any distribution (including any Norwegian tax withheld from the distribution payment) paid by Equinor out of its current or accumulated earnings and profits (as determined for United States federal income tax purposes), other than certain pro-rata distributions of its shares, will be treated as a dividend that is taxable for you when you, in the case of shares, or the depositary, in the case of ADSs, receive the dividend, actually or constructively. If you are a non-corporate US holder, dividends that constitute qualified dividend income will be eligible to be taxed at the preferential rates applicable to longterm capital gains as long as, in the year that you receive the dividend, the shares or ADSs are readily tradable on an established securities market in the United States or Equinor is eligible for benefits under the Treaty. We believe that Equinor is currently eligible for the benefits of the Treaty and we therefore expect that dividends on the

ordinary shares or ADSs will be qualified dividend income. To qualify for the preferential rates, you must hold the shares or ADSs for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date and meet certain other requirements. The dividend will not be eligible for the dividends-received deduction generally allowed to United States corporations in respect of dividends received from other United States corporations.

The amount of the dividend distribution that you must include in your income will be the value in USD of the payments made in NOK determined at the spot NOK/USD rate on the date the dividend is distributed, regardless of whether or not the payment is in fact converted into USD. Distributions in excess of current and accumulated earnings and profits, as determined for United States federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your tax basis in the shares or ADSs and, to the extent in excess of your tax basis, will be treated as capital gain. However, Equinor does not expect to calculate earnings and profits in accordance with United States federal income tax principles. Accordingly, you should expect to generally treat distributions we make as dividends.

Subject to certain limitations, the 15% Norwegian tax withheld in accordance with the Treaty and paid to Norway will be creditable or deductible against your United States federal income tax liability, unless a reduction or refund of the tax withheld is available to you under Norwegian law. However, under recently finalized Treasury regulations, it is possible that taxes may not be creditable unless you are eligible for and elect to apply the benefits of the Treaty. Special rules apply in determining the foreign tax credit limitation with respect to dividends that are subject to the preferential tax rates. Dividends will generally be income from sources outside the United States and will generally be “passive” income for purposes of computing the foreign tax credit allowable to you. Any gain or loss resulting from currency exchange rate fluctuations during the period from the date you include the dividend payment in income until the date you convert the payment into USD will generally be treated as US-source ordinary income or loss and will not be eligible for the special tax rate.

Taxation of capital gains

If you sell or otherwise dispose of your shares or ADSs, you will generally recognise a capital gain or loss for United States federal income tax purposes equal to the difference between the value in USD of the amount that you realise and your tax basis, determined in USD, in your shares or ADSs. Capital gain of a non-corporate US holder is generally taxed at preferential rates if the property is held for more than one year. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. If you receive any foreign currency on the sale of shares or ADSs, you may recognise ordinary income or loss from sources within the United States as a result of currency fluctuations between the date of the sale of the shares or ADSs and the date the sales proceeds are converted into USD. You should consult your own tax adviser regarding how to account for payments made or received in a currency other than USD.

PFIC rules

We believe that the shares and ADSs should not currently be treated as stock of a PFIC for United States federal income tax purposes and we do not expect to become a PFIC in the foreseeable future. However, this conclusion is a factual determination that is made annually and thus may be subject to change. It is therefore possible that we could become a PFIC in a future taxable year. If we were to be treated as a PFIC, a gain realised on the sale or other disposition of the shares or ADSs would in general not be treated as a capital gain. Instead, unless you elect to be taxed annually on a mark-to-market basis with respect to the shares or ADSs, you would generally be treated as if you had realised such gain and certain “excess distributions” ratably over your holding period for the shares or ADSs. Amounts allocated to the year in which the gain is realised or the “excess distribution” is received or to a taxable year before we were classified as a PFIC would be subject to tax at ordinary income tax rates, and amounts allocated to all other years would be taxed at the highest tax rate in effect for each such year to which the gain or distribution was allocated, together with an interest charge in respect of the tax attributable to each such year. With certain exceptions, your shares or ADSs will be treated as stock in a PFIC if we were a PFIC at any time during the period you held the shares or ADSs. Dividends that you receive from us will not be eligible for the preferential tax rates if we are treated as a PFIC with respect to you, either in the taxable year of the distribution or the preceding taxable year, but will instead be taxable at rates applicable to ordinary income.

Foreign Account Tax Compliance Withholding

A 30% withholding tax will be imposed on certain payments to certain non-US financial institutions that fail to comply with information reporting requirements or certification requirements in respect of their direct and indirect United States shareholders and/or United States accountholders. To avoid becoming subject to the 30% withholding tax on payments to them, we and other non-US financial institutions may be required to report information to the IRS regarding the holders of shares or ADSs and to withhold on a portion of payments under the shares or ADSs to certain holders that fail to comply with the relevant information reporting requirements (or hold shares or ADSs directly or indirectly through certain non-compliant intermediaries). However, under proposed Treasury regulations, such withholding will not apply to payments made before the date that is two years after the date on which final regulations defining the term “foreign passthru payment” are enacted. The rules for the implementation of these requirements have not yet been fully finalised, so it is impossible to determine at this time what impact, if any, these requirements will have on holders of the shares and ADSs.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts
Not applicable.

H. Documents on Display
Our filings with the SEC are available to the public through the SEC's website at http://www.sec.gov. We also make available on our website, free of charge, our annual reports on Form 20-F, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. The information on our website is not incorporated by reference in this document.

Documents related to us that are available to the public (this 2022 Form 20-F, the 2022 Annual Report, our Articles of Association, our Code of Conduct, financial statements and our historical financial information for each of the three financial years preceding the publication of this 2022 Form 20-F) can be consulted on our website and at: Equinor ASA, Forusbeen 50, 4035 Stavanger, Norway. Unless stated otherwise, none of these documents form a part of this 2022 Form 20-F.

I. Subsidiary Information
Not applicable.

J. Annual Report to Security Holders.
Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See notes 4 Financial risk and capital management and 28 Financial instruments and fair value measurement to the Consolidated Financial Statements.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities
Not applicable.

B. Warrants and Rights
Not applicable.

C. Other Securities
Not applicable.

D. American Depositary Shares
Exhibit 2.1 to this 2022 Form 20-F is incorporated herein by reference.

Name of depositary and address of its principal executive office.
JPMorgan Chase Bank N.A. (JPMorgan), serves as the depositary for Equinor's ADR programme having replaced the Deutsche Bank Trust Company Americas (Deutsche Bank) pursuant to the Further Amended and Restated Deposit Agreement dated 4 February 2019.

Fees and charges payable by a holder of ADSs
JPMorgan collects its fees for the delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal, or from intermediaries acting for them. The depositary collects other fees from investors by billing ADR holders, by deducting such fees and charges from the amounts distributed or by deducting such fees from cash dividends or other cash distributions. The depositary may refuse to provide fee-attracting services until its fees for those services are paid.

The charges of the depositary payable by investors are as follows:

ADR holders, persons depositing or withdrawing shares, and/or persons whom ADSs are issued, must pay:	For:
USD 5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	Issuance of ADSs, including issuances resulting from a deposit of shares, a distribution of shares or rights or other property, and issuances pursuant to stock dividends, stock splits, mergers, exchanges of securities or any other transactions or events affecting the ADSs or the deposited securities.

	Cancellation of ADSs for the purpose of withdrawal of deposited securities, including if the deposit agreement terminates, or a cancellation or reduction of ADSs for any other reason
USD 0.05 (or less) per ADS	Any cash distribution made or elective cash/stock dividend offered pursuant to the Deposit Agreement
USD 0.05 (or less) per ADS, per calendar year (or portion thereof)	For the operation and maintenance costs in administering the ADR programme
A fee equivalent to the fee that would be payable if securities distributed to you had been shares and the shares had been deposited for issuance of ADSs	Distribution to registered ADR holders of (i) securities distributed by the company to holders of deposited securities or (ii) cash proceeds from the sale of such securities
Registration or transfer fees	Transfer and registration of shares on our share register to or from the name of the Depositary or its agent when you deposit or withdraw shares
Expenses of the Depositary	SWIFT, cable, telex, facsimile transmission and delivery charges (as provided in the deposit agreement). Fees, expenses and other charges of JPMorgan or its agent (which may be a division, branch or affiliate) for converting foreign currency to USD, which shall be deducted out of such foreign currency.
Taxes and other governmental charges the Depositary or the custodian have to pay, for example, stock transfer taxes, stamp duty or withholding taxes	As necessary
Any fees, charges and expenses incurred by the Depositary or its agents for the servicing of the deposited securities, the sale of securities, the delivery of deposited securities or in connection with the depositary's or its custodian's compliance with applicable law, rule or regulation, including without limitation expenses incurred on behalf of ADR holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment	As necessary

Direct and indirect payments by the depositary

For the year ended 31 December 2022, J.P. Morgan reimbursed USD 2,000,000 to the company. Other reasonable costs associated with the administration of the ADR programme are borne by the company. For the year ended 31 December 2022, such costs, associated with the administration of the ADR programme, paid by the company, added up to USD 229,704. Under certain circumstances, including the removal of J.P. Morgan as depositary, the company is required to repay to J.P. Morgan certain amounts paid to the company in prior periods.

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Not applicable.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The management of Equinor, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of 31 December 2022. Based on that evaluation, the chief executive officer and chief financial officer have concluded that these disclosure controls and procedures are effective at a reasonable level of assurance.

In designing and evaluating our disclosure controls and procedures, our management, with the participation of the chief executive officer and chief financial officer, recognised that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance that the desired control objectives will be achieved, and that the management must necessarily exercise judgment when evaluating possible controls and procedures. Because of the limitations inherent in all control systems, no

evaluation of controls can provide absolute assurance that all control issues and any instances of fraud in the company have been detected

Management's Annual Report on Internal Control Over Financial Reporting

The management of Equinor is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process designed, under the supervision of the chief executive officer and chief financial officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Equinor's financial statements for external reporting purposes in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The accounting policies applied by the group also comply with IFRS as issued by the International Accounting Standards Board (IASB).

The management of Equinor has assessed the effectiveness of internal control over financial reporting based on the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management has concluded that Equinor's internal control over financial reporting as of 31 December 2022 was effective.

Equinor's internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets, provide reasonable assurance that transactions are recorded in the manner necessary to permit the preparation of financial statements in accordance with IFRS, and that receipts and expenditures are only carried out in accordance with the authorisation of the management and directors of Equinor; and provide reasonable assurance regarding the prevention or timely detection of any unauthorised acquisition, use or disposition of Equinor's assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Moreover, projections of any evaluation of the effectiveness of internal control to future periods are subject to a risk that controls may become inadequate because of changes in conditions and that the degree of compliance with policies or procedures may deteriorate.

Attestation Report of the Registered Public Accounting Firm

The effectiveness of internal control over financial reporting as of 31 December 2022 has been audited by Ernst & Young AS, an independent registered accounting firm that also audits Equinor's Consolidated Financial Statements. Their audit report on the internal control over financial reporting is included in the Consolidated Financial Statements.

Changes in Internal Control Over Financial Reporting

There were no significant changes in our internal control over financial reporting during the year ended 31 December 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that both Anne Drinkwater and Rebekka Glasser Herlofsen qualify as an "audit committee financial expert" as defined in Item 16A of Form 20-F under the Exchange Act and each of them is an independent director under Rule 10A-3 under the Exchange Act.

ITEM 16B. CODE OF ETHICS

We have adopted a Code of Conduct, which is approved by our board of directors, and applies to our board members, all of our employees (including our principal executive, principal financial and principal accounting officers) and hired personnel. Our Code of Conduct is filed as Exhibit 11 to this 2022 Form 20-F.

In 2022, our board of directors approved certain amendments to our Code of Conduct, including:

- Updates clarifying that "other follow-up of personnel" may be relevant in case of breach of the Code of Conduct, such as behavior goals or training; and

- Updates clarifying that reporting commitments also cover non-financial reporting

In 2022, we did not grant any waiver, including any implicit waiver, from any provision of the Code of Conduct to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information set forth under the heading "*External auditor*" in Section 5.1 of Chapter 5 on pages 275 – 276 of the 2022 Annual Report is incorporated herein by reference. See also note 9 Auditor's remuneration and Research and development expenditures to the Consolidated Financial Statements.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

See "Item 16G. Corporate Governance—Board committees" of this 2022 Form 20-F.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

The information set forth under the headings "*Equinor's share savings plan*", "*Share buy-back*" and "*Summary of shares repurchased*" in Section 5.3 of Chapter 5 on pages 283 – 284 of the 2022 Annual Report is also incorporated herein by reference.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

Equinor's primary listing is on the Oslo Børs, and its ADRs are listed on the NYSE. In addition, Equinor is a foreign private issuer subject to the reporting requirements of the SEC. ADRs representing the company's ordinary shares are listed on the NYSE. While Equinor's corporate governance practices follow the requirements of Norwegian law, Equinor is also subject to the NYSE's listing rules. As a foreign private issuer, Equinor is exempt from most of the NYSE corporate governance standards that domestic US companies must comply with. However, Equinor is required to disclose any significant ways in which its corporate governance practices differ from those applicable to domestic US companies under the NYSE rules. A statement of differences is set out below:

Corporate governance guidelines

The NYSE rules require domestic US companies to adopt and disclose corporate governance guidelines. Equinor's corporate governance principles are developed by the management and the board of directors, in accordance with the Norwegian Code of Practice for Corporate Governance and applicable law. Oversight of the board of directors and management is exercised by the corporate assembly.

Director independence

The NYSE rules require domestic US companies to have a majority of "independent directors". The NYSE definition of an "independent director" sets out five specific tests of independence and requires an affirmative determination by the board of directors that the director has no material relationship with the company.

Pursuant to Norwegian company law, Equinor's board of directors consists of members elected by shareholders and employees. Equinor's board of directors has determined that, in its judgment, all shareholder-elected directors are independent. In making its determinations of independence, the board focuses, among other things, on there not being any conflicts of interest between shareholders, the board of directors and the company's management. It does not strictly make its determination based on the NYSE's five specific tests but takes into consideration all relevant circumstances which may in the board's view affect the directors' independence. The directors elected from among Equinor's employees would not be considered independent under the NYSE rules as they are employees of Equinor. None of these employee representatives are executive officers of the company. For further information about the board of directors, see "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management" of this 2022 Form 20-F.

Board committees

Pursuant to Norwegian company law, managing the company is the responsibility of the board of directors. Equinor has an audit committee, a safety, sustainability and ethics committee and a compensation and executive development committee. The audit committee and the compensation and executive development committee operate pursuant to instructions that are broadly comparable to the applicable committee charters required by the NYSE rules. They report on a regular basis to, and are subject to, oversight by the board of directors.

Equinor complies with the NYSE rule regarding the obligation to have an audit committee that meets the requirements of Rule 10A-3 of the US Securities Exchange Act of 1934. The members of Equinor's audit committee include an employee-elected director. Equinor relies on the exemption provided in Rule 10A-3(b)(1)(iv)(C) from the independence requirements of the US Securities Exchange Act of 1934 with respect to the employee- elected director. Equinor does not believe that its reliance on this exemption will materially adversely affect the ability of the audit committee to act independently or to satisfy the other requirements of Rule 10A-3 relating to audit committees. The other members of the audit committee meet the independence requirements under Rule 10A-3.

Among other things, the audit committee evaluates the qualifications and independence of the company's external auditor. However, in accordance with Norwegian law, the auditor is elected by the annual general meeting of the company's shareholders. Equinor does not have a nominating/corporate governance committee formed from its board of directors. Instead, the roles prescribed under the NYSE rules for such committee are principally carried out by the corporate assembly and the nomination committee, each of which is elected by the general meeting of shareholders.

NYSE rules require the compensation committee of US companies to comprise independent directors, recommend senior management remuneration and determine the independence of advisors when engaging them. Equinor, as a foreign private issuer, is exempted from complying with these rules and is permitted to follow its home country regulations. Equinor considers all its compensation committee members to be independent (under Equinor's framework which, as discussed above, is not identical to that

of NYSE). Equinor's compensation committee makes recommendations to the board regarding management remuneration, including that of the CEO. Further, the compensation committee assesses its own performance and has the authority to hire external advisors. The nomination committee, which is elected by the general meeting of shareholders, recommends to the corporate assembly the candidates and remuneration of the board of directors. The nomination committee also recommends to the general meeting of shareholders the candidates and remuneration of the corporate assembly and the nomination committee.

Shareholder approval of equity compensation plans

NYSE rules require that, with limited exemptions, all equity compensation plans must be subject to a shareholder vote. Under Norwegian company law, although the issuance of shares and authority to buy-back company shares must be approved by Equinor's annual general meeting of shareholders, the approval of equity compensation plans is normally reserved for the board of directors.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 17. FINANCIAL STATEMENTS

The Company has responded to Item 18 in lieu of this item.

ITEM 18. FINANCIAL STATEMENTS

The audited consolidated financial statements as required under Item 18 are attached hereto starting on page 60 of this 2022 Form 20-F. The audit report of Ernst & Young AS, an independent registered accounting firm, is included herein preceding the audited Consolidated Financial Statements.

Disclosure Pursuant to Section 13(r) of the Exchange Act

Equinor is providing the following disclosure pursuant to Section 13(r) of the Exchange Act.

Equinor entered into agreements with the National Iranian Oil Company (NIOC), namely, a Development Service Contract for South Pars Gas Phases 6, 7 & 8 (offshore part), an Exploration Service Contract for the Anaran Block and an Exploration Service Contract for the Khorramabad Block, which are located in Iran. Equinor's operational obligations under these agreements have terminated and the licences have been abandoned. The cost recovery programme for these contracts was completed in 2012, except for the recovery of tax and obligations to the Social Security Organization (SSO). From 2013 to November 2018, after closing Equinor's office in Iran, Equinor's activity was focused on a final settlement with the Iranian tax and SSO authorities relating to the above-mentioned agreements.

In a letter from the US State Department of 1 November 2010, Equinor was informed that it was not considered to be a company of concern based on its previous Iran-related activities.

Equinor has an intention to settle historic obligations in Iran while remaining compliant with applicable sanctions and trade restrictions against Iran. Since November 2018 Equinor has not conducted any activity in Iran, nor has it been able to resolve tax claims from the Iranian authorities.

No payments were made to Iranian authorities during 2022.

ITEM 19. EXHIBITS

Exhibit no	Description
Exhibit 1	Articles of Association of Equinor ASA, as amended, effective from 11 May 2022 (English translation)
Exhibit 2.1	Description of Securities registered under Section 12 of the Exchange Act.
Exhibit 2.2	Form of Indenture among Equinor ASA (formerly known as Statoil ASA and StatoilHydro ASA), Equinor Energy AS (formerly known as Statoil Petroleum AS and StatoilHydro Petroleum AS) and Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 4.1 of Equinor ASA's (formerly known as Statoil ASA) and Equinor Energy AS's (formerly known as Statoil Petroleum AS) Post - Effective Amendment No.1 to their Registration Statement on Form F-3 (File No. 333-143339) filed with the Commission on 2 April 2009).
Exhibit 2.3	Supplemental Indenture No. 3 (incorporated by reference to Exhibit 4.1 of Equinor ASA’s Report on Form 6-K (File No. 001-15200) filed with the Commission on 10 September 2018).
Exhibit 2.4	Form of Supplemental Indenture No. 4 (incorporated by reference to Exhibit 4.1 of Equinor ASA’s Report on Form 6-K (File No. 001-15200) filed with the Commission on 13 November 2019).
Exhibit 2.5	Amended and Restated Agency Agreement, dated as of 9 May 2022, by and among Equinor ASA, as Issuer, Equinor Energy AS, as Guarantor, the Bank of New York Mellon, as Agent and the Bank of New York Mellon SA/NV, Luxembourg Branch, as Paying Agent in respect of a €20,000,000 Euro Medium Term Note Programme.
Exhibit 2.6	Deed of Covenant, dated as of 13 May 2020, of Equinor ASA in respect of a €20,000,000 Euro Medium Term Notes Programme. (incorporated by reference to Exhibit 2.6 of Equinor ASA’s 2020 Form 20-F (File no. 001-15200) filed with the Commission on March 19, 2021).
Exhibit 2.7	Deed of Guarantee, dated as of 13 May 2020, of Equinor Energy AS in respect of a €20,000,000 Euro Medium Term Notes Programme (incorporated by reference to Exhibit 2.7 of Equinor ASA’s 2020 Form 20-F (File no. 001-15200) filed with the Commission on March 19, 2021).
Exhibit 4(a)(i)	Technical Services Agreement between Gassco AS and Equinor Energy AS (formerly known as Statoil Petroleum AS), dated November 24, 2010 (incorporated by reference to Exhibit 4(a)(i) of Equinor's (formerly known as Statoil) 2016 Form 20-F (File no. 001-15200) filed with the Commission on March 17, 2017).
Exhibit 4(a)(ii)	Amendment no. 1, 2, 3, 4, 5 and 6, dated 17 October 2010, 19 February 2013, 15 December 2012, 17 September 2014, 15 December 2017 and 22 December 2017, respectively, to Technical Services Agreement between Gassco AS and Equinor Energy AS (formerly known as Statoil Petroleum AS), dated November 24, 2010 (incorporated by reference to Exhibit 4(a)(ii) of Equinor's (formerly known as Statoil) 2017 Form 20-F (File no. 001-15200) filed with the Commission on March 23, 2018).
Exhibit 4(c)	Employment agreement with Anders Opedal as of 9 August 2020 (incorporated by reference to Exhibit 4(c) of Equinor ASA’s 2020 Form 20-F (File no. 001-15200) filed with the Commission on March 19, 2021).
Exhibit 8	List of subsidiaries.
Exhibit 11	Code of Conduct.
Exhibit 12.1	Rule 13a-14(a) Certification of Chief Executive Officer.
Exhibit 12.2	Rule 13a-14(a) Certification of the Chief Financial Officer.
Exhibit 13.1	Rule 13a-14(b) Certification of the Chief Executive Officer.[1)]
Exhibit 13.2	Rule 13a-14(b) Certification of Chief Financial Officer.[1)]
Exhibit 15.1	Consent of EY AS.
Exhibit 15.2	Consent of DeGolyer and MacNaughton.
Exhibit 15.3	Report of DeGolyer and MacNaughton.
Exhibit 15.4	Equinor 2022 Integrated Annual Report
Exhibit 15.5	Oil and gas reserves report
Exhibit 15.6	Remuneration report
Exhibit 17	List of Guarantor Subsidiaries
Exhibit 101	Interactive Data Files (formatted in Inline XBRL (Extensible Business Reporting Language)). Submitted electronically with the 2022 Form 20-F.
Exhibit 104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

1) Furnished only.

The total amount of long term debt securities of Equinor ASA and its subsidiaries authorised under instruments other than those listed above does not exceed 10% of the total assets of Equinor ASA and its subsidiaries on a consolidated basis. The company agrees to furnish copies of any such instruments to the Commission upon request.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorised the undersigned to sign this annual report on its behalf.

EQUINOR ASA
(Registrant)

By: /s/ TORGRIM REITAN
Name: Torgrim Reitan
Title: Executive Vice President and Chief Financial Officer

Dated: 23 March 2023

The reports set out below are provided in accordance with standards of the Public Company Accounting Oversight Board (United States). Ernst & Young AS (PCAOB ID: 1572) has also issued a report in accordance with law, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs), which includes opinions on the Consolidated financial statements and the parent company financial statements of Equinor ASA, and on other required matters. That report is not included in this 2022 Form 20-F, but only in the 2022 Annual report.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Equinor ASA

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Equinor ASA and its subsidiaries (Equinor or the Company) as at 31 December 2022 and 2021, the related consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the three years in the period ended 31 December 2022, and the related notes (collectively referred to as the "Consolidated Financial Statements"). In our opinion, the Consolidated Financial Statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended 31 December 2022, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in conformity with IFRS as adopted by the European Union.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as at 31 December 2022, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated 14 March 2023 expressed an unqualified opinion thereon.

Revision of Segment Reporting

As discussed in Note 5 to the Consolidated Financial Statements, the Company revised the measurement basis for the segments related to leases. The revision has been retrospectively adjusted for the years ended 31 December 2021 and 2020.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the Consolidated Financial Statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the Consolidated Financial Statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the Consolidated Financial Statements that were communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the Consolidated Financial Statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the Consolidated Financial Statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Recognition of deferred tax asset related to the US filing jurisdiction

Description of the Matter	As at 31 December 2022, the Company has recognised a previously unrecognised deferred tax asset of USD 2,738 million related to the US filing jurisdiction, which requires convincing evidence through future taxable profit to support the probable realisation of the deferred tax asset against historical carry-forward tax losses. Refer to Note 11 to the Consolidated Financial Statements for the related disclosures. As described in Note 11, deferred tax assets are recognised based on the expectation that sufficient taxable income will be available through reversal of taxable temporary differences or future taxable income. The future taxable income has to be considered probable

based on business forecasts.

In addition to agreeing the historical losses to supporting documentation, auditing management's estimate of the amount of the deferred tax asset is subjective because the estimation requires significant judgement, including the timing of reversals of the deferred tax liability and the availability of future profits against which tax deductions represented by the deferred tax asset can be offset. In addition, auditing management's estimate of amount of the deferred tax balances that are supported by the expectation of future taxable profits requires a high degree of judgement. Significant assumptions used in future taxable profits are commodity prices, expected oil and gas reserves and capital expenditures.

These significant assumptions are forward-looking and are heightened in complexity given the future demand and price uncertainty due to climate change and the energy transition. As described in Note 3 to the Consolidated Financial Statements, the effects of the initiatives to limit climate changes and the potential impact of the energy transition are relevant to some of the economic assumptions in the Company's estimation of future cash flows. Climate considerations are included directly in the deferred tax asset assessments by estimating the CO_2 costs in the cash flows, and indirectly as the expected effects of the climate change are included in the estimated commodity prices. Commodity price assumptions applied in the recognition of deferred tax assets are based on management's best estimate, which differs from the price-set required to achieve the goals of the Paris Agreement as described in the International Energy Agency (IEA) World Energy Outlook's Announced Pledges Scenario, or the Net Zero Emissions by 2050 Scenario. The impact of the energy transition and potential restrictions by regulators, market and strategic considerations may also have an effect on the estimated production profiles and the economic lifetime of the Company's US assets and projects.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's process for the recognition of the deferred tax asset related to the US filing jurisdiction. This included testing controls over the Company's process for tracking tax loss carry-forwards, management's review of assumptions and inputs to the calculations of future taxable profit and scheduling of reversal of the deferred tax liabilities.

In assessing the recognition and measurement of the deferred taxes we tested the completeness and accuracy of the amounts recognised as deferred tax asset by verifying tax loss carry-forwards against historical tax filings and assessing management's determination of the expected timing of utilisation of the deferred tax asset, including the application of relevant tax laws to the utilisation of tax losses. We also evaluated management's forecasted timing of the reversal of taxable temporary differences by considering the nature of the temporary differences and the relevant tax law. We involved our US tax specialists to assist us in these procedures.

Our audit procedures performed over the significant assumptions and inputs included, among others, evaluation of the methods and models used in the calculation of future taxable profit. We compared projected capital expenditures, from which depreciation expense is derived, and expected reserve volumes used in the estimation of the future taxable profit to approved operator budgets or management forecasts, and also compared expected reserve volumes to external evaluations when available. In addition, we compared the forecast to that used in other areas of analysis, such as impairment or impairment reversal assessment, as applicable.

To test price assumptions, we evaluated management's methodology to determine future commodity prices and compared such assumptions to external benchmarks, among other procedures. We evaluated management's methodology to factor climate-related matters into their determination of future commodity prices.

To test carbon costs assumptions, with the involvement of climate change and sustainability specialists, we evaluated management's methodology to determine future CO_2 tax, including assessing the impact from climate-related matters, through comparison of management's assumptions with the current legislation in place and the jurisdiction's announced pledges regarding escalation of CO_2 taxes.

We assessed management's sensitivity analysis disclosed in Note 11 related to a reasonably possible change in commodity prices.

Recoverable amounts of production plants and oil and gas assets including assets under development

Description of the Matter

As at 31 December 2022, the Company has recognised production plants and oil and gas assets, including assets under development, of USD 40,493 million and USD 10,679 million, respectively, within Property, plant and equipment. Refer to Note 14 to the Consolidated Financial Statements for the related disclosures. As described in Note 14, determining the recoverable amount of an asset involves an estimate of future cash flows, which is dependent upon management's best estimate of the economic conditions that will exist over the asset's useful life. The asset's operational performance

and external factors have a significant impact on the estimated future cash flows and therefore, the recoverable amount of the asset.

Auditing management's estimate of the recoverable amount of production plants and oil and gas assets is complex and involves a high degree of judgement. Significant assumptions used in forecasting future cash flows are future commodity prices, currency exchange rates, expected reserves, capital expenditures, and the discount rate.

These significant assumptions are forward-looking and can be affected by future economic and market conditions, including matters related to climate change and energy transition. As described in Note 3 to the Consolidated Financial Statements, the effects of the initiatives to limit climate changes and the potential impact of the energy transition are relevant to some of the economic assumptions in the Company's estimation of future cash flows. Climate considerations are included directly in the impairment assessments by estimating the CO_2 costs in the cash flows, and indirectly as the expected effects of the climate change are included in the estimated commodity prices. As also described in Note 3, commodity price assumptions applied in value-in-use impairment testing are based on management's best estimate, which differs from the price-set required to achieve the goals of the Paris Agreement as described in the International Energy Agency (IEA) World Energy Outlook's Announced Pledges Scenario, or the Net Zero Emissions by 2050 Scenario. The impact of the energy transition and potential restrictions by regulators, market and strategic considerations may also have an effect on the estimated production profiles and the economic lifetime of the Company's assets and projects.

Additionally, the treatment of tax in the estimation of the recoverable amount is challenging, as the Company is subject to different tax structures that are inherently complex, particularly in Norway.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's process for evaluating the recoverability of production plants and oil and gas assets including assets under development. This included testing controls over management's review of assumptions and inputs to the assessments of impairment and impairment reversals.

Our audit procedures performed over the significant assumptions and inputs included, among others, evaluation of the methods and models used in the calculation of the recoverable amount. We also evaluated the relevant tax effects based on the local legislation of the relevant jurisdictions, particularly in Norway, and tested the clerical accuracy of the models through independently recalculating the value in use. We involved valuation specialists to assist us with these procedures. In addition, we compared projected capital expenditures to approved operator budgets or management forecasts and compared expected reserve volumes to internal production forecasts and external evaluations of expected reserves, in accordance with the Company's internal procedures. For those assets previously impaired, we compared actual results to the forecasts used in historical impairment analyses. We also involved reserves specialists to assist us with these procedures.

To test price assumptions, we evaluated management's methodology to determine future commodity prices and compared such assumptions to external benchmarks, among other procedures. We involved valuation specialists to assist in evaluating the reasonableness of the Company's assessment of currency exchange rates and the discount rate, by assessing the Company's methodologies and key assumptions used to calculate the rates and by comparing those rates with external information. We also evaluated management's methodology to factor climate-related matters into their determination of future commodity prices, through assessing management's sensitivity analyses as discussed below.

To test carbon costs assumptions, with the involvement of climate change and sustainability specialists, we evaluated management's methodology to determine future CO_2 tax, including assessing the impact from climate-related matters, through assessing management's sensitivity analyses as discussed below, and compared management's assumptions with the current legislation in place in the relevant jurisdictions and the jurisdictions' announced pledges regarding escalation of CO_2 taxes.

We evaluated management's sensitivity analyses over its future commodity prices and carbon cost assumptions by taking into consideration, among other sources, the Net Zero Emissions by 2050 Scenario and Announced Pledges Scenario estimated by the International Energy Agency (IEA). We have also evaluated management's disclosures related to the consequences of initiatives to limit climate changes, including the effects of the Company's climate change strategy on the Consolidated Financial Statements and the energy transition's effects on estimation uncertainty, discussed in more detail in Notes 3 and 14.

Estimation of the asset retirement obligations

Description of the Matter

As at 31 December 2022, the Company has recognised a provision for decommissioning and removal activities of USD 11,734 million classified within Provisions and other liabilities. Refer to Note 23 to the Consolidated Financial Statements for disclosures. As described in Note 23, the appropriate estimates for such obligations are based on historical knowledge combined with knowledge of ongoing technological developments, expectations about future regulatory and technological development and

involve the application of judgement and an inherent risk of significant adjustments. The estimated costs of decommissioning and removal activities require revisions due to changes in current regulations and technology while considering relevant risks and uncertainties.

Auditing management's estimate of the decommissioning and removal of offshore installations at the end of the production period is complex and involves a high degree of judgement. Determining the provision for such obligation involves application of considerable judgement related to the assumptions used in the estimate, the inherent complexity and uncertainty in estimating future costs, and the limited historical experience against which to benchmark estimates of future costs. Significant assumptions used in the estimate are the discount rates and the expected future costs, which include the underlying assumptions norms and rates and time required to decommission and can vary considerably depending on the expected removal complexity.

These significant assumptions are forward-looking and can be affected by future economic and market conditions, including matters related to climate change and energy transition. As described in Note 3 to the Consolidated Financial Statements, the effects of the initiatives to limit climate changes and the potential impact of the energy transition are relevant to some of the economic assumptions in the Company's estimation of future cash flows. The impact of the energy transition and potential restrictions by regulators, market and strategic considerations may also have an effect on the estimated economic lifetime of the Company's assets and projects. If the Company's business cases for the oil and gas producing assets in the future should change materially due to governmental initiatives to limit climate change, it could affect the timing of cessation of the assets and the asset retirement obligations (ARO).

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's process to calculate the present value of the estimated future decommissioning and removal activities determined in accordance with local conditions and requirements. This includes controls related to management's review of assumptions described above, used in the calculation of the ARO.

To test management's estimation of the provision for decommissioning and removal activities, our audit procedures included, among others, evaluating the completeness of the provision by comparing significant additions to property, plant and equipment to management's assessment of new ARO obligations recognized in the period.

To assess the expected future costs, among other procedures, we compared day rates for rigs, marine operations and heavy lift vessels to external market data or existing contracts. For time required to decommission, we compared the assumptions against historical data on a sample basis. We compared discount rates to external market data. With the support of our valuation specialists, we evaluated the methodology and models used by management to estimate the ARO and performed a sensitivity analysis on the significant assumptions. In addition, we recalculated the formulas in the models.

We recalculated management's sensitivity analyses over the effect of performing removal five years earlier than currently scheduled due to potential governmental initiatives to limit climate changes.

We have also evaluated management's disclosures related to the consequences of initiatives to limit climate changes, including the effects of the Company's climate change strategy on the Consolidated Financial Statements and the energy transition's effects on estimation uncertainty, discussed in more detail in Notes 3 and 23.

/s/ Ernst & Young AS

We have served as the Company's auditor since 2019.

Stavanger, Norway
14 March 2023

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Equinor ASA

Opinion on Internal Control over Financial Reporting

We have audited Equinor ASA and subsidiaries' (the Company) internal control over financial reporting as at 31 December 2022, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as at 31 December 2022, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2022 Consolidated Financial Statements of the Company, and our report dated 14 March 2023 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting as set out in Item 15. Controls and Procedures. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young AS

Stavanger, Norway

14 March 2023

Consolidated financial statements of the Equinor group

CONSOLIDATED STATEMENT OF INCOME

		Full year		
(in USD million)	Note	2022	2021	2020
Revenues	7	**149,004**	88,744	45,753
Net income/(loss) from equity accounted investments	15	**620**	259	53
Other income	6	**1,182**	1,921	12
Total revenues and other income	7	**150,806**	90,924	45,818
Purchases [net of inventory variation]		**(53,806)**	(35,160)	(20,986)
Operating expenses		**(9,608)**	(8,598)	(8,831)
Selling, general and administrative expenses		**(986)**	(780)	(706)
Depreciation, amortisation and net impairment losses	12, 13	**(6,391)**	(11,719)	(15,235)
Exploration expenses	13	**(1,205)**	(1,004)	(3,483)
Total operating expenses	9	**(71,995)**	(57,261)	(49,241)
Net operating income/(loss)	5	**78,811**	33,663	(3,423)
Interest expenses and other finance expenses		**(1,379)**	(1,223)	(1,392)
Other financial items		**1,172**	(857)	556
Net financial items	10	**(207)**	(2,080)	(836)
Income/(loss) before tax		**78,604**	31,583	(4,259)
Income tax	11	**(49,861)**	(23,007)	(1,237)
Net income/(loss)		**28,744**	8,576	(5,496)
Attributable to equity holders of the company		**28,746**	8,563	(5,510)
Attributable to non-controlling interests		**(3)**	14	14
Basic earnings per share (in USD)		**9.06**	2.64	(1.69)
Diluted earnings per share (in USD)		**9.03**	2.63	(1.69)
Weighted average number of ordinary shares outstanding (in millions)		**3,174**	3,245	3,269
Weighted average number of ordinary shares outstanding, diluted (in millions)		**3,183**	3,254	3,277

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Full year		
(in USD million)	Note	2022	2021	2020
Net income/(loss)		**28,744**	8,576	(5,496)
Actuarial gains/(losses) on defined benefit pension plans		**461**	147	(106)
Income tax effect on income and expenses recognised in OCI[1)]		**(105)**	(35)	19
Items that will not be reclassified to the Consolidated statement of income	22	**356**	111	(87)
Foreign currency translation effects		**(3,609)**	(1,052)	1,064
Share of OCI from equity accounted investments		**424**	0	0
Items that may subsequently be reclassified to the Consolidated statement of income		**(3,186)**	(1,052)	1,064
Other comprehensive income/(loss)		**(2,829)**	(940)	977
Total comprehensive income/(loss)		**25,914**	7,636	(4,519)
Attributable to the equity holders of the company		**25,917**	7,622	(4,533)
Attributable to non-controlling interests		**(3)**	14	14

1) Other Comprehensive Income (OCI).

CONSOLIDATED BALANCE SHEET

(in USD million)	Note	At 31 December 2022	2021
ASSETS			
Property, plant and equipment	12	**56,498**	62,075
Intangible assets	13	**5,158**	6,452
Equity accounted investments	15	**2,758**	2,686
Deferred tax assets	11	**8,732**	6,259
Pension assets	22	**1,219**	1,449
Derivative financial instruments	28	**691**	1,265
Financial investments	16	**2,733**	3,346
Prepayments and financial receivables	16	**2,063**	1,087
Total non-current assets		**79,851**	84,618
Inventories	17	**5,205**	3,395
Trade and other receivables[1)]	18	**22,452**	17,927
Derivative financial instruments	28	**4,039**	5,131
Financial investments	16	**29,876**	21,246
Cash and cash equivalents[2)]	19	**15,579**	14,126
Total current assets		**77,152**	61,826
Assets classified as held for sale	6	**1,018**	676
Total assets		**158,021**	147,120
EQUITY AND LIABILITIES			
Shareholders' equity		**53,988**	39,010
Non-controlling interests		**1**	14
Total equity	20	**53,989**	39,024
Finance debt	21	**24,141**	27,404
Lease liabilities	25	**2,409**	2,449
Deferred tax liabilities	11	**11,996**	14,037
Pension liabilities	22	**3,671**	4,403
Provisions and other liabilities	23	**15,633**	19,899
Derivative financial instruments	28	**2,376**	767
Total non-current liabilities		**60,226**	68,959
Trade, other payables and provisions	24	**13,352**	14,310
Current tax payable		**17,655**	13,119
Finance debt	21	**4,359**	5,273
Lease liabilities	25	**1,258**	1,113
Dividends payable	20	**2,808**	582
Derivative financial instruments	28	**4,106**	4,609
Total current liabilities		**43,539**	39,005
Liabilities directly associated with the assets classified as held for sale	6	**268**	132
Total liabilities		**104,032**	108,096
Total equity and liabilities		**158,021**	147,120

1) Of which Trade receivables of USD 17,334 million in 2022 and USD 15,237 million in 2021.
2) Includes collateral deposits of USD 6,128 million for 2022 related to certain requirements set out by exchanges where Equinor is participating. The corresponding figure for 2021 is USD 2,069 million.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in USD million)	Share capital	Additional paid-in capital	Retained earnings	Foreign currency translation reserve	OCI from equity accounted investments[1)]	Shareholders' equity	Non-controlling interests	Total equity
At 1 January 2020	1,185	7,732	37,481	(5,258)	0	**41,139**	20	**41,159**
Net income/(loss)			(5,510)			**(5,510)**	14	**(5,496)**
Other comprehensive income/(loss)			(87)	1,064		**977**		**977**
Total comprehensive income/(loss)								**(4,519)**
Dividends			(1,833)			**(1,833)**		**(1,833)**
Share buy-back	(21)	(869)				**(890)**		**(890)**
Other equity transactions		(11)				**(11)**	(15)	**(25)**
At 31 December 2020	1,164	6,852	30,050	(4,194)	0	**33,873**	19	**33,892**
Net income/(loss)			8,563			**8,563**	14	**8,576**
Other comprehensive income/(loss)			111	(1,052)		**(940)**		**(940)**
Total comprehensive income/(loss)								**7,636**
Dividends			(2,041)			**(2,041)**		**(2,041)**
Share buy-back		(429)				**(429)**		**(429)**
Other equity transactions		(15)				**(15)**	(18)	**(33)**
At 31 December 2021	1,164	6,408	36,683	(5,245)	0	**39,010**	14	**39,024**
Net income/(loss)			28,746			**28,746**	(3)	**28,744**
Other comprehensive income/(loss)			356	(3,609)	424	**(2,829)**		**(2,829)**
Total comprehensive income/(loss)								**25,914**
Dividends			(7,549)			**(7,549)**		**(7,549)**
Share buy-back	(22)	(3,358)				**(3,380)**		**(3,380)**
Other equity transactions		(10)				**(10)**	(10)	**(20)**
At 31 December 2022	1,142	3,041	58,236	(8,855)	424	**53,988**	1	**53,989**

1) OCI items from equity accounted investments that may subsequently be reclassified to the Consolidated statement of income, are presented as part of OCI from equity accounted investments. OCI items that will not be reclassified to the Consolidated statements of income will be included in retained earnings.

Please refer to note 20 Shareholders' equity and dividends for more details.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in USD million)	Note	2022	Full year 2021	2020
Income/(loss) before tax		**78,604**	31,583	(4,259)
Depreciation, amortisation and net impairment	12, 13	**6,391**	11,719	15,235
Exploration expenditures written off	13	**342**	171	2,506
(Gains)/losses on foreign currency transactions and balances		**(2,088)**	(47)	646
(Gains)/losses on sale of assets and businesses	6	**(823)**	(1,519)	18
(Increase)/decrease in other items related to operating activities[1)]		**468**	106	918
(Increase)/decrease in net derivative financial instruments	28	**1,062**	539	(451)
Interest received		**399**	96	162
Interest paid		**(747)**	(698)	(730)
Cash flows provided by operating activities before taxes paid and working capital items		**83,608**	41,950	14,045
Taxes paid		**(43,856)**	(8,588)	(3,134)
(Increase)/decrease in working capital		**(4,616)**	(4,546)	(524)
Cash flows provided by operating activities		**35,136**	28,816	10,386
Capital expenditures and investments	6	**(8,611)**	(8,151)	(8,476)
(Increase)/decrease in financial investments		**(10,089)**	(9,951)	(3,703)
(Increase)/decrease in derivative financial instruments		**1,894**	(1)	(620)
(Increase)/decrease in other interest-bearing items		**(23)**	28	202
Proceeds from sale of assets and businesses	6	**966**	1,864	505
Cash flows provided by/(used in) investing activities		**(15,863)**	(16,211)	(12,092)
New finance debt	21	**0**	0	8,347
Repayment of finance debt	21	**(250)**	(2,675)	(2,055)
Repayment of lease liabilities	25	**(1,366)**	(1,238)	(1,277)
Dividends paid	20	**(5,380)**	(1,797)	(2,330)
Share buy-back	20	**(3,315)**	(321)	(1,059)
Net current finance debt and other financing activities		**(5,102)**	1,195	1,365
Cash flows provided by/(used in) financing activities	21	**(15,414)**	(4,836)	2,991
Net increase/(decrease) in cash and cash equivalents		**3,860**	7,768	1,285
Foreign currency translation effects		**(2,268)**	(538)	294
Cash and cash equivalents at the beginning of the period (net of overdraft)	19	**13,987**	6,757	5,177
Cash and cash equivalents at the end of the period (net of overdraft)[2)]	19	**15,579**	13,987	6,757

1) The line item mainly consists of provisions, unrealised gains and losses and items of income or expense for which the cash effects are included in increase/(decrease) in working capital within operating cash flow and investing cash flows. The line item includes a fair value loss related to inventory of USD 672 million at 31 December 2022. Amount for 2021 includes MUSD (822) redetermination settlement for the Agbami field.
2) At 31 December 2022 cash and cash equivalents net overdraft was zero. At 31 December 2021 cash and cash equivalents included a net overdraft of USD 140 million and at 31 December 2020 net overdraft were zero.

Interest paid in cash flows provided by operating activities excludes capitalised interest of USD 382 million, USD 334 million, and USD 308 million for the years ending 31 December 2022, 2021 and 2020, respectively. Capitalised interest is included in Capital expenditures and investments in cash flows used in investing activities. Total interest paid amounts to USD 1,129 million, USD 1,032 million, and USD 1,038 million for the years 2022, 2021 and 2020, respectively.

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1 Organisation

The Equinor Group (Equinor) consists of Equinor ASA and its subsidiaries. Equinor ASA is incorporated and domiciled in Norway and listed on the Oslo Børs (Norway) and the New York Stock Exchange (USA). The address of its registered office is Forusbeen 50, N-4035 Stavanger, Norway.

Equinor's objective is to develop, produce and market various forms of energy and derived products and services, as well as other business. The activities may also be carried out through participation in or cooperation with other companies. Equinor Energy AS, a 100% owned operating subsidiary of Equinor ASA and owner of all of Equinor's oil and gas activities and net assets on the Norwegian continental shelf, is co-obligor or guarantor for certain debt obligations of Equinor ASA.

The Consolidated financial statements of Equinor for the full year 2022 were approved for issuance by the board of directors on 14 March 2023 and is subject to approval by the annual general meeting on 10 May 2023.

2 Accounting policies

Statement of compliance
The Consolidated financial statements of Equinor ASA and its subsidiaries (Equinor) have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and with IFRSs as issued by the International Accounting Standards Board (IASB), interpretations issued by IASB and the additional requirements of the Norwegian Accounting Act, effective on 31 December 2022.

Basis of preparation
The Consolidated financial statements are prepared on the historical cost basis with some exceptions where fair value measurement is applied. These exceptions are specifically disclosed in the accounting policies sections in relevant notes. The material accounting policies described in these Consolidated financial statements have been applied consistently to all periods presented, except as otherwise noted in the disclosure related to the impact of policy changes following the adoption of new accounting standards and voluntary changes in 2022.

Certain amounts in the comparable years have been restated or reclassified to conform to current year presentation. All amounts in the Consolidated financial statements are denominated in USD millions, unless otherwise specified. The subtotals and totals in some of the tables in the notes may not equal the sum of the amounts shown in the primary financial statements due to rounding.

Operational expenses in the Consolidated statement of income are presented as a combination of function and nature in conformity with industry practice. Purchases [net of inventory variation] and Depreciation, amortisation and net impairment losses are presented on separate lines based on their nature, while Operating expenses and Selling, general and administrative expenses as well as Exploration expenses are presented on a functional basis. Significant expenses such as salaries, pensions, etc. are presented by their nature in the notes to the Consolidated financial statements.

Basis of consolidation
The Consolidated financial statements include the accounts of Equinor ASA and its subsidiaries as well as Equinor's interests in jointly controlled and equity accounted investments. All intercompany balances and transactions, including unrealised profits and losses arising from Equinor's internal transactions, have been eliminated.

The Consolidated financial statements include all entities controlled by Equinor ASA. Entities are determined to be controlled by Equinor when Equinor has power over the entity, ability to use that power to affect the entity's returns, and exposure to, or rights to, variable returns from its involvement with the entity. The financial statements of the subsidiaries are included in the Consolidated financial statements from the date control is achieved until the date control ceases.

Non-controlling interests are presented separately within equity in the Consolidated balance sheet.

Foreign currency translation
In preparing the financial statements of the individual entities in Equinor, transactions in currencies other than the functional currency are translated at the foreign exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the foreign exchange rate at the balance sheet date. Foreign exchange differences arising on translation are recognised in the Consolidated statement of income as foreign exchange gains or losses within Net financial items. However, foreign exchange differences arising from the translation of estimate-based provisions are generally accounted for as part of the change in the underlying estimate and included within the relevant operating expense or income tax line-items depending on the nature of the provision. Non-monetary assets measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transactions.

When preparing the Consolidated financial statements, the assets and liabilities of entities with functional currencies other than the Group's presentation currency USD are translated into USD at the foreign exchange rate at the balance sheet date. The revenues and expenses of such entities are translated using the foreign exchange rates on the dates of the transactions. Foreign exchange differences arising on translation from functional currency to USD are recognised separately in the Consolidated statement of comprehensive income within Other comprehensive income (OCI). The cumulative amount of such translation differences relating to an entity is reclassified to the Consolidated statement of income and reflected as a part of the gain or loss on disposal of that entity.

Loans from Equinor ASA to subsidiaries and equity accounted investments with other functional currencies than the parent company, and for which settlement is neither planned nor likely in the foreseeable future, are considered part of the parent company's net investment in the subsidiary. Foreign exchange differences arising on such loans are recognised in OCI in the Consolidated financial statements.

Statement of cash flows
In the statement of cash flows, operating activities are presented using the indirect method, where Income/(loss) before tax is adjusted for changes in inventories and operating receivables and payables, the effects of non-cash items such as depreciations, amortisations and impairments, provisions, unrealised gains and losses and undistributed profits from associates, and items of income or expense for which the cash effects are investing or financing cash flows. Increase/decrease in financial investments, Increase/decrease in derivative financial instruments, and Increase/decrease in other interest-bearing items are all presented net as part of Investing activities, either because the transactions are financial investments and turnover is quick, the amounts are large, and the maturities are short, or due to materiality.

Accounting judgement and key sources of estimation uncertainty
The preparation of the Consolidated financial statements requires management to make accounting judgements, estimates and assumptions affecting reported amounts of assets, liabilities, income and expenses.

The main areas where Equinor has made significant judgements when applying the accounting policies and that have the most material effect on the amounts recognised in the Consolidated financial statements have been described in the following notes:

6 – Acquisitions and disposals
7 – Total revenues and other income
25 – Leases

Estimates used in the preparation of these Consolidated financial statements are prepared based on customised models, while the assumptions on which the estimates are based rely on historical experience, external sources of information and various other factors that management assesses to be reasonable under the current conditions and circumstances. These estimates and assumptions form the basis of making the judgements about carrying values of assets and liabilities when these are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis considering the current and expected future set of conditions.

Equinor is exposed to several underlying economic factors affecting the overall results, such as commodity prices, foreign currency exchange rates, market risk premiums and interest rates as well as financial instruments with fair values derived from changes in these factors. The effects of the initiatives to limit climate changes and the potential impact of the energy transition are relevant to several of these economic assumptions. In addition, Equinor's results are influenced by the level of production, which in the short term may be influenced by, for instance, maintenance programmes. In the long-term, the results are impacted by the success of exploration, field developments and operating activities.

The most important matters in understanding the key sources of estimation uncertainty are described in each of the following notes:

3 – Consequences of initiatives to limit climate changes
11 – Income taxes
12 – Property, plant and equipment
13 – Intangible assets
14 – Impairments
23 – Provisions and other liabilities
26 – Other commitments, contingent liabilities and contingent assets

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Changes in accounting policies in the current period
Amendments to IAS 1 and IFRS practice statement 2: Replacing Significant accounting policies with Material accounting policies
IASB has issued amendments to IAS 1 Presentation of financial statements and IFRS Practice Statement 2 Making Materiality Judgements. These amendments are intended to help entities apply materiality judgements to accounting policy disclosures and provide additional guidance and illustrative examples. The amendments are effective for annual periods beginning on or after 1

January 2023. Earlier application is permitted, and Equinor has applied the amendments with effect from these Consolidated financial statements.

Accounting policy information should be considered material if its disclosure can reasonably be expected to influence user decisions and therefore is needed to understand other information provided about material transactions, other events, or conditions in the financial statements. IASB has acknowledged that standardised information, or information that only duplicates or summarises the requirements of the IFRS -standards, is generally less useful than entity-specific accounting policy information. Even though such information could be material in specific circumstances, Equinor has focused the accounting policy disclosures on Equinor-specific policy choices, disclosing only those accounting policies that are considered necessary to understand other material information in the Consolidated financial statements of Equinor.

Other standards, amendments to standards and interpretations of standards, effective as of 1 January 2022
Other amendments to standards or interpretations of standards effective as of 1 January 2022 and adopted by Equinor, were not material to Equinor's Consolidated financial statements upon adoption.

Other standards, amendments to standards, and interpretations of standards, issued but not yet effective, are either not expected to materially impact, or are not expected to be relevant to, Equinor's Consolidated financial statements upon adoption.

3 Consequences of initiatives to limit climate changes

Accounting policies - cost of CO_2 quotas
Purchased CO_2 quotas under the EU Emissions Trading System (EU ETS) are reflected at cost in Operating expenses as incurred in line with emissions. Accruals for CO_2 quotas required to cover emissions to date are valued at market price and reflected as a current liability within Trade, other payables and provisions. Quotas owned, but exceeding the emissions incurred to date, are carried in the balance sheet at cost price, classified as Other current receivables, as long as such purchased quotas are acquired in order to cover own emissions and may be kept to cover subsequent years' emissions. Quotas purchased and held for trading purposes are carried in the balance sheet at fair value, and the changes in fair value are reflected in the Consolidated statement of income on the line-item Other income.

Obligations resulting from current year emissions and the corresponding amounts for quotas that have been bought, paid and expensed, but which have not yet been surrendered to the relevant authorities, are reflected net in the balance sheet.

Equinor's strategy and ambitions
Equinor's ambition is to continue supplying society with energy with lower emissions over time, to be a leading company in the energy transition and becoming a net-zero company by 2050, including emissions from production through to final energy consumption. Equinor's strategy is to create value as a leader in the energy transition by pursuing high-value growth in renewables and new market opportunities in low carbon solutions at the same time as we optimise our oil and gas portfolio. This strategy covers three strategically important and interconnected areas:

- Oil and gas. Equinor's main focus is optimising our resources, cutting emissions in our operations and identifying new procedures that enable us to continue supplying energy that the world needs with a low footprint.
- Renewables. There is an apparent global demand for more renewable energy, and Equinor's investments in offshore wind and solar are growing exponentially to meet this demand.
- Low carbon solutions. Equinor will continue its investments in new technologies and value chains for producing lower emissions by replacing the use of carbon when generating new energy or capturing and removing the greenhouse gases before they reach the atmosphere. Even though carbon capture and storage (CCS) has existed as a technology for many decades, it takes time to develop the value chains and carbon capture and storage has yet to be implemented as a revenue-generating service to the market on a full scale.

Risks arising from climate change and the transition to a lower carbon economy
Policy, legal, regulatory, market and technology developments related to the issue of climate change, can affect our business plans and financial performance. Shifts in stakeholder focus between energy security, affordability and sustainability add uncertainty to delivery and outcomes associated with Equinor's strategy. Equinor's long-term plans have to consider how the global energy markets may develop in the long term. Potential scenarios of future changes in demand for our products (oil, gas and power in key markets) are analysed, including World Energy Outlook 2022 (WEO) scenarios that illustrate the wide range of possible demand for different energy sources, including fossil fuels, nuclear and renewables. Commodity price sensitivities are presented in a table below and in note 14 Impairments.

Equinor assesses climate risk from two perspectives: transition risk, which relates to the financial robustness of the company's business model and portfolio in various decarbonisation scenarios; and physical climate risk, which relates to the exposure of our assets to climate-related perils in different warming scenarios. Equinor's climate roadmap and all of our climate-related ambitions are a response to these challenges and risks related to climate change.

- Stricter climate laws, regulations and policies as well as adverse litigation outcomes could adversely impact Equinor's financial results and outlook, including the value of its assets. This might be directly through regulatory changes towards energy systems free of unabated fossil fuels, changes in taxation, increased costs, access to opportunities, or indirectly through changes in consumer behaviour or technology developments.

- Changing demand for renewable energy and low-carbon technologies, and innovation and technology changes supporting their cost-competitive development, represent both threats and opportunities for Equinor. We assess and manage climate-related risks related to technology development and implementation across our portfolio, as well as recognising risks related to competing or emerging technologies elsewhere. Examples of relevant technologies within our portfolio include carbon capture and storage (CCS), blue/green hydrogen, battery technology, solar and wind renewable energy, nuclear fusion, low CO_2 intensity solutions, improvements in methane emissions and application of renewables in oil and gas production.

- Market development and our ability to reduce costs and capitalize on technology improvements are important but unpredictable risk factors. Multiple factors in the energy transition contribute to uncertainty in future energy price assumptions, and changes in investor and societal sentiment can affect our access to capital markets, attractiveness for investors, and potentially restrict access to finance or increase financing costs.

- Strong competition for assets, changing levels of policy support, and different commercial/contractual models may lead to diminishing returns within the renewable and low carbon industries and hinder Equinor ambitions. These investments may be exposed to interest rate risk and inflation risk.

- Changes in physical climate parameters could impact Equinor through increased costs or incidents affecting Equinor's operations. Examples of acute physical parameters that could impact Equinor's facility design and operations include increasing frequency and severity of extreme weather events such as extreme windspeeds, wave-heights or flooding. Examples of chronic physical climate parameters include limitations in freshwater availability, a pattern with generally increased wind speeds and as most of Equinor's physical assets are located offshore, a key potential chronic physical climate impact is expected to be rising sea level accompanied with increased wave heights. As we continue to build our renewable portfolio, unexpected changes in meteorological parameters, such as average wind speed or changes in wind patterns and cloud cover that affect renewable energy production will also be important factors to consider. Physical risk factors are mitigated through technical and engineering functions in design, operations and maintenance, with due consideration of how the external physical environment may be changing. However, there is uncertainty regarding the magnitude of impact and time horizon for the occurrence of physical impacts of climate change, which leads to uncertainty regarding the potential impact for Equinor.

Impact on Equinor's financial statements

CO_2-cost and EU ETS carbon credits

Our oil & gas operations in Europe are part of the EU Emission Trading Scheme (EU ETS). Equinor buys EU ETS allowances (quotas or carbon credits) for the emissions related to our oil & gas production and processing. Currently we receive a share of free quotas according to the EU ETS regulation. The share of free quotas is expected to be significantly reduced in the future.

Total expensed CO_2 cost related to emissions and purchase of CO_2 quotas in Equinor related to activities resulting in GHG emissions (Equinor's share of the operating licences in addition to our land-based facilities) amounts to USD 510 million in 2022, USD 428 million in 2021, and USD 268 million in 2020. A large portion of the cost of CO_2 in Equinor is related to the purchase of EU ETS quotas. The table below shows an analysis of number of quotas utilised by Equinor's operated licences and land-based facilities subject to the requirements under EU ETS:

Number of EU ETS quotas	2022	2021
Opening balance at 1 January	11,026,286	11,027,242
Allocated free quotas	3,697,089	3,560,286
Purchased quotas on the ETS market	5,985,000	7,605,265
Sold quotas on the ETS market	0	(135,177)
Settled quotas (offset against emissions)	(9,925,999)	(11,031,330)
Closing balance at 31 December	10,782,376	11,026,286

Investments in renewables
The energy transition creates many new business opportunities, primarily related to further development of Equinor's renewables business and within CCS. Driven by the energy transition and an increasing demand for electricity from renewable energy sources, Equinor continues to build its renewable business. We focus on offshore wind and also explore opportunities within onshore renewables and integrated power market solutions. At present, Equinor's renewable portfolio spans multiple continents and technologies– onshore and offshore – and different ownership structures:

- In operation: Mainly offshore wind in UK and Germany and solar farms in Brazil and Argentina
- In construction: The most significant projects are the Dogger Bank projects in UK (SSE operated) and Hywind Tampen in Norway in addition to construction of solar plants in Poland
- Additional capacity has secured offtake, mainly offshore wind projects in the US and Poland
- Accessed pipeline capacity (currently without offtake). This includes offshore wind in the US and South Korea and solar and onshore wind projects in Brazil and Poland
- Equinor also holds a 13.1% shareholding in Scatec ASA, a leading renewable power producer, delivering affordable and clean energy worldwide

Equinor's investments in renewables and low carbon solutions projects are included as Additions to PP&E, intangibles and equity accounted investments in the REN-segment in note 5 Segments and amounts to USD 298 million in 2022 and USD 457 million in 2021. Equinor's ambition is to become a global offshore wind major and an industry leader in floating offshore wind, drawing on our extensive offshore experience to drive the industry forward. In addition, Equinor explores opportunities within onshore renewables.

Investments in CCS
Through our activities within CCS, we are building capabilities and a competitive position for future business opportunities and a new revenue stream related to disposal of CO_2 from customers such as from waste incineration and cement production and would also be basis for solutions for decarbonised hydrogen as an energy carrier which would also be a flexible solution to backup intermittent renewables in Europe. Equinor is making significant steps to industrialise CCS and we are already involved in the Northern Lights project in Norway providing CO_2 transport and storage solutions (in partnership with Shell and TotalEnergies). It represents the start of commercial CCS in Europe and is on track to demonstrate that CCS is a valid decarbonisation solution for important industry sectors. Equinor has during 2022 contributed with USD 36 million to the company as capital increases (USD 21 million in 2021).

Research and development activities (R&D)
In addition to the beforementioned significant financial effects, Equinor is also involved in several activities within R&D. Several of these activities are related to optimising our oil and gas activities and cutting emissions from our activities as well as developing new business opportunities within renewables or low carbon solutions. Financial effects from Equinor's total R&D activities can be located in note 9 Auditor's remuneration and Research and development expenditures (expensed R&D) and in note 12 Property, Plant & Equipment (capitalised R&D).

Effects on estimation uncertainty
The effects of the initiatives to limit climate changes and the potential impact of the energy transition are relevant to some of the economic assumptions in our estimations of future cash flows. The results of the development of such initiatives, and the degree to which Equinor's operations will be affected by them, are sources of uncertainty. Estimating global energy demand and commodity prices towards 2050 is a challenging task, as this comprises assessing the future development in supply and demand, technology change, taxation, tax on emissions, production limits and other important factors. The assumptions may change over time, which could materialise in different outcomes from the current projected scenarios. This could result in significant changes to accounting estimates, such as economic useful life (affects depreciation period and timing of asset retirement obligations), value-in-use calculations (affects impairment assessments) and measurement of deferred tax assets.

Commodity prices
Equinor's commodity price assumptions applied in value-in-use impairment testing, are set in accordance with requirements in IFRS and 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 required to achieve the goals in the Net Zero Emissions (NZE) by 2050 Scenario, nor a price-set in accordance with the Announced Pledges Scenario as defined by the International Energy Agency (IEA). A future change in the trajectory of how the world acts with regards to implementing actions in accordance with the goals in the Paris agreement could, depending on the detailed characteristics of such a trajectory, have a negative impact on the valuation of Equinor's property, plant and equipment in total. A calculation of a possible effect of using the assumed commodity prices and CO_2 prices in a 1.5ºC compatible NZE by 2050 Scenario as estimated by IEA could result in an impairment of upstream production assets and intangible assets around USD 4 billion before tax, see the sensitivity table below.

Similarly, we have calculated the possible effect of using prices according to the Announced Pledges Scenario, a scenario which is based on all of the climate-related commitments announced by governments around the Globe. Using this scenario, the world is expected to reach a 1.8ºC increase in the year 2100, and this could result in an impairment of less than USD 0.5 billion before tax using the same simplified model, see the sensitivity table below.

These illustrative impairment sensitivity calculations are based on a simplified model and limitations described in note 14 Impairments. However, when preparing these illustrative scenario sensitivities, we have linearly interpolated between current prices and the price set disclosed in the table below for both the NZE by 2050 scenario and the Announced pledges scenario. Applying this simplified approach, the illustrative potential impairments are significantly lower than the amount disclosed in note 14 Impairments where an immediate 30% reduction in commodity prices has been applied, also considering a somewhat declining production profile, concentrated before the year 2030 for our producing and sanctioned development projects and the effects of discounting.

Cost of CO_2

The EU ETS price has increased significantly from 25 EUR/tonne in 2020. The average cost of EU ETS allowances was 81 EUR/tonne in 2022 (54 EUR/tonne in 2021). The price is expected to remain high, in the region of 80 EUR/tonne for the next couple of years. Then the price is expected to be 105 EUR/tonne in 2040 and thereafter increasing to 130 EUR/tonne in 2050. As such, Equinor expects greenhouse gas emission costs to increase from current levels and to have a wider geographical range than today, and a global tax on CO_2 emissions will have a negative impact on the valuation of Equinor's oil and gas assets. Currently, Equinor pays CO_2 fees in Norway, the UK, Germany and Nigeria. Norway's Climate Action Plan for the period 2021-2030 (Meld. St 13 (2020-2021)) which assumes a gradually increased CO_2 tax (the total of EU ETS + Norwegian CO_2 tax) in Norway to 2,000 NOK/tonne in 2030 is used for impairment calculations of Norwegian upstream assets.

Equinor's response to this risk is evaluation of carbon intensity on both project and portfolio level in our investment and divestment decisions. We have also introduced an internal carbon price, currently set at 58 USD/tonne and increasing towards 100 USD/tonne by the year 2030 and staying flat thereafter (in countries with higher carbon costs, we use the country specific cost expectations), to be used in our investment decisions. This cost-scenario is uncertain, but this extra cost serves as a placeholder for possible future CO_2 pricing systems, making sure our assets are financially robust in such a scenario. As such, climate considerations are a part of the investment decisions following Equinor's strategy and commitments to the energy transition.

Climate considerations are also included in the impairment calculations directly by estimating the CO_2 taxes in the cash flows. Indirectly, the expected effect of climate change is included in the estimated commodity prices where supply and demand are considered. The CO_2 prices also have effect on the estimated production profiles and economic cut-off of the projects. Impairment calculations are based on best estimate assumptions. To reflect that carbon will have a cost for all our assets, the current best estimate is considered to be EU ETS for countries outside EU where carbon is not already subject to taxation or where Equinor has not established specific estimates.

Sensitivity table

In this table, we have presented some relevant prices and variables and the anticipated future development compared to our managements' best estimate and an illustrative potential impairment effect given these scenarios. The scenario price-sets have been retrieved from IEA's report, World Energy Outlook 2022. Prices are adjusted for inflation and presented in Real 2022. USD 2 per bbl of transportation cost has been added to the brent-prices in the scenarios for comparability with our current best estimate:

	Management's price assumptions[1)]		**NZE by 2050 scenario**		**Announced Pledged Scenario**	
Brent blend, 2030	75	USD/bbl	40	USD/bbl	71	USD/bbl
Brent blend, 2040	70	USD/bbl	34	USD/bbl	69	USD/bbl
Brent blend, 2050	65	USD/bbl	28	USD/bbl	67	USD/bbl
TTF, 2030	9.5	USD/MMBtu	5.0	USD/MMBtu	8.5	USD/MMBtu
TTF, 2040	9.0	USD/MMBtu	4.5	USD/MMBtu	7.7	USD/MMBtu
TTF, 2050	9.0	USD/MMBtu	4.1	USD/MMBtu	6.8	USD/MMBtu
EU ETS [2), 3)], 2030	94	USD/tCO_2	152	USD/tCO_2	146	USD/tCO_2
EU ETS [2), 3)], 2040	124	USD/tCO_2	222	USD/tCO_2	189	USD/tCO_2
EU ETS [2), 3)], 2050	153	USD/tCO_2	271	USD/tCO_2	216	USD/tCO_2
Illustrative potential impairment (USD)			~ 4.0	billion	< 0.5	billion

1) Management's future commodity price assumptions applied when estimating value in use, see note 14 Impairments
2) Scenarios: Price of CO_2 quotas in advanced economies with net zero pledges, not including any other CO_2 taxes
3) EU ETS price assumptions have been translated from EUR to USD using Equinor's assumptions for currency rates, EUR/USD = 1,176

Robustness of our upstream oil & gas portfolio, and risk of stranded assets

The transition to renewable energy, technological development and the expected reduction in global demand for carbon-based energy, may have a negative impact on the future profitability of investments in upstream oil and gas assets, in particular assets with long estimated useful lives, projects in an early development phase and undeveloped assets controlled by Equinor. Equinor uses scenario analysis to outline different possible energy futures and several of these imply lower oil and natural gas prices. If they decrease, the oil and gas revenues will also decrease, and potentially reduce the economic lifetime of some assets. Equinor seeks to mitigate this risk by focusing on improving the resilience of the existing upstream portfolio, maximising the efficiency of our

infrastructure on the Norwegian Continental Shelf and optimising our high-quality international portfolio. Equinor will continue to add high value barrels to the portfolio through exploration and increased recovery, and NCS cash flow and value creation are expected to remain high also beyond 2030. The NCS project portfolio is very robust against potential low oil and gas prices and actions are in place to both maintain cost discipline across the company and ensure robustness of the non-sanctioned oil and natural gas projects.

Equinor will also continue to selectively explore for new resources with a focus on mature areas with existing infrastructure to minimise emissions and maximise value. During the transition, Equinor anticipates allocating a smaller share of our capital expenditure to oil and gas in the coming years and the volume of production is likely to decrease over time. Reaching our 50 percent reduction ambition for operated scope 1 and 2 emissions will require a focused and coordinated effort across the company on executing and maturing abatement projects, improving energy efficiency of offshore and onshore assets, developing new technologies, and strengthening resilience in the portfolio. The abatement projects primarily include electrification of offshore assets in Norway, mainly by power from shore but also including innovations such as Hywind Tampen, our floating wind farm powering offshore oil and gas platforms. In combination with our focus on renewables and CCS, these abatement projects are expected to reduce Equinor's emissions sufficiently to support our mid-term ambitions. As such, Equinor's plans to become a net-zero company by 2050 have currently not resulted in the identification of additional assets being triggered for impairment or earlier cessation.

Any future exploration may be restricted by regulations, market and strategic considerations. Provided that the economic assumptions would deteriorate to such an extent that undeveloped assets controlled by Equinor should not materialize, assets at risk mainly comprise the intangible assets Oil and Gas prospects, signature bonuses and the capitalised exploration costs, with a total carrying value of USD 3,634 million. See note 13 Intangible assets for more information regarding Equinor's intangible assets.

Timing of Asset Retirement Obligations (ARO)

As mentioned above, there are currently no assets triggered for earlier cessation as a result of Equinor's plans to become a net-zero company by 2050. But, if the business cases of Equinor's oil and gas producing assets in the future should change materially due to governmental initiatives to limit climate change, this could affect the timing of cessation of our assets and also our asset retirement obligations. A shorter production period, accelerating the time for when assets need to be removed after ended production, will increase the carrying value of the liability. To illustrate the potential financial effect of earlier removal, we have estimated the effect of performing removal five years earlier than currently scheduled to an increase in the liability of around USD 1 billion. See note 23 Provisions and other liabilities for more information regarding Equinor's ARO.

4 Financial risk and capital management

General information and financial risks

Equinor's business activities naturally expose Equinor to financial risks such as market risk (including commodity price risk, currency risk, interest rate risk and equity price risk), liquidity risk and credit risk. Equinor's approach to risk management includes assessing and managing risk in activities using a holistic risk approach, by considering relevant correlations at portfolio level between the most important market risks and the natural hedges inherent in Equinor's portfolio. This approach allows Equinor to reduce the number of risk management transactions and avoid sub-optimisation.

The corporate risk committee, which is headed by the chief financial officer, is responsible for Equinor's Enterprise Risk Management and for proposing appropriate measures to adjust risk at the corporate level. This includes assessing Equinor's financial risk policies.

Market risk

Equinor operates in the worldwide crude oil, refined products, natural gas, and electricity markets and is exposed to market risks including fluctuations in hydrocarbon prices, foreign currency rates, interest rates, and electricity prices that can affect the revenues and costs of operating, investing, and financing. These risks are managed primarily on a short-term basis with a focus on achieving the highest risk-adjusted returns for Equinor within the given mandate. Long-term exposures are managed at the corporate level, while short-term exposures are managed according to trading strategies and mandates. Mandates in the trading organisations within crude oil, refined products, natural gas, and electricity are relatively restricted compared to the total market risk of Equinor.

Commodity price risk

Equinor's most important long-term commodity risk (crude oil and natural gas) is related to future market prices as Equinor´s risk policy is to be exposed to both upside and downside price movements. In the longer term, also power price risk is to a large extent expected to contribute to Equinor's commodity price risk portfolio. To manage short-term commodity risk, Equinor enters into commodity-based derivative contracts, including futures, options, over-the-counter (OTC) forward contracts, market swaps and contracts for differences related to crude oil, petroleum products, natural gas, power and emissions. Equinor's bilateral gas sales portfolio is exposed to various price indices with a combination of gas price markers.

The term of crude oil and refined oil products derivatives are usually less than one year, and they are traded mainly on the Inter-Continental Exchange (ICE) in London, the New York Mercantile Exchange (NYMEX), the OTC Brent market, and crude and refined products swap markets. The term of natural gas, power, and emission derivatives is usually three years or less, and they are mainly

OTC physical forwards and options, NASDAQ OMX Oslo forwards, and futures traded on the European Energy Exchange (EEX), NYMEX and ICE.

The table below contains the commodity price risk sensitivities of Equinor's commodity-based derivative contracts. Equinor's assets and liabilities resulting from commodity-based derivative contracts consist of both exchange traded and non-exchange traded instruments, including embedded derivatives that have been bifurcated and recognised at fair value in the Consolidated balance sheet.

Price risk sensitivities at the end of 2022 and 2021 at 30% are assumed to represent a reasonably possible change based on the duration of the derivatives. Since none of the derivative financial instruments included in the table below are part of hedging relationships, any changes in the fair value would be recognised in the Consolidated statement of income.

Commodity price sensitivity	At 31 December			
	2022		2021	
(in USD million)	- 30%	+ 30%	- 30%	+ 30%
Crude oil and refined products net gains/(losses)	666	(666)	735	(735)
Natural gas, electricity and CO2 net gains/(losses)	(3)	140	227	(141)

Currency risk

Equinor’s cash flows from operating activities deriving from oil and gas sales, operating expenses and capital expenditures are mainly in USD, but taxes, dividends to shareholders on the Oslo Børs and a share of our operating expenses and capital expenditures are in NOK. Accordingly, Equinor’s currency management is primarily linked to mitigate currency risk related to payments in NOK. This means that Equinor regularly purchases NOK, primarily spot, but also on a forward basis using conventional derivative instruments.

The following currency risk sensitivity for financial instruments has been calculated, by assuming a 12% reasonable possible change in the most relevant foreign currency exchange rates that impact Equinor’s financial accounts, based on balances at 31 December 2022. As of 31 December 2021, a change of 10% in the most relevant foreign currency exchange rates was viewed as a reasonable possible change. With reference to the table below, an increase in the foreign currency exchange rates means that the disclosed currency has strengthened in value against all other currencies. The estimated gains and the estimated losses following from a change in the foreign currency exchange rates would impact the Consolidated statement of income.

Currency risk sensitivity	At 31 December			
	2022		2021	
(in USD million)	- 12 %	+ 12%	- 10 %	+ 10%
USD net gains/(losses)	(1,497)	1,497	(1,789)	1,789
NOK net gains/(losses)	1,583	(1,583)	2,144	(2,144)

Interest rate risk

Bonds are normally issued at fixed rates in a variety of currencies (among others USD, EUR and GBP) and some of these bonds are converted to floating USD bonds by using interest rate and currency swaps. Equinor manages its interest rates exposure on its bond portfolio based on risk and reward considerations from an enterprise risk management perspective. This means that the fixed/floating mix on interest rate exposure may vary from time to time. For more detailed information about Equinor’s long-term debt portfolio see note 21 Finance debt.

The following interest rate risk sensitivity has been calculated by assuming a change of 1.2 percentage points as a reasonable possible change in interest rates at the end of 2022. In 2021, a change of 0.8 percentage points in interest rates was viewed as a reasonable possible change. A decrease in interest rates will have an estimated positive impact on net financial items in the Consolidated statement of income, while an increase in interest rates will have an estimated negative impact on net financial items in the Consolidated statement of income.

Interest risk sensitivity	At 31 December			
	2022		2021	
(in USD million)	- 1.2 percentage points	+ 1.2 percentage points	- 0.8 percentage points	+ 0.8 percentage points
Positive/(negative) impact on net financial items	369	(366)	448	(448)

Equity price risk

Equinor's captive insurance company holds listed equity securities as part of its portfolio. In addition, Equinor holds some other listed and non-listed equities mainly for long-term strategic purposes. By holding these assets, Equinor is exposed to equity price risk, defined as the risk of declining equity prices, which can result in a decline in the carrying value of certain Equinor's assets recognised in the balance sheet. The equity price risk in the portfolio held by Equinor's captive insurance company is managed, with the aim of maintaining a moderate risk profile, through geographical diversification and the use of broad benchmark indexes.

The following equity price risk sensitivity has been calculated, by assuming a 35% reasonable possible change in equity prices that impact Equinor's financial accounts, based on balances at 31 December 2022. At 31 December 2021, a change of 35% in equity prices was equally viewed as a reasonable possible change. The estimated gains and the estimated losses following from a change in equity prices would impact the Consolidated statement of income.

Equity price sensitivity	**At 31 December**			
	2022		**2021**	
(in USD million)	**- 35%**	**+ 35%**	**- 35%**	**+ 35%**
Net gains/(losses)	(450)	450	(534)	534

Liquidity risk

Liquidity risk is the risk that Equinor will not be able to meet obligations of financial liabilities when they become due. The purpose of liquidity management is to ensure that Equinor always has sufficient funds available to cover its financial obligations.

The main cash outflows include the quarterly dividend payments and Norwegian petroleum tax payments made six times per year. Trading in collateralised commodities and financial contracts also exposes Equinor to liquidity risk related to potential collateral calls from counterparties.

If the cash flow forecasts indicate that the liquid assets will fall below target levels, new long-term funding will be considered. Equinor raises debt in all major capital markets (USA, Europe and Asia) for long-term funding purposes. The policy is to have a maturity profile with repayments not exceeding 5% of capital employed in any year for the nearest five years. Equinor's non-current financial liabilities have a weighted average maturity of approximately nine years. For more information about Equinor's non-current financial liabilities, see note 21 Finance debt.

Short-term funding needs will normally be covered by the USD 5.0 billion US Commercial paper programme (CP) which is backed by a revolving credit facility of USD 6.0 billion, supported by 19 core banks, maturing in 2025. The facility supports secure access to funding, supported by the best available short-term rating. As at 31 December 2022 the facility has not been drawn upon.

The table below shows a maturity profile, based on undiscounted contractual cash flows, for Equinor's financial liabilities.

	At 31 December					
	2022			2021		
(in USD million)	Non-derivative financial liabilities	Lease liabilities	Derivative financial liabilities	Non-derivative financial liabilities	Lease liabilities	Derivative financial liabilities
Year 1	20,172	1,325	1,065	18,841	1,183	175
Year 2 and 3	6,292	1,421	752	6,684	1,262	211
Year 4 and 5	5,785	504	486	6,140	656	318
Year 6 to 10	8,749	465	1,202	10,636	642	588
After 10 years	11,204	120	706	12,849	158	187
Total specified	52,202	3,835	4,211	55,150	3,901	1,479

Credit risk

Credit risk is the risk that Equinor's customers or counterparties will cause Equinor financial loss by failing to honour their obligations. Credit risk arises from credit exposures with customer accounts receivables as well as from financial investments, derivative financial instruments and deposits with financial institutions. Equinor uses risk mitigation tools to reduce or control credit risk both on a counterparty and portfolio level. The main tools include bank and parental guarantees, prepayments, and cash collateral.

Prior to entering into transactions with new counterparties, Equinor's credit policy requires all counterparties to be formally identified and assigned internal credit ratings. The internal credit ratings reflect Equinor's assessment of the counterparties' credit risk and are based on a quantitative and qualitative analysis of recent financial statements and other relevant business information. All counterparties are re-assessed regularly.

Equinor has pre-defined limits for the absolute credit risk level allowed at any given time on Equinor's portfolio as well as maximum credit exposures for individual counterparties. Equinor monitors the portfolio on a regular basis and individual exposures against limits on a daily basis. Equinor's total credit exposure is geographically diversified among a number of counterparties within the oil and energy sector, as well as larger oil and gas consumers and financial counterparties. The majority of Equinor's credit exposure is with investment-grade counterparties.

The following table contains the carrying amount of Equinor's financial receivables and derivative financial instruments split by Equinor's assessment of the counterparty's credit risk. Trade and other receivables include 1% overdue receivables of more than 30 days. A provision has been recognised for expected credit losses of trade and other receivables using the expected credit loss model. Only non-exchange traded instruments are included in derivative financial instruments.

(in USD million)	Non-current financial receivables	Trade and other receivables	Non-current derivative financial instruments	Current derivative financial instruments
At 31 December 2022				
Investment grade, rated A or above	1,633	6,125	390	1,715
Other investment grade	12	8,725	41	1,393
Non-investment grade or not rated	14	6,761	259	931
Total financial assets	1,659	21,611	690	4,039
At 31 December 2021				
Investment grade, rated A or above	452	3,637	1,103	2,902
Other investment grade	18	8,930	0	1,524
Non-investment grade or not rated	238	4,624	162	705
Total financial assets	708	17,191	1,265	5,131

For more information about Trade and other receivables, see note 18 Trade and other receivables.

The table below presents the amounts offset under the terms of various master netting agreements for financial assets and liabilities. Amounts not qualifying for offsetting consists of collateral receipts or payments which usually is settled on a gross basis. Normally these amounts will offset in a potential default situation. There exist no restrictions on collaterals received.

(in USD million)	Gross amounts of recognised financial assets/ liabilities	Gross amounts offset in the balance sheet	Net amounts presented in the balance sheet	Amounts of remaining rights to set-off not qualifying for offsetting	Net amount
At 31 December 2022					
Financial assets					
Trade receivables	25,607	7,464	18,143	0	18,143
Collateral receivables	19,043	15,575	3,468	3,468	0
Derivative financial instruments	30,078	25,348	4,730	1,708	3,022
Total financial assets	74,728	48,387	26,341	5,176	21,165
Financial liabilities					
Trade payables	19,913	7,464	12,449	0	12,449
Collateral liabilities	15,479	13,907	1,572	1,571	1
Derivative financial instruments	33,497	27,015	6,482	3,605	2,877
Total financial liabilities	68,889	48,386	20,503	5,176	15,327

(in USD million)	Gross amounts of recognised financial assets/ liabilities[1)]	Gross amounts offset in the balance sheet[1)]	Net amounts presented in the balance sheet	Amounts of remaining rights to set-off not qualifying for offsetting	Net amount
At 31 December 2021					
Financial assets					
Trade receivables	20,061	4,445	15,616	0	15,616
Collateral receivables[1)]	9,902	8,327	1,576	1,576	0
Derivative financial instruments[1)]	32,493	26,097	6,396	2,771	3,625
					0
Total financial assets[1)]	62,456	38,869	23,588	4,347	19,241
					0
Financial liabilities					0
Trade payables	16,795	4,445	12,350	0	12,350
Collateral liabilities[1)]	9,851	7,580	2,271	2,271	0
Derivative financial instruments[1)]	32,218	26,844	5,375	2,076	3,299
Total financial liabilities[1)]	58,864	38,869	19,996	4,347	15,649

1) Gross amounts have been restated due to reassessment of certain exchange traded derivatives and related collaterals previously not recognised on the Consolidated balance sheet, with no effect on net amounts presented.

Capital management

The main objectives of Equinor's capital management policy are to maintain a strong overall financial position and to ensure sufficient financial flexibility. Equinor’s primary focus is on maintaining its credit rating in the A category on a stand alone basis (excluding uplifts for Norwegian Government ownership). Equinor’s current long-term ratings are AA- with a stable outlook (including one notch uplift) and Aa2 with a stable outlook (including two notch uplift) from S&P and Moody’s, respectively. In order to monitor financial robustness, a key ratio utilised by Equinor is the non-GAAP metric of “Net interest-bearing debt adjusted (ND) to Capital employed adjusted* (CE)”.

(in USD million)	At 31 December 2022	2021
Net interest-bearing debt adjusted, including lease liabilities (ND1)	(6,750)	3,236
Net interest-bearing debt adjusted (ND2)	(10,417)	(326)
Capital employed adjusted, including lease liabilities (CE1)	47,239	42,259
Capital employed adjusted (CE2)	43,571	38,697
Net debt to capital employed adjusted*, including lease liabilities (ND1/CE1)	(14.3%)	7.7%
Net debt to capital employed adjusted* (ND2/CE2)	(23.9%)	(0.8%)

ND1 is defined as Equinor's interest-bearing financial liabilities less cash and cash equivalents and current financial investments, adjusted for collateral deposits and balances held by Equinor's captive insurance company (amounting to USD 6,538 million and USD 2,369 million for 2022 and 2021, respectively). CE1 is defined as Equinor's total equity (including non-controlling interests) and ND1. ND2 is defined as ND1 adjusted for lease liabilities (amounting to USD 3,668 million and USD 3,562 million for 2022 and 2021, respectively). CE2 is defined as Equinor's total equity (including non-controlling interests) and ND2.

5 Segments

Accounting policies

Equinor’s operations are managed through operating segments identified on the basis of those components of Equinor that are regularly reviewed by the chief operating decision maker, Equinor's corporate executive committee (CEC). The reportable segments Exploration & Production Norway (E&P Norway), Exploration & Production International (E&P International), Exploration & Production USA (E&P USA), Marketing, Midstream & Processing (MMP) and Renewables (REN) correspond to the operating segments. The operating segments Projects, Drilling & Procurement (PDP), Technology, Digital & Innovation (TDI) and Corporate staff and functions are aggregated into the reportable segment Other based on materiality. The majority of the costs in PDP and TDI is allocated to the three Exploration & Production segments, MMP and REN.

The accounting policies of the reporting segments equal those described in these Consolidated financial statements, except for the line-item Additions to PP&E, intangibles and equity accounted investments in which movements related to changes in asset retirement obligations are excluded as well as provisions for onerous contracts which reflect only obligations towards group external parties. The measurement basis of segment profit is net operating income/(loss). Deferred tax assets, pension assets, non-current financial assets, total current assets and total liabilities are not allocated to the segments. Transactions between the segments, mainly from the sale of crude oil, gas, and related products, are performed at defined internal prices which have been derived from market prices. The transactions are eliminated upon consolidation.

With effect from 2022, Equinor changed the measurement basis for the segments related to leases. Up to and including 2021, all leases were presented within the Other segment and lease costs were allocated to the operating segments based on underlying lease payments with a corresponding credit in the Other segment. With effect from 2022, lease contracts are accounted for in accordance with IFRS 16 Leases in all segments. This change does not affect Equinor’s Consolidated financial statements except the segment disclosures in this note. Comparative numbers in the segments have been restated.

The Exploration & Production operating segments are responsible for the discovery and appraisal of new resources, commercial development and safe and efficient operation of the oil and gas portfolios within their respective geographical areas: E&P Norway on the Norwegian continental shelf, E&P USA in USA and E&P International worldwide outside of E&P Norway and E&P USA.

PDP is responsible for global project development, well deliveries, and sourcing across Equinor.

TDI encompasses research, technology development, specialist advisory services, digitalisation, IT, improvement, innovation, and ventures and future business.

MMP is responsible for the marketing, trading, processing and transportation of crude oil and condensate, natural gas, NGL and refined products, and includes refinery, terminals, and processing plant operation. MMP is also managing power and emissions trading and the development of transportation solutions for natural gas, liquids, and crude oil, including pipelines, shipping, trucking and rail. In addition, MMP is in charge of low carbon solutions in Equinor.

REN is developing, exploring, investing in, and operating areas within renewable energy such as offshore wind, green hydrogen, storage solutions, and solar power.

Segment information for the years ended 31 December 2022, 2021, and 2020 are presented below. For revenues per geographical area, please see note 7 Total revenues and other income. For further information on the following items affecting the segments, please refer to the related notes: note 6 Acquisitions and disposals, note 14 Impairments, and note 26 Other commitments, contingent liabilities, and contingent assets.

2022 (in USD million)	E&P Norway	E&P International	E&P USA	MMP	REN	Other	Eliminations	Total
Revenues third party, other revenue and other income	1,299	1,134	305	147,173	127	149	0	150,186
Revenues inter-segment	74,631	6,124	5,217	527	0	55	(86,554)	0
Net income/(loss) from equity accounted investments	0	172	0	406	58	(16)	0	620
Total revenues and other income	75,930	7,431	5,523	148,105	185	187	(86,554)	150,806
Purchases [net of inventory variation]	0	(116)	0	(139,916)	0	0	86,227	(53,806)
Operating, selling, general and administrative expenses	(3,782)	(1,698)	(938)	(4,591)	(265)	(223)	904	(10,595)
Depreciation and amortisation	(4,986)	(1,445)	(1,422)	(881)	(4)	(142)	0	(8,878)
Net impairment (losses)/reversals	819	(286)	1,060	895	0	0	0	2,487
Exploration expenses	(366)	(638)	(201)	0	0	0	0	(1,205)
Total operating expenses	(8,315)	(4,183)	(1,501)	(144,493)	(269)	(365)	87,131	(71,995)
Net operating income/(loss)	67,614	3,248	4,022	3,612	(84)	(178)	577	78,811
Additions to PP&E, intangibles and equity accounted investments	4,922	2,623	764	1,212	298	176	0	9,994
Balance sheet information								
Equity accounted investments	3	550	0	688	1,452	65	0	2,758
Non-current segment assets	28,510	15,868	11,311	4,619	316	1,031	0	61,656
Non-current assets not allocated to segments								15,437
Total non-current assets								79,851
Assets classified as held for sale	0	1,018	0	0	0	0	0	1,018

2021 (in USD million)	E&P Norway[1)]	E&P International[1)]	E&P USA[1)]	MMP[1)]	REN[1)]	Other[1)]	Eliminations[1)]	Total
Revenues third party, other revenue and other income[1)]	414	1,121	377	87,050	1,394	307	0	90,665
Revenues inter-segment[1)]	38,972	4,230	3,771	321	0	41	(47,335)	0
Net income/(loss) from equity accounted investments	0	214	0	22	16	7	0	259
Total revenues and other income [1)]	39,386	5,566	4,149	87,393	1,411	355	(47,335)	90,924
Purchases [net of inventory variation]	0	(58)	0	(80,873)	0	(1)	45,772	(35,160)
Operating, selling, general and administrative expenses[1)]	(3,653)	(1,405)	(1,074)	(3,753)	(163)	(432)	1,102	(9,378)
Depreciation and amortisation[1)]	(6,002)	(1,734)	(1,665)	(869)	(3)	(158)	0	(10,432)
Net impairment (losses)/reversals[1)]	1,102	(1,587)	(69)	(735)	0	2	0	(1,287)
Exploration expenses	(363)	(451)	(190)	0	0	0	0	(1,004)
Total operating expenses[1)]	(8,915)	(5,237)	(2,998)	(86,230)	(166)	(590)	46,873	(57,261)
Net operating income/(loss)[1)]	30,471	329	1,150	1,163	1,245	(234)	(461)	33,663
Additions to PP&E, intangibles and equity accounted investments[1)]	4,943	1,834	690	517	457	64	0	8,506
Balance sheet information								
Equity accounted investments	3	1,417	0	113	1,108	45	0	2,686
Non-current segment assets [1)]	36,502	15,422	11,406	4,006	157	1,032	0	68,527
Non-current assets not allocated to segments								13,406
Total non-current assets								84,618
Assets classified as held for sale	0	676	0	0	0	0	0	676

1) Restated due to implementation of IFRS 16 in the segments, mainly affecting the line items Operating, selling, general and administrative expenses in MMP (reduction of USD 523 million), E&P Norway (reduction of USD 77 million) and Other (increase of USD 696 million), Depreciation and amortisation in MMP (increase of USD 509 million), E&P Norway (increase of USD 222 million) and Other (reduction of USD 799 million) and Non-current segment assets in MMP (increase of USD 987 million), E&P Norway (increase of USD 1,201 million) and Other (decrease of USD 2,255 million).

2020 (in USD million)	E&P Norway[1]	E&P International[1]	E&P USA	MMP[1]	REN[1]	Other[1]	Eliminations	Total
Revenues third party, other revenue and other income[1]	215	452	368	44,623	18	88	0	45,765
Revenues inter-segment	11,804	3,183	2,247	309	0	39	(17,581)	0
Net income/(loss) from equity accounted investments	0	(146)	0	31	163	5	0	53
Total revenues and other income[1]	12,019	3,489	2,615	44,963	181	132	(17,581)	45,818
Purchases [net of inventory variation]	0	(72)	0	(38,072)	0	1	17,157	(20,986)
Operating, selling, general and administrative expenses[1]	(2,736)	(1,374)	(1,310)	(4,564)	(214)	(59)	722	(9,537)
Depreciation and amortisation[1]	(4,466)	(2,105)	(1,889)	(875)	(1)	(178)	(1)	(9,515)
Net impairment (losses)/reversals[1]	(1,260)	(1,426)	(1,938)	(1,076)	0	(19)	(1)	(5,720)
Exploration expenses	(423)	(2,071)	(990)	0	0	1	(1)	(3,483)
Total operating expenses[1]	(8,886)	(7,048)	(6,127)	(44,587)	(216)	(254)	17,877	(49,241)
Net operating income/(loss)[1]	3,133	(3,559)	(3,512)	376	(35)	(122)	295	(3,423)
Additions to PP&E, intangibles and equity accounted investments[1]	5,004	2,588	1,067	1,048	33	22	0	9,762
Balance sheet information								
Equity accounted investments	3	1,125	0	95	1,017	25	0	2,262
Non-current segment assets[1]	39,355	17,960	12,588	5,605	4	1,144	0	76,657
Non-current assets not allocated to segments								13,704
Total non-current assets								92,623
Assets classified as held for sale	0	0	1,159	0	203	0	0	1,362

1) Restated due to implementation of IFRS 16 in the segments, mainly affecting the line items Operating, selling, general and administrative expenses in MMP (reduction of USD 494 million), E&P Norway (reduction of USD 93 million) and Other (increase of USD 693 million), Depreciation and amortisation in MMP (increase of USD 481 million), E&P Norway (increase of USD 181 million) and Other (reduction of USD 718 million) and Non-current segment assets in MMP (increase of USD 1,238 million), E&P Norway (increase of USD 1,623 million) and Other (decrease of USD 2,987 million).

Non-current assets by country

(in USD million)	At 31 December 2022	2021
Norway	33,242	40,564
USA	12,343	12,323
Brazil	9,400	8,751
UK	3,688	2,096
Azerbaijan	1,401	1,654
Canada	1,171	1,403
Angola	895	948
Algeria	622	708
Argentina	615	474
Denmark	497	536
Other	541	1,757
Total non-current assets[1)]	64,414	71,213

1) Excluding deferred tax assets, pension assets and non-current financial assets.

Equinor's non-current assets in Norway have decreased by USD 7,322 million to USD 33,242 million at 31 December 2022 compared to year-end 2021, mainly due to increased discount rates and strengthening of USD versus NOK. The decrease has mainly affected Property, plant and equipment, see note 12.

6 Acquisitions and disposals

Accounting policies

Business combinations
Business combinations, except for transactions between entities under common control, are accounted for using the acquisition method. The purchase price includes total consideration paid to acquire the entity's assets and liabilities, as well as contingent consideration at fair value. The acquired identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of the acquisition. Acquisition costs incurred are expensed under Selling, general and administrative expenses. Changes in the fair value of contingent consideration resulting from events after the acquisition date are recognised in the Consolidated statement of income under Other income.

Equinor recognises a gain/loss on disposal of a subsidiary when control is lost. Any remaining interest in the former subsidiary is recognised at fair value. When partially divesting subsidiaries which do not constitute a business, and where the remaining investment in the former subsidiary is an associate or a jointly controlled investment, Equinor only recognises the gain or loss on the divested part within Other income or Operating expenses, respectively. The remaining interest in the former subsidiary is initially not remeasured, and subsequently accounted for using the equity method.

After-tax disposals
On the NCS, all disposals of assets are performed including the tax base (after-tax). Any gain includes the release of tax liabilities previously recognised related to the assets in question and is recognised in full in Other income in the Consolidated statement of income.

Assets classified as held for sale
Non-current assets are classified separately as held for sale in the Consolidated balance sheet when a sale is highly probable. This condition is met when an asset is available for immediate sale in its present condition, Equinor's management is committed to the sale, and the sale is expected to be completed within one year from the date of classification. In Equinor, these requirements are normally met when management has approved a negotiated letter of intent with the counterparties (a 'DGC'). Liabilities directly associated with the assets classified as held for sale and expected to be included as part of the sales transaction, are also classified separately. The net assets and liabilities of a disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Accounting judgement regarding acquisitions
Determining whether an acquisition meets the definition of a business combination requires judgement to be applied on a case-by-case basis. Acquisitions are assessed to establish whether the transaction represents a business combination or an asset purchase, and the conclusion may materially affect the financial statements both in the transaction period and subsequent periods. Similar assessments are performed upon the acquisition of an interest in a joint operation. Depending on the specific facts, acquisitions of exploration and evaluation licences for which a development decision has not yet been made have largely been concluded to represent asset purchases, while purchases of producing assets have largely been concluded to represent business acquisitions.

Accounting judgement regarding partial divestments
The policy regarding partial divestments of subsidiaries is based on careful consideration of the requirements and scope of IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The conclusion requires judgement to be applied on a case-by-case basis, considering the substance of the transactions. In evaluating the standards' requirements, Equinor acknowledges pending considerations related to several relevant and similar issues which have been postponed by the IASB in anticipation of concurrent consideration at a later date. Where assets are transferred into separate legal entities concurrently with a portion of the entities' shares being sold to a third party, thereby resulting in Equinor's loss of control of those asset-owning subsidiaries, and where investments in joint ventures are established simultaneously, Equinor has concluded to only recognise the gain on the divested portion.

2022
Acquisitions

Acquisition of BeGreen
On 26 January 2023, Equinor closed a transaction with the Bregentved Group and members of the executive board of BeGreen Solar Aps to acquire 100% of BeGreen Solar Aps for a cash consideration of USD 277 million (EUR 260 million) and a consideration contingent on successful delivery of future solar projects above an agreed MW threshold. BeGreen Solar Aps is a Danish solar developer. At closing, USD 226 million (EUR 213 million) of the cash consideration was paid and recognised in the REN segment.

Acquisition of Triton Power

On 1 September 2022, Equinor and SSE Thermal Generation Holdings Limited (SSE Thermal) closed a transaction to acquire the UK power company Triton Power Holdings Ltd (Triton Power) from Triton Power Partners LP owned by Energy Capital Partners (ECP). Equinor's share of the consideration was USD 141 million (GBP 120 million), after adjustments that mainly related to net debt and working capital. The key plant included in the purchase of Triton Power is the Saltend Power Station with an installed capacity of 1.2 GW. Equinor and SSE Thermal own 50% each of Triton Power, and Equinor is accounting for the investment under the equity method as a joint venture in the MMP segment.

Acquisition of Statfjord licence shares
On 31 May 2022, Equinor closed a transaction to acquire all of Spirit Energy's interests in production licences in the Statfjord area which covers the Norwegian and UK Continental Shelves and consists of three integrated production platforms and satellite subsea installations. All licences are operated by Equinor. Spirit Energy's ownership shares in the licences covered by the transaction range from 11.56% to 48.78%. The cash consideration received was USD 193 million, whereof USD 25 million related to Spirit's lifting of volumes on Equinor's behalf in June 2022. The assets and liabilities acquired have been reflected in accordance with the principles in IFRS 3 Business Combinations. The transaction is reflected in the E&P Norway and E&P International segments with a cash consideration of USD 96 million and USD 72 million, respectively.

In the segment E&P Norway, the acquisition resulted in an increase of USD 98 million in property, plant and equipment, an increase of USD 390 million in asset retirement obligation, a reduction of deferred tax liability of USD 298 million and an increase in taxes payable of USD 98 million. In the segment E&P International, the acquisition resulted in an increase of USD 98 million in property, plant and equipment, an increase of USD 241 million in asset retirement obligation and an increase of deferred tax asset of USD 86 million.

Disposals

Ekofisk and Martin Linge on the Norwegian Continental Shelf
On 30 September 2022, Equinor closed a transaction with Sval Energi AS to divest Equinor's entire ownership share in the Greater Ekofisk Area including its share in Norpipe Oil AS, and a 19% ownership share in Martin Linge. The cash consideration paid upon closing of the transaction amounted to USD 293 million after interim period settlement. In addition, an estimated contingent consideration of USD 169 million linked to realised oil and gas prices for 2022 and 2023 was recognised. Equinor retained a 51% ownership share in Martin Linge and continues as operator of the field. The disposal resulted in a decrease in property, plant and equipment of USD 1,493 million, a decrease in asset retirement obligation of USD 376 million, a decrease in deferred tax liability of USD 597 million and a decrease in taxes payable of USD 686 million. A post-tax gain of USD 655 million is presented in the line item Other income in the Consolidated statement of income in the E&P Norway segment.

Exit Russia
Following Russia's invasion of Ukraine in February 2022, Equinor announced that it had decided to stop new investments in Russia and start the process of exiting Equinor's joint arrangements. Based on this decision, Equinor evaluated its assets in Russia and recognised net impairments of USD 1,083 million in the first quarter, of which USD 251 million was related to property, plant and equipment and intangible assets and USD 832 million was related to investments accounted for using the equity method. The impairments were net of contingent consideration from the time of acquiring the assets. The impairments were recognised in the line items Depreciation, amortisation and net impairment losses and Exploration expenses in the Consolidated statement of income based on the nature of the impaired assets and reflected in the E&P International segment. During the second quarter, Equinor transferred its participating interests in four Russian entities to Rosneft and was released from all future commitments and obligations with no material impact on the financial statements. The ownership interests in Kharyaga were transferred to the operator.

Equinor has stopped trading in Russian oil. This means that Equinor will not enter into any new trades or engage in new transport of oil and oil products from Russia. Equinor has assessed the accounting impact of certain commitments arising from such contracts entered into prior to the invasion and deem the impact to be immaterial.

10% of Dogger Bank C
On 10 February 2022, Equinor closed the transaction with Eni to sell a 10% equity interest in the Dogger Bank C project in the UK for a total consideration of USD 91 million (GBP 68 million), resulting in a gain of USD 87 million (GBP 65 million). After closing, Equinor's ownership share is 40%. Equinor continues to equity account for the remaining investment as a joint venture. The gain is presented in the line item Other income in the Consolidated statement of income in the REN segment.

Held for sale

Equinor Energy Ireland Limited
In the fourth quarter of 2021, Equinor entered into an agreement with Vermilion Energy Inc (Vermilion) to sell Equinor's non-operated equity position in the Corrib gas project in Ireland. The transaction covers a sale of 100% of the shares in Equinor Energy Ireland Limited (EEIL). EEIL owns 36.5% of the Corrib field alongside the operator Vermilion (20%) and Nephin Energy (43.5%). Equinor and

Vermilion have agreed a consideration of USD 434 million before closing adjustments and contingent consideration linked to 2022 production level and gas prices. Closing is dependent on governmental approval and is expected to take place during the first quarter 2023.

2021
Acquisitions
Wento
On 5 May 2021, Equinor completed a transaction to acquire 100% of the shares in Polish onshore renewables developer Wento from the private equity firm Enterprise Investors for a cash consideration of USD 117 million (EUR 98 million) after net cash adjustments. The assets and liabilities related to the acquired business were recognised under the acquisition method. The acquisition resulted in an increase of Equinor's intangible assets of USD 46 million and goodwill of USD 59 million. The goodwill reflects the expected synergies, competence and access to the Polish renewables market obtained in the acquisition. The transaction has been accounted for in the REN segment.

Disposals
Equinor Refining Denmark A/S
On 31 December 2021, Equinor Danmark A/S closed the transaction with the Klesch Group to sell 100% of the shares in Equinor Refining Denmark A/S (ERD). Klesch paid USD 48 million of the total estimated consideration at closing. ERD consists of the Kalundborg refinery and associated terminals and infrastructure. Following an impairment earlier in 2021, the disposal resulted in an immaterial loss. Prior to transaction closing, Equinor received USD 335 million in extraordinary dividend and repayment of paid-in capital from ERD.
Following the disposal, a gain of USD 167 million was recycled from Other comprehensive income (OCI) to the Consolidated statement of income in the line item Other income and has been reflected in the MMP segment.

Terra Nova
On 8 September 2021, Equinor closed the transaction with Cenovus and Murphy to sell 100% of its interest, which includes a release of any future obligations and liabilities, in the Terra Nova asset in offshore Canada. The transaction was accounted for in the E&P International segment. The consideration paid, the net carrying amount and the impact to the Consolidated statement of income are immaterial.

Bakken onshore unconventional field
On 26 April 2021, Equinor closed the transaction to divest its interests in the Bakken field in the US states of North Dakota and Montana to Grayson Mill Energy, backed by EnCap Investments for an estimated total consideration of USD 819 million, including interim period settlement, for which payment was received in the first half of 2021. The asset had been impaired in 2021 prior to closing. Subsequent to closing, insignificant losses were recorded and are presented in the line item Operating expenses in the Consolidated statement of income in the E&P USA segment.

10% of Dogger Bank Farm A and B
On 26 February 2021, Equinor closed the transaction with Eni to sell a 10% equity interest in the Dogger Bank Wind Farm A and B assets in the UK for a total consideration of USD 285 million (GBP 206 million), resulting in a gain of USD 280 million (GBP 203 million). After closing, Equinor has a 40% shareholding in Dogger Bank A and Dogger Bank B, and will continue to equity account for the remaining investment as a joint venture. The gain is presented in the line item Other income in the Consolidated statement of income in the REN segment.

Non-operated interest in the Empire Wind and Beacon Wind assets on the US east coast
On 29 January 2021, Equinor closed the transaction with BP to sell 50% of the non-operated interests in the Empire Wind and Beacon Wind assets for a preliminary total consideration after interim period adjustments of USD 1.2 billion, resulting in a gain of USD 1.1 billion for the divested part, of which USD 500 million had been prepaid at the end of December 2020. Through this transaction, the two companies have established a strategic partnership for further growth within offshore wind in the USA. Following the transaction, Equinor remains the operator with a 50% interest. Equinor consolidated the assets until transaction closing, and thereafter the investments are classified as joint ventures and accounted for using the equity method. The gain is presented in the line item Other income in the Consolidated statement of income in the REN segment.

7 Total revenues and other income

Accounting policies

Revenue recognition
Equinor presents Revenue from contracts with customers and Other revenue as a single caption, Revenues, in the Consolidated statement of income.

Revenue from contracts with customers
Revenue from the sale of crude oil, natural gas, petroleum products and other merchandise is recognised when a customer obtains control of those products, which normally is when title passes at point of delivery, based on the contractual terms of the agreements. Each such sale normally represents a single performance obligation. In the case of natural gas, which is delivered on a continuous basis through pipelines, sales are completed over time in line with the delivery of the actual physical quantities.

Sales and purchases of physical commodities are presented on a gross basis as Revenues from contracts with customers and Purchases [net of inventory variation] respectively in the Consolidated statement of income. When the contracts are deemed financial instruments or part of Equinor's trading activities, they are settled and presented on a net basis as Other revenue. Reference is made to note 28 Financial instruments and fair value measurement for a description of accounting policies regarding derivatives. Sales of Equinor's own produced oil and gas volumes are always reflected gross as Revenue from contracts with customers.

Revenues from the production of oil and gas in which Equinor shares an interest with other companies are recognised on the basis of volumes lifted and sold to customers during the period (the sales method). Where Equinor has lifted and sold more than the ownership interest, an accrual is recognised for the cost of the overlift. Where Equinor has lifted and sold less than the ownership interest, costs are deferred for the underlift.

Other revenue
Items representing a form of revenue, or which are related to revenue from contracts with customers, are presented as Other revenue if they do not qualify as revenue from contracts with customers. These other revenue items include taxes paid in-kind under certain production sharing agreements (PSAs) and the net impact of commodity trading and commodity-based derivative instruments related to sales contracts or revenue-related risk management.

Transactions with the Norwegian State
Equinor markets and sells the Norwegian State's share of oil and gas production from the Norwegian continental shelf (NCS). The Norwegian State's participation in petroleum activities is organised through the SDFI (the Norwegian State's Direct Financial Interests). All purchases and sales of the SDFI's oil production are classified as purchases [net of inventory variation] and revenues from contracts with customers, respectively.

Equinor sells, in its own name, but for the SDFI's account and risk, the SDFI's production of natural gas. These gas sales and related expenditures refunded by the SDFI are presented net in the Consolidated financial statements. Natural gas sales made in the name of Equinor's subsidiaries are also presented net of the SDFI's share in the Consolidated statement of income, but this activity is reflected gross in the Consolidated balance sheet.

<u>Accounting judgement related to transactions with the Norwegian State</u>
Whether to account for the transactions gross or net involves the use of significant accounting judgement. In making the judgement, Equinor has considered whether it controls the State-originated crude oil volumes prior to onwards sales to third party customers. Equinor directs the use of the volumes, and although certain benefits from the sales subsequently flow to the SDFI, Equinor purchases the crude oil volumes from the SDFI and obtains substantially all the remaining benefits. On that basis, Equinor has concluded that it acts as principal in these sales.

Regarding gas sales, Equinor concluded that ownership of the gas had not been transferred from the SDFI to Equinor. Although Equinor has been granted the ability to direct the use of the volumes, all the benefits from the sales of these volumes flow to the SDFI. On that basis, Equinor is not considered the principal in the sale of the SDFI's natural gas volumes.

Reference is made to note 27 Related parties for detailed financial information regarding transactions performed between Equinor and SDFI.

Revenues from contracts with customers by geographical areas

Equinor has business operations in around 30 countries. When attributing the line-item Revenues from contracts with customers for 2022 to the country of the legal entity executing the sale for 2022, Norway constitutes 84% and USA constitutes 13%. For 2021 the revenues to Norway and USA constituted 81% and 13% respectively, and for 2020 80% and 14% respectively.

Revenues from contracts with customers and other revenues

(in USD million)	Note	2022	2021	2020
Crude oil		58,524	38,307	24,509
Natural gas		65,232	28,050	7,213

- European gas		58,239	24,900	5,839
- North American gas		2,884	1,783	1,010
- Other incl LNG		4,109	1,368	363
Refined products		11,093	11,473	6,534
Natural gas liquids		9,240	8,490	5,069
Transportation		1,470	921	1,083
Other sales		4,702	1,006	681
Total revenues from contracts with customers		150,262	88,247	45,088
Taxes paid in-kind		412	345	93
Physically settled commodity derivatives		(2,534)	(1,075)	209
Gain/(loss) on commodity derivatives		739	951	108
Change in fair value of trading inventory		(194)	0	0
Other revenues		319	276	256
Total other revenues		(1,258)	497	665
Revenues		149,004	88,744	45,753
Net income/(loss) from equity accounted investments	15	620	259	53
Other income	6	1,182	1,921	12
Total revenues and other income		150,806	90,924	45,818

8 Salaries and personnel expenses

(in USD million, except average number of employees)	2022	2021	2020
Salaries[1)]	2,875	2,962	2,625
Pension costs[2)]	458	488	432
Payroll tax	433	414	368
Other compensations and social costs	324	288	283
Total payroll expenses	4,090	4,152	3,707
Average number of employees[3)]	21,500	21,400	21,700

1) Salaries include bonuses, severance packages and expatriate costs in addition to base pay.
2) See note 22 Pensions.
3) Part time employees amount to 3% for 2022 and 2021 and 2% for 2020.

Total payroll expenses are accumulated in cost-pools and partially charged to partners of Equinor operated licences on an hours incurred basis.

Compensation to the board of directors (BoD) and the corporate executive committee (CEC)

(in USD million)[1]	2022	2021	2020
Current employee benefits	12.9	12.2	9.0
Post-employment benefits	0.4	0.4	0.6
Other non-current benefits	0.0	0.0	0.0
Share-based payment benefits	0.2	0.1	0.1
Total benefits	13.5	12.7	9.7

1) All figures in the table are presented on accrual basis.

At 31 December 2022, 2021, and 2020 there are no loans to the members of the BoD or the CEC.

Share-based compensation
Equinor's share saving plan provides employees with the opportunity to purchase Equinor shares through monthly salary deductions and a contribution by Equinor. If the shares are kept for two full calendar years of continued employment following the year of purchase, the employees will be allocated one bonus share for each share they have purchased.

Estimated compensation expense including the contribution by Equinor for purchased shares, amounts vested for bonus shares granted and related social security tax was USD 85 million, USD 79 million, and USD 74 million related to the 2022, 2021 and 2020 programmes, respectively. For the 2023 programme (granted in 2022), the estimated compensation expense is USD 78 million. At 31 December 2022 the amount of compensation cost yet to be expensed throughout the vesting period is USD 174 million.

See note 20 Shareholders' equity and dividends for more information about share-based compensation.

9 Auditor's remuneration and Research and development expenditures

Auditor's remuneration

		Full year	
(in USD million, excluding VAT)	2022	2021	2020
Audit fee	11.4	14.4	10.7
Audit related fee	1.8	1.1	1.0
Tax fee	-	-	-
Other service fee	-	-	-
Total remuneration	13.2	15.5	11.7

In addition to the figures in the table above, the audit fees and audit related fees related to Equinor operated licences amount to USD 0.6 million, USD 0.5 million and USD 0.5 million for 2022, 2021 and 2020, respectively.

Research and development expenditures (R&D)
Equinor has R&D activities within exploration, subsurface, drilling and well, facilities, low carbon and renewables. R&D activities contribute to maximising and developing long-term value from Equinor's assets. R&D expenditures are partially financed by partners of Equinor operated licences.

R&D expenditures including amounts charged to partners were USD 308 million, USD 291 million and USD 254 million in 2022, 2021 and 2020, respectively. Equinor's share of the expenditures has been recognised within Total operating expenses in the Consolidated statement of income.

10 Financial items

(in USD million)	Full year 2022	2021	2020
Foreign currency exchange gains/(losses) derivative financial instruments	797	870	(1,288)
Other foreign currency exchange gains/(losses)	1,291	(823)	642
Net foreign currency exchange gains/(losses)	2,088	47	(646)
Dividends received	93	39	44
Interest income financial investments, including cash and cash equivalents	398	38	108
Interest income non-current financial receivables	30	26	34
Interest income other current financial assets and other financial items	701	48	113
Interest income and other financial items	1,222	151	298
Gains/(losses) financial investments	(394)	(348)	456
Gains/(losses) other derivative financial instruments	(1,745)	(708)	448
Interest expense bonds and bank loans and net interest on related derivatives	(1,029)	(896)	(951)
Interest expense lease liabilities	(90)	(93)	(104)
Capitalised borrowing costs	382	334	308
Accretion expense asset retirement obligations	(449)	(453)	(412)
Interest expense current financial liabilities and other finance expense	(192)	(114)	(232)
Interest expenses and other finance expenses	(1,379)	(1,223)	(1,392)
Net financial items	(207)	(2,080)	(836)

Equinor's main financial items relate to assets and liabilities categorised in the fair value through profit or loss and the amortised cost categories. For more information about financial instruments by category see note 28 Financial instruments and fair value measurement.

Foreign currency exchange gains/(losses) derivative financial instruments include fair value changes of currency derivatives related to liquidity and currency risk. The line item Other foreign currency exchange gains/(losses) includes a fair value loss from derivatives related to non-current debt of USD 691 million in 2022, a loss of USD 702 million in 2021 and a gain of USD 796 million in 2020.

The line item Gains/(losses) other derivative financial instruments primarily includes fair value changes from interest rate related derivatives, with a loss of USD 1,760 million and USD 724 million in 2022 and 2021 respectively, and a gain of USD 432 million in 2020.

The line item Interest expense bonds and bank loans and net interest on related derivatives includes interest expenses of USD 918 million, USD 990 million, and USD 1,031 million for 2022, 2021 and 2020, respectively, from the financial liabilities at amortised cost category. It also includes net interest on related derivatives from the fair value through profit or loss category, amounting to a net interest expense of USD 111 million for 2022, net interest income of USD 94 million and USD 79 million for 2021 and 2020, respectively.

11 Income taxes

Accounting policies

Income tax
Income tax in the Consolidated statement of income comprises current and deferred tax expense. Income tax is recognised in the Consolidated statement of income except when it relates to items recognised in OCI.

Current tax consists of the expected tax payable on the taxable income for the year and any adjustment to tax payable for previous years. Uncertain tax positions and potential tax exposures are analysed individually. The outcomes of tax disputes are mostly binary in nature, and in each case the most likely amount for probable liabilities to be paid (including penalties) or assets to be received (disputed tax positions for which payment has already been made) is recognised within Current tax or Deferred tax as appropriate. Uplift benefit on the NCS is recognised when the deduction is included in the current year tax return and impacts taxes payable.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax bases, and on unused tax losses and credits carried forward, subject to the initial recognition exemption. A deferred tax asset is recognised only to the extent that it is probable that future taxable income will be available against which the asset can be utilised. For a deferred tax asset to be recognised based on future taxable income, convincing evidence is required, considering the existence of contracts, production of oil or gas in the near future based on volumes of expected reserves, observable prices in active markets, expected volatility of trading profits, expected foreign currency rate movements and similar facts and circumstances.

When an asset retirement obligation or a lease contract is initially reflected in the accounts, a deferred tax liability and a corresponding deferred tax asset are recognised simultaneously and accounted for in line with other deferred tax items. The applied policy is in line with an amendment to IAS 12 Income Taxes, reducing the scope of the initial recognition exemption, which is effective from 1 January 2023.

Estimation uncertainty regarding income tax
Equinor incurs significant amounts of income taxes payable to various jurisdictions and may recognise significant changes to deferred tax assets and deferred tax liabilities. There may be uncertainties related to interpretations of applicable tax laws and regulations regarding amounts in Equinor’s tax returns, which are filed in a number of tax regimes. For cases of uncertain tax treatments, it may take several years to complete the discussions with relevant tax authorities or to reach resolutions of the appropriate tax positions through litigation.

The carrying values of income tax related assets and liabilities are based on Equinor's interpretations of applicable laws, regulations and relevant court decisions. The quality of these estimates, including the most likely outcomes of uncertain tax treatments, is dependent upon proper application of at times very complex sets of rules, the recognition of changes in applicable rules and, in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes. Climate-related matters and the transition to carbon-neutral energy-consumption globally have increased the uncertainty in determining key business assumptions used to assess the recoverability of deferred tax assets through sufficient future taxable income before tax losses expire.

Significant components of income tax expense

(in USD million)	Full year 2022	2021	2020
Current income tax expense in respect of current year	(52,124)	(21,271)	(1,115)
Prior period adjustments	(112)	(28)	313
Current income tax expense	(52,236)	(21,299)	(802)
Origination and reversal of temporary differences	(2,136)	(1,778)	(648)
Recognition of previously unrecognised deferred tax assets	4,401	126	130
Change in tax regulations	0	4	(12)
Prior period adjustments	110	(60)	94
Deferred tax income/(expense)	2,375	(1,708)	(435)
Income tax	(49,861)	(23,007)	(1,237)

Changes to tax regimes

Norway
As a measure to maintain activity in the oil and gas related industry during the Covid-19 pandemic, the Norwegian Government enacted temporary targeted changes to Norway's petroleum tax system for investments incurred in 2020 and 2021, and for new projects with Plan for development and operations (PDOs) or Plan for installation and operations (PIOs) submitted to the Ministry of Oil and Energy by the end of 2022 and approved prior to 1 January 2024. The changes were effective from 1 January 2020 and provided companies with a direct tax deduction in the special petroleum tax instead of tax depreciation over six years. In addition, the tax uplift benefit, was recognised over one year instead of four years. Tax depreciation towards the ordinary offshore corporate tax was continued with a six-year depreciation profile.

On 17 June 2022, the Norwegian Parliament adopted amendments to the Petroleum Tax Act to convert the special tax for petroleum activities to a cash flow tax. The amendments were effective 1 January 2022 and maintains the marginal rate for special petroleum tax and corporate income tax at 56% and 22% respectively but allows for cost of investments in the year of investment and calculated corporate income tax to be deducted in the special petroleum tax base. Uplift deductions for investments incurred after 1 January 2022 was discontinued. The uplift deduction rate under the temporary rules was reduced to 17.69% for 2022 and further reduced to 12.4% as from 2023.

UK
On 23 May 2022, the UK introduced a new levy intended to tax windfall profits on oil and gas production from the United Kingdom Continental Shelf, called the Energy (Oil & Gas) Profits Levy Act 2022 (EPL).

EPL was introduced as a new temporary tax at the rate of 25% from 26 May 2022 to 31 December 2022, and further increased to 35% from 1 January 2023 to 31 March 2028. It applies to profits on transactions from that date forward with no tax relief for prior expenditures or brought forward losses and with no EPL tax relief for interest and decommissioning costs. Capital cost incurred since 26 May 2022 are eligible for an EPL deductible uplift of 80% until 31 December 2022 and thereafter at 29% for expenditure other than that in respect of de-carbonisation where the rate of uplift remains at 80%. EPL losses can be carried forward without limitation and carried back for one year.

US
On August 16, 2022, the Inflation Reduction Act (IRA) was enacted in the USA. As from 2023, under the IRA a Corporate Minimum Tax on Book Earnings (BMT) applies a 15% tax on adjusted financial statement income. The enactment of the IRA had no impact in 2022.

Reconciliation of statutory tax rate to effective tax rate

(in USD million)	2022	Full year 2021	2020
Income/(loss) before tax	78,604	31,583	(4,259)
Calculated income tax at statutory rate[1)]	(18,168)	(7,053)	1,445
Calculated Norwegian Petroleum tax[2)]	(36,952)	(17,619)	(2,126)
Tax effect uplift[3)]	259	914	1,006
Tax effect of permanent differences regarding divestments	417	90	(9)
Tax effect of permanent differences caused by functional currency different from tax currency	145	150	(198)
Tax effect of other permanent differences	403	228	450
Recognition of previously unrecognised deferred tax assets[4)]	4,401	126	130
Change in unrecognised deferred tax assets	(34)	619	(1,685)
Change in tax regulations	0	4	(12)
Prior period adjustments	(3)	(88)	408
Other items including foreign currency effects	(327)	(378)	(647)
Income tax	(49,861)	(23,007)	(1,237)
Effective tax rate	63.4 %	72.8 %	(29.0 %)

1) The weighted average of statutory tax rates was 23.1% in 2022, 22.3% in 2021 and 33.9% in 2020. The rates are influenced by earnings composition between tax regimes with lower statutory tax rates and tax regimes with higher statutory tax rates.

2) The Norwegian petroleum income is taxable at a tax rate of 71.8% after deduction for 22% corporate tax in the special petroleum tax basis.

3) When calculating the petroleum tax of 71.8% on income from the Norwegian continental shelf, an additional tax-free allowance (uplift) was previously granted on the basis of the original capitalised cost of offshore production installations.

Previously, a 5.2% uplift could be deducted from taxable income for a period of four years starting when the capital expenditure was incurred. On 17 June 2022, the Norwegian Parliament adopted amendments to the Petroleum Tax Act and converted the special tax for petroleum activities to a cash flow tax. The amendments were effective 1 January 2022. Uplift deductions for investments incurred after 1 January 2022 were discontinued. At year-end 2022, un-recognised uplift credits were zero, compared to USD 272 million at year-end 2021.

For 2020 and 2021, temporary rules enacted under the Covid-19 pandemic allowed direct deduction of the whole uplift at a rate of 24% in the year the capital expenditure was incurred. This rate was reduced to 17.69% for 2022, and further reduced to 12.4% on capital expenditures incurred on investments eligible under the temporary rules as from 2023.

4) An amount of USD 4,401 million of previously un-recognised deferred tax assets was recognised in 2022, resulting in a lower effective tax rate for 2022 compared to 2021. More than 90% of the recognition relates to the US, that after a history of significant losses, is now recording profits. Projected future taxable income demonstrates that it is probable that the unused tax losses carried forward can be utilised in the nearest future. The tax value of unused accumulated losses recognised as a deferred tax asset in the US, amounts to USD 2,738 million at year-end 2022. A 30% decline in commodity prices, considered to represent a reasonably possible change, would have an immaterial impact on the recognised amount.

Deferred tax assets and liabilities comprise

(in USD million)	Tax losses carried forward	Property, plant and equipment and intangible assets	Asset retirement obligations	Lease liabilities	Pensions	Derivatives	Other	Total
Deferred tax assets	8,105	694	7,356	1,306	694	1,131	1,348	20,634
Deferred tax liabilities	(28)	(23,356)	0	(3)	(12)	(3)	(411)	(23,813)
Net asset/(liability) at 31 December 2022	8,077	(22,662)	7,356	1,303	682	1,128	937	(3,179)
Deferred tax assets	5,162	719	11,256	1,506	804	21	2,015	21,484
Deferred tax liabilities	0	(27,136)	0	0	(21)	(1,453)	(530)	(29,140)
Net asset/(liability) at 31 December 2021	5,162	(26,417)	11,256	1,506	783	(1,432)	1,485	(7,655)

Changes in net deferred tax liability during the year were as follows:

(in USD million)	2022	2021	2020
Net deferred tax liability at 1 January	7,655	6,250	5,530
Charged/(credited) to the Consolidated statement of income	(2,375)	1,708	435
Charged/(credited) to Other comprehensive income	105	35	(19)
Acquisitions and disposals	(968)	36	0
Foreign currency translation effects and other effects	(1,239)	(374)	304
Net deferred tax liability at 31 December	3,179	7,655	6,250

Deferred tax assets and liabilities are offset to the extent that the deferred taxes relate to the same fiscal authority, and there is a legally enforceable right to offset current tax assets against current tax liabilities. After netting deferred tax assets and liabilities by fiscal entity and reclassification to Assets held for sale, deferred taxes are presented on the Consolidated balance sheet as follows:

	At 31 December	
(in USD million)	**2022**	**2021**
Deferred tax assets	8,732	6,259
Deferred tax liabilities	11,996	14,037
Deferred tax assets reported in Assets classified as held for sale	85	122

Deferred tax assets are recognised based on the expectation that sufficient taxable income will be available through reversal of taxable temporary differences or future taxable income. At year-end 2022, the deferred tax assets of USD 8,817 million were primarily recognised in the US, the UK, Norway, Angola, Canada and Brazil. Of this amount, USD 1,953 million was recognised in entities which have suffered a tax loss in either the current or the preceding period. The corresponding amounts for 2021, were USD 6,381 million and USD 4,636 million, respectively. The tax losses will be utilised through reversal of taxable temporary differences and future taxable income, mainly from production of oil and gas.

Unrecognised deferred tax assets

	At 31 December			
	2022		2021	
(in USD million)	Basis	Tax	Basis	Tax
Deductible temporary differences	2,558	968	2,900	1,203
Unused tax credits	0	129	0	264
Tax losses carried forward	3,458	930	20,552	5,047
Total unrecognised deferred tax assets	6,016	2,027	23,452	6,514

Approximately 90% of the unrecognised carry forward tax losses can be carried forward indefinitely. The majority of the unrecognised tax losses that cannot be carried forward indefinitely expire after 2027. The unrecognised tax credits expire from 2030, while the unrecognised deductible temporary differences do not expire under the current tax legislation. Deferred tax assets have not been recognised in respect of these items because currently there is insufficient evidence to support that future taxable profits will be available to secure utilisation of the benefits.

At year-end 2022, unrecognised deferred tax assets in Angola and Canada represents USD 636 million and USD 346 million, respectively, of the total unrecognised deferred tax assets of USD 2,027 million. Similar amounts for 2021 were USD 4,206 million in the USA and USD 749 million in Angola, respectively, of a total of USD 6,514 million. The remaining unrecognised deferred tax assets originate from several different tax jurisdictions.

12 Property, plant and equipment

Accounting policies

Property, plant and equipment
Property, plant and equipment is reflected at cost, less accumulated depreciation and impairment. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of an asset retirement obligation, exploration costs transferred from intangible assets and, for qualifying assets, borrowing costs. Proceeds from production ahead of a project's final approval are regarded as 'early production' and is recognised as revenue rather than as a reduction of acquisition cost. Contingent consideration included in the acquisition of an asset or group of similar assets is initially measured at its fair value, with later changes in fair value other than due to the passage of time reflected in the book value of the asset or group of assets, unless the asset is impaired. Property, plant and equipment include costs relating to expenditures incurred under the terms of production sharing agreements (PSAs) in certain countries, and which qualify for recognition as assets of Equinor. State-owned entities in the respective countries, however, normally hold the legal title to such PSA-based property, plant and equipment.

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Inspection and overhaul costs, associated with regularly scheduled major maintenance programmes planned and carried out at recurring intervals exceeding one year, are capitalised and amortised over the period to the next scheduled inspection and overhaul. All other maintenance costs are expensed as incurred.

Capitalised exploration and evaluation expenditures, development expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of production wells, and field-dedicated transport systems for oil and gas are capitalised as Producing oil and gas properties within Property, plant and equipment. Such capitalised costs, when designed for significantly larger volumes than the reserves from already developed and producing wells, are depreciated using the unit of production method (UoP) based on proved reserves expected to be recovered from the area during the concession or contract period. Depreciation of production wells uses the UoP method based on proved developed reserves, and capitalised acquisition costs of proved properties are depreciated using the UoP method based on total proved reserves. In the rare circumstances where the use of proved reserves fails to provide an appropriate basis reflecting the pattern in which the asset's future economic benefits are expected to be consumed, a more appropriate reserve estimate is used. Depreciation of other assets and transport systems used by several fields is calculated on the basis of their estimated useful lives, normally using the straight-line method. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. For exploration and production assets, Equinor has established separate depreciation categories which as a minimum distinguish between platforms, pipelines and wells.

The estimated useful lives of property, plant and equipment are reviewed on an annual basis, and changes in useful lives are accounted for prospectively. An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on derecognition of the asset is included in Other income or Operating expenses, respectively, in the period the item is derecognised.

Monetary or non-monetary grants from governments, when related to property, plant and equipment and considered reasonably certain, are recognised in the Consolidated balance sheet as a deduction to the carrying value of the asset and subsequently recognised in the Consolidated statement of income over the life of the depreciable asset as a reduced depreciation expense.

Research and development
Equinor undertakes research and development both on a funded basis for licence holders and on an unfunded basis for projects at its own risk, developing innovative technologies to create opportunities and enhance the value of current and future assets. Expenses relate both to in-house resources and the use of suppliers. Equinor's own share of the licence holders' funding and the total costs of the unfunded projects are considered for capitalisation under the applicable IFRS requirements. Subsequent to initial recognition, any capitalised development costs are accounted for in the same manner as Property, plant and equipment. Costs not qualifying for capitalisation are expensed as incurred, see note 9 Auditor's remuneration and Research and development expenditures for more details.

<u>Estimation uncertainty regarding determining oil and gas reserves</u>
Reserves quantities are, by definition, discovered, remaining, recoverable and economic. Recoverable oil and gas quantities are always uncertain. Estimating reserves is complex and based on a high degree of professional judgement involving geological and engineering assessments of in-place hydrocarbon volumes, the production, historical recovery and processing yield factors and installed plant operating capacity. The reliability of these estimates depends on both the quality and availability of the technical and economic data and the efficiency of extracting and processing the hydrocarbons.

<u>Estimation uncertainty; Proved oil and gas reserves</u>
Proved oil and gas reserves may impact the carrying amounts of oil and gas producing assets, as changes in the proved reserves, will impact the unit of production rates used for depreciation and amortisation. Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible

from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations. Unless evidence indicates that renewal is reasonably certain, estimates of proved reserves only reflect the period before the contracts providing the right to operate expire. For future development projects, proved reserves estimates are included only where there is a significant commitment to project funding and execution and when relevant governmental and regulatory approvals have been secured or are reasonably certain to be secured.

Proved reserves are divided into proved developed and proved undeveloped reserves. Proved developed reserves are to be recovered through existing wells with existing equipment and operating methods, or where the cost of the required equipment is relatively minor compared to the cost of a new well. Proved undeveloped reserves are to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major capital expenditure is required. Undrilled well locations can be classified as having proved undeveloped reserves if a development plan is in place indicating that they are scheduled to be drilled within five years unless specific circumstances justify a longer time horizon. Specific circumstances are for instance fields which have large up-front investments in offshore infrastructure, such as many fields on the NCS, where drilling of wells is scheduled to continue for much longer than five years. For unconventional reservoirs where continued drilling of new wells is a major part of the investments, such as the US onshore assets, the proved reserves are always limited to proved well locations scheduled to be drilled within five years.

Proved oil and gas reserves have been estimated by internal qualified professionals based on industry standards and are governed by the oil and gas rules and disclosure requirements in the U.S. Securities and Exchange Commission (SEC) regulations S-K and S-X, and the Financial Accounting Standards Board (FASB) requirements for supplemental oil and gas disclosures. The estimates have been based on a 12-month average product price and on existing economic conditions and operating methods as required, and recovery of the estimated quantities have a high degree of certainty (at least a 90% probability). An independent third party has evaluated Equinor's proved reserves estimates, and the results of this evaluation do not differ materially from Equinor's estimates.

Estimation uncertainty; Expected oil and gas reserves

Changes in the expected oil and gas reserves may materially impact the amounts of asset retirement obligations, as a consequence of timing of the removal activities. It will also impact value-in-use calculations for oil and gas assets, possibly affecting impairment testing and the recognition of deferred tax assets. Expected oil and gas reserves are the estimated remaining, commercially recoverable quantities, based on Equinor's judgement of future economic conditions, from projects in operation or decided for development. As per Equinor’s internal guidelines, expected reserves are defined as the ‘forward looking mean reserves’ when based on a stochastic prediction approach. In some cases, a deterministic prediction method is used, in which case the expected reserves are the deterministic base case or best estimate. Expected reserves are therefore typically larger than proved reserves as defined by the SEC, which are high confidence estimates with at least a 90% probability of recovery when a probabilistic approach is used. Expected oil and gas reserves have been estimated by internal qualified professionals based on industry standards and classified in accordance with the Norwegian resource classification system issued by the Norwegian Petroleum Directorate.

(in USD million)	Machinery, equipment and transportation equipment	Production plants and oil and gas assets	Refining and manufacturing plants	Buildings and land	Assets under development	Right of use assets[4)]	Total
Cost at 1 January 2022	1,335	183,358	8,481	596	12,614	5,850	212,234
Additions and transfers[6)]	52	9,390	378	6	(813)	1,319	10,332
Changes in asset retirement obligations	0	(4,756)	0	0	(48)	0	(4,805)
Disposals at cost	(9)	(3,487)	2	(20)	(5)	(347)	(3,865)
Foreign currency translation effects	(36)	(12,557)	(576)	(19)	(934)	(188)	(14,310)
Cost at 31 December 2022	1,343	171,948	8,285	562	10,815	6,633	199,586
Accumulated depreciation and impairment losses at 1 January 2022	(1,188)	(137,763)	(7,926)	(320)	(344)	(2,619)	(150,159)
Depreciation	(52)	(7,643)	(160)	(33)	0	(969)	(8,856)
Impairment losses	(8)	(187)	(39)	0	(49)	(4)	(286)
Reversal of impairment losses	4	2,585	802	0	207	0	3,599
Transfers[6)]	(2)	(20)	2	0	20	(8)	(8)
Accumulated depreciation and impairment on disposed assets	8	2,002	(4)	5	0	347	2,359
Foreign currency translation effects	34	9,571	562	9	30	59	10,264
Accumulated depreciation and impairment losses at 31 December 2022[5)]	(1,203)	(131,455)	(6,763)	(338)	(135)	(3,194)	(143,088)
Carrying amount at 31 December 2022	140	40,493	1,522	224	10,679	3,439	56,498
Estimated useful lives (years)	3 - 20	UoP[1)]	15 - 20	10 - 33[2)]		1 - 20[3)]	

(in USD million)	Machinery, equipment and transportation equipment	Production plants and oil and gas assets	Refining and manufacturing plants	Buildings and land	Assets under development	Right of use assets	Total
Cost at 1 January 2021	2,806	183,082	9,238	929	13,163	6,370	215,587
Additions and transfers[6]	39	9,439	95	27	(355)	148	9,393
Changes in asset retirement obligations	0	(2,125)	0	0	(40)	0	(2,165)
Disposals at cost	(1,496)	(1,975)	(70)	(353)	(25)	(501)	(4,420)
Assets reclassified to held for sale	0	(1,010)	(563)	0	0	(91)	(1,664)
Foreign currency translation effects	(13)	(4,052)	(220)	(6)	(130)	(77)	(4,497)
Cost at 31 December 2021	1,335	183,358	8,481	596	12,614	5,850	212,234
Accumulated depreciation and impairment losses at 1 January 2021	(2,596)	(132,427)	(8,005)	(524)	(1,275)	(2,251)	(147,079)
Depreciation	(68)	(9,136)	(232)	(42)	0	(930)	(10,408)
Impairment losses	(42)	(2,092)	(401)	(21)	(390)	(17)	(2,962)
Reversal of impairment losses	0	1,675	0	0	0	2	1,677
Transfers[6]	61	(1,319)	0	(61)	1,319	(11)	(11)
Accumulated depreciation and impairment on disposed assets	1,448	1,785	59	326	21	480	4,118
Accumulated depreciation and impairment assets classified as held for sale	0	825	461	0	0	82	1,367
Foreign currency translation effects	9	2,926	192	2	(18)	27	3,138
Accumulated depreciation and impairment losses at 31 December 2021[5]	(1,188)	(137,763)	(7,926)	(320)	(344)	(2,619)	(150,159)
Carrying amount at 31 December 2021	147	45,595	555	276	12,270	3,231	62,075
Estimated useful lives (years)	3 - 20	UoP[1]	15 - 20	10 - 33[2]		1 - 20[3]	

1) Depreciation according to unit of production method.
2) Land is not depreciated. Buildings include leasehold improvements.
3) Depreciation linearly over contract period.
4) Right of use assets at 31 December 2022 mainly consist of Land and buildings USD 1,013 million, Vessels USD 1,557 million and Drilling rigs USD 595 million.
5) See note 14 Impairments.
6) The carrying amount of assets transferred to Property plant and equipment from Intangible assets in 2022 and 2021 amounted to USD 982 million and USD 1,730 million, respectively.

13 Intangible assets

Accounting policies

Intangible assets including goodwill
Intangible assets are stated at cost, less accumulated amortisation and impairment. Intangible assets include acquisition cost for oil and gas prospects, expenditures on the exploration for and evaluation of oil and natural gas resources, goodwill, and other intangible assets. Intangible assets relating to expenditures on the exploration for and evaluation of oil and natural gas resources are not amortised. When the decision to develop a particular area is made, related intangible exploration and evaluation assets are reclassified to Property, plant and equipment.

Goodwill acquired in a business combination is allocated to each cash generating unit (CGU), or group of units, expected to benefit from the combination's synergies. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. In acquisitions made on a post-tax basis according to the rules on the NCS, a provision for deferred tax is reflected in the accounts based on the difference between the acquisition cost and the tax depreciation basis transferred from the seller. The offsetting entry to such deferred tax amounts is reflected as goodwill, which is allocated to the CGU or group of CGUs on whose tax depreciation basis the deferred tax has been computed.

Other intangible assets with a finite useful life, are depreciated over their useful life using the straight-line method.

Oil and gas exploration, evaluation and development expenditures
Equinor uses the successful efforts method of accounting for oil and gas exploration costs. Expenditures to acquire mineral interests in oil and gas properties, including signature bonuses, expenditures to drill and equip exploratory wells and evaluation expenditures are capitalised within Intangible assets as Exploration expenditures and Acquisition costs - oil and gas prospects. Geological and geophysical costs and other exploration and evaluation expenditures are expensed as incurred.

Exploration wells that discover potentially economic quantities of oil and natural gas remain capitalised as intangible assets during the evaluation phase of the discovery. This evaluation is normally finalised within one year after well completion. If, following the evaluation, the exploratory well has not found potentially commercial quantities of hydrocarbons, the previously capitalised costs are evaluated for derecognition or tested for impairment. Any derecognition or impairment is classified as Exploration expenses in the Consolidated statement of income.

Capitalised exploration and evaluation expenditures related to offshore wells that find proved reserves, are transferred to Property, plant and equipment at the time of sanctioning of the development project. The timing from evaluation of a discovery until a project is sanctioned could take several years depending on the location and maturity, including existing infrastructure, of the area of discovery, whether a host government agreement is in place, the complexity of the project and the financial robustness of the project. For onshore wells where no sanction is required, the transfer to Property, plant and equipment occurs at the time when a well is ready for production.

For exploration and evaluation asset acquisitions (farm-in arrangements) in which Equinor has decided to fund a portion of the selling partner's exploration and/or future development expenditures (carried interests), these expenditures are reflected in the Consolidated financial statements as and when the exploration and development work progresses.

Equinor reflects exploration and evaluation asset disposals (farm-out arrangements) on a historical cost basis with no gain or loss recognition. Consideration from the sale of an undeveloped part of an asset reduces the carrying amount of the asset. If the consideration exceeds the carrying amount of the asset, the excess amount is reflected in the Consolidated statement of income under Other income. Equal-valued exchanges (swaps) of exploration and evaluation assets with only immaterial cash considerations are accounted for at the carrying amounts of the assets given up with no gain or loss recognition.

<u>Estimation uncertainty regarding exploration activities</u>
Exploratory wells that have found reserves, but where classification of those reserves as proved depends on whether a major capital expenditure can be justified, will remain capitalised during the evaluation phase for the findings on the exploration wells. Thereafter it will be considered a trigger for impairment evaluation of the well if no development decision is planned for the near future, and there moreover are no concrete plans for future drilling in the licence. Judgements as to whether these expenditures should remain capitalised, be derecognised or impaired in the period may materially affect the carrying values of these assets and consequently, the operating income for the period.

(in USD million)	Exploration expenses	Acquisition costs - oil and gas prospects	Goodwill	Other	Total
Cost at 1 January 2022	1,958	2,670	1,467	722	6,816
Additions	227	4	36	57	324
Disposals at cost	(10)	(50)	0	1	(58)
Transfers	(227)	(516)	0	(239)	(982)
Expensed exploration expenditures previously capitalised	(283)	(59)	0	0	(342)
Impairment of goodwill	0	0	(3)	0	(3)
Foreign currency translation effects	(65)	(14)	(121)	(13)	(213)
Cost at 31 December 2022	1,599	2,035	1,380	528	5,542
Accumulated depreciation and impairment losses at 31 December 2022[1)]				(384)	(384)
Carrying amount at 31 December 2022	1,599	2,035	1,380	144	5,158

(in USD million)	Exploration expenses	Acquisition costs - oil and gas prospects	Goodwill	Other	Total
Cost at 1 January 2021	2,261	3,932	1,481	831	8,505
Additions	191	36	61	90	378
Disposals at cost	(22)	1	(3)	(29)	(53)
Transfers	(432)	(1,137)	0	(161)	(1,730)
Expensed exploration expenditures previously capitalised	(19)	(152)	0	0	(171)
Impairment of goodwill	0	0	(1)	0	(1)
Foreign currency translation effects	(21)	(10)	(70)	(10)	(111)
Cost at 31 December 2021	1,958	2,670	1,467	722	6,816
Accumulated depreciation and impairment losses at 31 December 2021[1)]				(364)	(364)
Carrying amount at 31 December 2021	1,958	2,670	1,467	358	6,452

1) See note 14 Impairments.

Goodwill of USD 1,380 million per 31 December 2022 mainly consist of technical goodwill related to business acquisitions in 2019, USD 550 million in the Exploration & Production Norway area and USD 410 million in the Marketing Midstream & Processing area.

The table below shows the aging of capitalised exploration expenditures.

(in USD million)	2022	2021
Less than one year	250	234
Between one and five years	340	692
More than five years	1,009	1,033
Total capitalised exploration expenditures	1,599	1,958

The table below shows the components of the exploration expenses.

(in USD million)	Full year 2022	2021	2020
Exploration expenditures	1,087	1,027	1,371
Expensed exploration expenditures previously capitalised	342	171	2,506
Capitalised exploration	(224)	(194)	(394)
Exploration expenses	1,205	1,004	3,483

14 Impairments

Accounting policies

Impairment of property, plant and equipment, right-of-use assets and intangible assets including goodwill
Equinor assesses individual assets or groups of assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Assets are grouped into cash generating units (CGUs) which are the smallest identifiable groups of assets that generate cash inflows that are largely independent of the cash inflows from other groups of assets. Normally, separate CGUs are individual oil and gas fields or plants. Each unconventional asset play is considered a single CGU when no cash inflows from parts of the play can be reliably identified as being largely independent of the cash inflows from other parts of the play. In impairment evaluations, the carrying amounts of CGUs are determined on a basis consistent with that of the recoverable amount.

Unproved oil and gas properties are assessed for impairment when facts and circumstances suggest that the carrying amount of the asset or CGU to which the unproved properties belong may exceed its recoverable amount, and at least once a year. Exploratory wells that have found reserves, but where classification of those reserves as proved depends on whether major capital expenditure can be justified or where the economic viability of that major capital expenditure depends on the successful completion of further exploration work, will remain capitalised during the evaluation phase for the exploratory finds. If, following evaluation, an exploratory well has not found proved reserves, the previously capitalised costs are tested for impairment. After the initial evaluation phase for a well, it will be considered a trigger for impairment testing of a well if no development decision is planned for the near future and there is no firm plan for future drilling in the licence.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of the CGU, or group of units, to which the goodwill relates. When impairment testing goodwill originally recognised as an offsetting item to the computed deferred tax provision in a post-tax transaction on the NCS, the remaining amount of the deferred tax provision will factor into the impairment evaluations.

Impairment losses and reversals of impairment losses are presented in the Consolidated statement of income as Exploration expenses or Depreciation, amortisation and net impairment losses, on the basis of the nature of the impaired assets as either exploration assets (intangible exploration assets) or development and producing assets (property, plant and equipment and other intangible assets), respectively.

Measurement
The recoverable amount applied in Equinor's impairment assessments is normally estimated value in use. Equinor may also apply the assets' fair value less cost of disposal as the recoverable amount when such a value is available, reasonably reliable, and based on a recent and comparable transaction.

Value in use is determined using a discounted cash flow model. The estimated future cash flows are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the assets, as set down in Equinor's most recently approved forecasts. Assumptions and economic conditions in establishing the forecasts are reviewed by management on a regular basis and updated at least annually. For assets and CGUs with an expected useful life or timeline for production of expected oil and natural gas reserves extending beyond five years, including planned onshore production from shale assets with a long development and production horizon, the forecasts reflect expected production volumes, and the related cash flows include project or asset specific estimates reflecting the relevant period. Such estimates are established based on Equinor's principles and assumptions and are consistently applied.

The estimated future cash flows are adjusted for risks specific to the asset or CGU and discounted using a real post-tax discount rate which is based on Equinor's post-tax weighted average cost of capital (WACC). Country risk specific to a project is included as a monetary adjustment to the projects' cash flow. Equinor considers country risk primarily as an unsystematic risk. The cash flow is adjusted for risk that influences the expected cash flow of a project and which is not part of the project itself. The use of post-tax

discount rates in determining value in use does not result in a materially different determination of the need for, or the amount of, impairment that would be required if pre-tax discount rates had been used.

Impairment reversals
A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal cannot exceed the carrying amount of the asset or CGU that would have been reflected, net of depreciation, if no impairment loss had been recognised in prior periods. Impairment of unsuccessful wells is reversed only to the extent that conditions for impairment are no longer present. Previously recognised impairments of goodwill are not reversed in future periods.

Estimation uncertainty regarding impairment
Evaluating whether an asset is impaired or if an impairment should be reversed requires a high degree of judgement and may to a large extent depend upon the selection of key assumptions about the future. In Equinor's line of business, judgement is involved in determining what constitutes a CGU. Development in production, infrastructure solutions, markets, product pricing, management actions and other factors may over time lead to changes in CGUs such as splitting one original CGU into several CGUs.

The key assumptions used will bear the risk of change based on the inherent volatile nature of macro-economic factors such as future commodity prices and discount rates, and uncertainty in asset specific factors such as reserve estimates and operational decisions impacting the production profile or activity levels for our oil and natural gas properties. Changes in foreign currency exchange rates will also affect value in use, especially for assets on the NCS, where the functional currency is NOK. When estimating the recoverable amount, the expected cash flow approach is applied to reflect uncertainties in timing and amounts inherent in the assumptions used in the estimated future cash flows. For example, climate-related matters (see also Note 3 Consequences of initiatives to limit climate changes) are expected to have a pervasive effect on the energy industry, affecting not only supply, demand and commodity prices, but also technology changes, increased emission-related levies, and other matters with mainly mid-term and long-term effects. These effects have been factored into the price assumptions used for estimating future cash flows using probability-weighted scenario analyses.

The estimated future cash flows, reflecting Equinor's, market participants' and other external sources' assumptions about the future and discounted to their present value, involve complexity. In order to establish relevant future cash flows, impairment testing requires long-term assumptions to be made concerning a number of economic factors such as future market prices, refinery margins, foreign currency exchange rates and future output, discount rates, impact of the timing of tax incentive regulations, and political and country risk among others. Long-term assumptions for major economic factors are made at a group level, and there is a high degree of reasoned judgement involved in establishing these assumptions, in determining other relevant factors such as forward price curves, in estimating production outputs, and in determining the ultimate terminal value of an asset.

Net impairments/(reversal of impairments)

Full year	Property, plant and equipment			Intangible assets			Total		
(in USD million)	2022	2021	2020	2022	2021	2020	2022	2021	2020
Producing and development assets[1)]	(3,313)	1,285	5,671	(26)	(2)	680	(3,339)	1,283	6,351
Goodwill[1)]				3	1	42	3	1	42
Other intangible assets[1)]				0	0	8	0	0	8
Acquisition costs related to oil and gas prospects[2)]				85	154	657	85	154	657
Total net impairments/(reversals) recognised for Property, plant and equipment and Intangible assets	(3,313)	1,285	5,671	62	154	1,386	(3,251)	1,439	7,057

1) In addition, impairments in 2022 related to equity accounted investments amounted to USD 832 million, please refer to note 6 Acquisitions and disposals regarding the effects of the decision to exit Russia. The total net impairment reversals recognised under IAS 36 Impairment of assets in 2022 amount to USD 2,504 million.
2) Subject to impairment assessment under the successful efforts' method (IFRS 6 Exploration and Evaluation of Mineral Resources) and classified as exploration expenses in the income statement.

For impairment purposes, the asset's carrying amount is compared to its recoverable amount. The table below describes, per area, the Producing and development assets being impaired/(reversed), net impairment/(reversal), and the carrying amount after impairment.

	At 31 December 2022		At 31 December 2021	
(in USD million)	Carrying amount after impairment	Net impairment loss/ (reversal)	Carrying amount after impairment	Net impairment loss/ (reversal)
Exploration & Production Norway	3,201	(819)	5,379	(1,102)
Exploration & Production USA - onshore	546	(204)	1,979	48
Exploration & Production USA - offshore Gulf of Mexico	2,691	(882)	798	18
Europe and Asia	1,551	295	1,566	1,609
Marketing, Midstream & Processing	1,416	(895)	868	716
Other	30	0	20	(7)
Total	9,435	(2,505)	10,611	1,283

Exploration & Production Norway
In 2022, the net impairment reversal was mainly caused by increased price estimates and changed gas export strategy. In 2021, the net impairment reversal was mainly due to increased price estimates and an upward reserve revision.

Exploration & Production USA - onshore
In 2022, the impairment reversal was caused by increased gas price assumptions, while in 2021 the net impairment was caused by revision of reserves and sale of an asset.

Exploration & Production USA - offshore Gulf of Mexico
In 2022, the impairment reversal was caused by increased price assumptions and higher reserves estimates, while in 2021, the impairment was due to a negative reserve revision.

Exploration & Production International – Europe and Asia
In 2022, the net impairment was mainly caused by the decision to exit Russia (see note 6 Acquisitions and disposals). This was to a large extent offset by a reversal on Mariner in the UK mainly due to optimisation of the production profile and higher prices, supported by a slight increase in reserves estimates. In 2021, the net impairment was mainly caused by downward reserve revisions partially offset by higher prices.

Marketing, Midstream & Processing
In 2022 the net impairment reversal was mainly related to increased refinery margin assumptions, while in 2021, the impairment losses were caused by increased CO_2 fees and – quotas on a refinery and a classification to held for sale.

Accounting assumptions
Management's future commodity price assumptions and currency assumptions are applied when estimating value in use. While there are inherent uncertainties in the assumptions, the commodity price assumptions as well as currency assumptions reflect management's best estimate of the price and currency development over the life of the Group's assets based on its view of relevant current circumstances and the likely future development of such circumstances, including energy demand development, energy and climate change policies as well as the speed of the energy transition, population and economic growth, geopolitical risks, technology and cost development and other factors. Management's best estimate also takes into consideration a range of external forecasts.

Equinor has performed a thorough and broad analysis of the expected development in drivers for the different commodity markets and exchange rates. Significant uncertainty exists regarding future commodity price development due to the transition to a lower carbon economy, future supply actions by OPEC+ and other factors. The management's analysis of the expected development in drivers for the different commodity markets and exchange rates resulted in changes in the long-term price assumptions with effect from the third quarter of 2022. The main changes with effect for impairment and impairment reversal assessments are disclosed in the table below as price-points on price-curves. Previously applied price-points from the third quarter of 2021 up to and including the second quarter of 2022 are provided in brackets.

Year Prices in real term 1)		2025		2030		2040		2050
Brent Blend (USD/bbl)	75	(70)	75	(75)	70	(69)	65	(64)
European gas (USD/MMBtu) - TTF 2)	20.0	(7.3)	9.5	(6.8)	9.0	(8.2)	9.0	(7.5)
Henry Hub (USD/MMBtu)	4.0	(3.3)	3.7	(3.4)	3.7	(3.6)	3.7	(3.6)
Electricity Germany (EUR/MWh)	115	(65)	70	(62)	57	(64)	57	(64)
EU ETS (EUR/tonne)	80	(61)	80	(70)	105	(89)	130	(108)

1) Basis year 2022. The prices in the table are price-points on price-curves.
2) As from the third quarter 2022, TTF is applied as the main reference price for European gas. Updated price-points for the previously applied NBP correspond to the disclosed updated price-points for TTF. Previously applied comparable prices for NBP are 7.4, 6.9, 8.3 and 7.6 for 2025, 2030, 2040 and 2050 respectively.

Climate considerations are included in the impairment calculations directly by estimating the CO_2 taxes in the cash flows. Indirectly, the expected effect of climate change is also included in the estimated commodity prices where supply and demand are considered. The prices also have effect on the estimated production profiles and economic cut-off of the projects. Furthermore, climate considerations are a part of the investment decisions following Equinor's strategy and commitments to the energy transition.

Norway's Climate Action Plan for the period 2021-2030 (Meld. St 13 (2020-2021)) which assumes a gradually increased CO_2 tax (the total of EU ETS + Norwegian CO_2 tax) in Norway to 2,000 NOK/tonne in 2030 is used for impairment calculations of Norwegian upstream assets.

To reflect that carbon will have a cost for all our assets the current best estimate is considered to be EU ETS for countries outside EU where carbon is not already subject to taxation or where Equinor has not established specific estimates.

The long-term NOK currency exchange rates are expected to be unchanged compared to previous long-term assumptions. The NOK/USD rate from 2025 and onwards is kept at 8.50, the NOK/EUR at 10.0. The USD/GBP rate is kept at 1.35.

The base discount rate applied in value in use calculations is 5.0% real after tax. The discount rate is derived from Equinor's weighted average cost of capital. For projects, mainly within the REN segment in periods with fixed low risk income, a lower discount rate will be considered. A derived pre-tax discount rate is in the range of 42-102% for E&P Norway, 8-9% for E&P International, 6-9% for E&P USA and 7% for MMP depending on the asset's characteristics, such as specific tax treatments, cash flow profiles, and economic life. The pre-tax rates for 2021 were 18-32%, 5-9%, 6-7% and 7% respectively.

Sensitivities
Commodity prices have historically been volatile. Significant downward adjustments of Equinor's commodity price assumptions would result in impairment losses on certain producing and development assets in Equinor's portfolio including intangible assets that are subject to impairment assessment, while an opposite adjustment could lead to impairment-reversals. If a decline in commodity price forecasts over the lifetime of the assets was 30%, considered to represent a reasonably possible change, the impairment amount to be recognised could illustratively be in the region of USD 14 billion before tax effects. See note 3 Consequences of initiatives to limit climate changes for possible effect of using the prices in a 1.5ºC compatible Net Zero Emission by 2050 scenario and the Announced Pledges Scenario as estimated by the International Energy Agency (IEA).

These illustrative impairment sensitivities, both based on a simplified method, assumes no changes to input factors other than prices; however, a price reduction of 30% or those representing Net Zero Emission scenario and Announced Pledges Scenario is likely to result in changes in business plans as well as other factors used when estimating an asset's recoverable amount. These associated changes reduce the stand-alone impact on the price sensitivities. Changes in such input factors would likely include a reduction in the cost level in the oil and gas industry as well as offsetting foreign currency effects, both of which have historically occurred following significant changes in commodity prices. The illustrative sensitivities are therefore not considered to represent a best estimate of an expected impairment impact, nor an estimated impact on revenues or operating income in such a scenario. A significant and prolonged reduction in oil and gas prices would also result in mitigating actions by Equinor and its licence partners, as a reduction of oil and gas prices would impact drilling plans and production profiles for new and existing assets. Quantifying such impacts is considered impracticable, as it requires detailed technical, geological and economical evaluations based on hypothetical scenarios and not based on existing business or development plans.

15 Joint arrangements and associates

Accounting policies

Joint operations and similar arrangements, joint ventures and associates
A joint arrangement is a contractual arrangement whereby Equinor and other parties undertake an activity subject to joint control, i.e. when decisions about the relevant activities require the unanimous consent of the parties sharing control. Such joint arrangements are classified as either joint operations or joint ventures. In determining the appropriate classification, Equinor considers the nature of products and markets of the arrangements and whether the substance of the agreements is that the parties involved have rights to substantially all the arrangement's assets and obligations for the liabilities, or whether the parties involved have rights to the net assets of the arrangement. Equinor accounts for its share of assets, liabilities, revenues and expenses in joint operations in accordance with the principles applicable to those particular assets, liabilities, revenues and expenses.

Those of Equinor's exploration and production licence activities that are within the scope of IFRS 11 Joint Arrangements have been classified as joint operations. A considerable number of Equinor's unincorporated joint exploration and production activities are conducted through arrangements that are not jointly controlled, either because unanimous consent is not required among all parties involved, or no single group of parties has joint control over the activity. Licence activities where control can be achieved through agreement between more than one combination of involved parties are considered to be outside the scope of IFRS 11, and these activities are accounted for on a pro-rata basis using Equinor's ownership share. Currently, Equinor uses IFRS 11 by analogy for all such unincorporated licence arrangements whether these are in scope of IFRS 11 or not. Reference is made to note 5 Segments for financial information related to Equinor's participation in joint operations within upstream activities.

Joint ventures, in which Equinor has rights to the net assets, are accounted for using the equity method. These currently include the majority of Equinor's investments in the Renewables (REN) operating and reporting segment. Equinor's participation in joint arrangements that are joint ventures and investments in companies in which Equinor has neither control nor joint control but has the ability to exercise significant influence over operating and financial policies, are classified as equity accounted investments.

Under the equity method, the investment is carried on the Consolidated balance sheet at cost plus post-acquisition changes in Equinor's share of net assets of the entity, less distributions received and less any impairment in value of the investment. The part of an equity accounted investment's dividend distribution exceeding the entity's carrying amount in the Consolidated balance sheet is reflected as income from equity accounted investments in the Consolidated statement of income. Equinor will subsequently only reflect the share of net profit in the investment that exceeds the dividend already reflected as income. The Consolidated statement of income reflects Equinor's share of the results after tax of an equity accounted entity, adjusted to account for depreciation, amortisation and any impairment of the equity accounted entity's assets based on their fair values at the date of acquisition. Net income/loss from equity accounted investments is presented as part of Total revenues and other income, as investments in and participation with significant influence in other companies engaged in energy-related business activities is considered to be part of Equinor's main operating activities.

Acquisition of ownership shares in joint ventures and other equity accounted investments in which the activity constitutes a business, are accounted for in accordance with the requirements applicable to business combinations. Please refer to note 6 Acquisitions and disposals for more details on acquisitions.

Equinor as operator of joint operations and similar arrangements
Indirect operating expenses such as personnel expenses are accumulated in cost pools. These costs are allocated on an hours' incurred basis to business areas and Equinor-operated joint operations under IFRS 11 and to similar arrangements (licences) outside the scope of IFRS 11. Costs allocated to the other partners' share of operated joint operations and similar arrangements are reimbursed and only Equinor's share of the statement of income and balance sheet items related to Equinor-operated joint operations and similar arrangements are reflected in the Consolidated statement of income and the Consolidated balance sheet.

Joint ventures and other equity accounted investments

(in USD million)	2022	2021
Net investments at 1 January	2,686	2,270
Net income/(loss) from equity accounted investments	620	259
Impairment[1)]	(832)	0
Acquisitions and increase in capital	337	475
Dividend and other distributions	(210)	(230)
Other comprehensive income/(loss)	384	(58)
Divestments, derecognition and decrease in paid in capital	(22)	(31)
Other	(205)	1
Net investments at 31 December	2,758	2,686

1) Related to investments in Russia, see also note 6 Acquisitions and disposals.

Equity accounted investments consist of several investments, none above USD 0.6 billion. None of the investments are significant on an individual basis. Voting rights corresponds to ownership.

16 Financial investments and financial receivables

Non-current financial investments

	At 31 December	
(in USD million)	2022	2021
Bonds	1,448	1,822
Listed equity securities	794	1,131
Non-listed equity securities	491	393
Financial investments	2,733	3,346

Bonds and equity securities mainly relate to investment portfolios held by Equinor's captive insurance company and other listed and non-listed equities held for long-term strategic purposes, mainly accounted for using fair value through profit or loss.

Non-current prepayments and financial receivables

(in USD million)	At 31 December 2022	2021
Interest-bearing financial receivables	1,658	707
Other interest-bearing receivables	66	276
Prepayments and other non-interest-bearing receivables	339	104
Prepayments and financial receivables	2,063	1,087

Interest-bearing financial receivables consist primarily of receivables from related parties, see note 27 Related parties. Other interest-bearing receivables primarily relate to financial sublease and tax receivables.

Current financial investments

(in USD million)	At 31 December 2022	2021
Time deposits	12,373	7,060
Interest-bearing securities	17,504	14,186
Financial investments	29,876	21,246

At 31 December 2022, current financial investments include USD 410 million in investment portfolios held by Equinor's captive insurance company which mainly are accounted for using fair value through profit or loss. The corresponding balance at 31 December 2021 was USD 300 million.

For information about financial instruments by category, see note 28 Financial instruments and fair value measurement.

17 Inventories

Accounting policies

Inventories
Commodity inventories not held for trading purposes are stated at the lower of cost and net realisable value. Cost is determined by the first-in first-out method and comprises direct purchase costs, cost of production, transportation, and manufacturing expenses. With effect from 2022, due to the evolving trading business in the Group, fair value less cost to sell (FVLCS) is considered the appropriate measurement basis for commodity inventories held for trading purposes, with subsequent changes in FV recognised in the Consolidated statement of income under Other revenues. These inventories are categorised within level 2 of the fair value hierarchy. Comparative numbers have not been restated due to materiality.

	At 31 December	
(in USD million)	**2022**	**2021**
Crude oil	2,115	2,014
Petroleum products	451	315
Natural gas	127	642
Commodity inventories at the lower of cost and net realisable value	2,693	2,971
Natural gas held for trading purposes measured at fair value	1,994	0
Other	517	424
Total inventories	5,205	3,395

The write-down of inventories from cost to net realisable value amounted to an expense of USD 143 million and USD 77 million in 2022 and 2021, respectively. Inventories held for trading purposes consist of gas stores held by Danske Commodities.

18 Trade and other receivables

(in USD million)	At 31 December 2022	2021
Trade receivables from contracts with customers[1]	15,213	13,266
Other current receivables	992	1,436
Collateral receivables[2]	3,468	1,576
Receivables from participation in joint operations and similar arrangements	661	491
Receivables from equity accounted associated companies and other related parties	1,276	423
Total financial trade and other receivables	21,611	17,192
Non-financial trade and other receivables	841	736
Trade and other receivables	22,452	17,927

1) Trade receivables from contracts with customers are shown net of an immaterial provision for expected losses.
2) Mainly related to cash paid as security for a portion of Equinor's credit exposure.

For more information about the credit quality of Equinor's counterparties, see note 4 Financial risk and capital management. For currency sensitivities, see note 28 Financial instruments and fair value measurement.

19 Cash and cash equivalents

Accounting policies

Cash and cash equivalents are accounted for at amortised cost and include cash in hand, current balances with banks and similar institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in fair value and have a maturity of three months or less from the acquisition date. Contractually mandatory deposits in escrow bank accounts are included as restricted cash if the deposits are provided as part of the Group's operating activities and therefore are deemed as held for the purpose of meeting short-term cash commitments, and the deposits can be released from the escrow account without undue expenses.

(in USD million)	At 31 December 2022	2021
Cash at bank available	2,220	2,673
Time deposits	836	1,906
Money market funds	3,106	2,714
Interest-bearing securities	3,276	4,740
Restricted cash, including collateral deposits	6,140	2,093
Cash and cash equivalents	15,579	14,126

Restricted cash at 31 December 2022 includes collateral deposits of USD 6,128 million related to trading activities. Correspondingly, collateral deposits at 31 December 2021 were USD 2,069 million. Collateral deposits are related to certain requirements of exchanges where Equinor is trading. The terms and conditions related to these requirements are determined by the respective exchanges.

20 Shareholders' equity and dividends

	Number of shares	NOK per value	NOK	USD
Share capital at 1 January 2022	3,257,687,707	2.50	8,144,219,267.50	1,163,987,792
Capital reduction	(82,217,548)	2.50	(205,543,870.00)	(21,951,527)
Share capital at 31 December 2022	3,175,470,159	2.50	7,938,675,397.50	1,142,036,265

	Number of shares	NOK per value	Common Stock
Authorised and issued	3,175,470,159	2.50	7,938,675,397.50
Treasury shares			
Share buy-back programme	(42,619,172)	2.50	(106,547,930.00)
Employees share saving plan	(10,908,717)	2.50	(27,271,792.50)
Total outstanding shares	3,121,942,270	2.50	7,804,855,675.00

Equinor ASA has only one class of shares and all shares have voting rights. The holders of shares are entitled to receive dividends as and when declared and are entitled to one vote per share at the annual general meeting of the company.

Dividend
During 2022, dividend for the third and for the fourth quarter of 2021 and dividend for the first and second quarter of 2022 were settled. Dividend declared but not yet settled is presented as dividends payable in the Consolidated balance sheet. The Consolidated statement of changes in equity shows declared dividend in the period (retained earnings). Dividend declared in 2022 relates to the fourth quarter of 2021 and to the first three quarters of 2022.

On 7 February 2023, the board of directors proposed an ordinary cash dividend for the fourth quarter of 2022 of USD 0.30 per share and an extraordinary cash dividend of USD 0.60 per share (subject to annual general meeting approval). The Equinor share will trade ex-dividend 11 May 2023 on Oslo Børs and for ADR holders on New York Stock Exchange. Record date will be 12 May 2023 and payment date will be 25 May 2023.

	At 31 December	
(in USD million)	2022	2021
Dividends declared	7,549	2,041
USD per share or ADS	2.4000	0.6300
Dividends paid	5,380	1,797
USD per share or ADS	1.6800	0.5600
NOK per share	16.4837	4.8078

Accounting policies

Share buy-back
Where Equinor has either acquired own shares under a share buy-back programme or has placed an irrevocable order with a third party for Equinor shares to be acquired in the market, such shares are reflected as a reduction in equity as treasury shares. Treasury shares are not included in the weighted average number of ordinary shares outstanding in the calculation of Earnings per share. The remaining outstanding part of an irrevocable order to acquire shares is accrued for and classified as Trade, other payables and provisions.

Share buy-back programme

The purpose of the share buy-back programme is to reduce the issued share capital of the company. All shares repurchased as part of the programme will be cancelled. According to an agreement between Equinor and the Norwegian State, the Norwegian State will participate in share buy-backs on a proportionate basis, ensuring that its ownership interest in Equinor remains unchanged at 67%.

On 7 February 2023, the board proposed an annual share buy-back programme for 2023 with up to USD 6,000 million, including shares to be redeemed from the Norwegian State, subject to authorisation from the annual general meeting. The annual share buy-back programme is expected to be executed when Brent Blend oil price is in or above the range of 50-60 USD/bbl, Equinor's net debt to capital employed adjusted* stays within the communicated ambition of 15-30 % and this is supported by commodity prices.

On 7 February 2023, the board of directors resolved the commencement of the first tranche of the share buy-back programme for 2023 of a total of USD 1,000 million, including shares to be redeemed from the Norwegian State. The first tranche will end no later than 24 March 2023.

Number of shares	**2022**	**2021**
Share buy-back programme at 1 January	13,460,292	-
Purchase	56,290,671	13,460,292
Cancellation	(27,131,791)	-
Share buy-back programme at 31 December	42,619,172	13,460,292

Equity impact of share buy back programmes

(in USD million)	**2022**	**2021**
First tranche	330	99
Second tranche	440	330
Third tranche	605	-
Fourth tranche	605	-
Norwegian state share[1)]	1,399	-
Total	3,380	429

1) Relates to the 2021 programme and first tranche of 2022 programme.

In February 2022, Equinor launched a share buy-back programme for 2022 of up to USD 5,000 million, where the first tranche of around USD 1,000 million was finalised in March 2022. USD 330 million of the first tranche was acquired in the open market. The redemption of the proportionate share of 67% from the Norwegian State was approved by the annual general meeting 11 May 2022 and settled in July 2022 as described below.

In May 2022, Equinor launched the second tranche of USD 1,333 million of the 2022 share buy-back programme of which USD 440 million was purchased in the open market. The acquisition of the second tranche in the open market was finalised in July 2022.

In July 2022, Equinor increased the target level of share buy-back for 2022 from USD 5,000 million up to USD 6,000 million and launched the third tranche of USD 1,833 million. USD 605 million was purchased in the open market. The acquisition of the third tranche in the open market was finalised in October 2022.

In October 2022, Equinor launched the fourth and final tranche of the share buy-back programme for 2022 of USD 1,833 million. The fourth tranche of USD 605 million (both acquired and remaining order) has been recognised as a reduction in equity as treasury shares due to an irrevocable agreement with a third party. As of 31 December 2022, USD 495 million of the fourth tranche has been purchased in the open market, of which USD 475 million has been settled. The remaining order of the fourth tranche is accrued for and classified as Trade, other payables and provisions. The acquisition of the fourth tranche in the open market was finalised in January 2023.

After having finalised the 2021 share buy-back programme as well as the first tranche of the 2022 share buy-back programme in the market in the period 28 July 2021 to 25 March 2022, a proportionate share of 67% from the Norwegian State was redeemed in accordance with an agreement with the Ministry of Trade, Industry and Fisheries for the Norwegian State to maintain their ownership percentage in Equinor. The redemption was approved by the annual general meeting held on 11 May 2022. The shares were cancelled on 29 June 2022 and the liability of USD 1,399 million (NOK 13,496 million) to the Norwegian State was settled on 20 July 2022.

For the second, third and fourth tranche of the share buy-back programme of 2022, USD 3,350 million of shares from the Norwegian State will, in accordance with an agreement with the Ministry of Trade, Industry and Fisheries, be redeemed at the annual general meeting in May 2023 in order for the Norwegian State to maintain its ownership share of 67% in Equinor.

Employees share saving plan

Number of shares	2022	2021
Share saving plan at 1 January	12,111,104	11,442,491
Purchase	2,127,172	3,412,994
Allocated to employees	(3,329,559)	(2,744,381)
Share saving plan at 31 December	10,908,717	12,111,104

In 2022 and 2021 treasury shares were purchased and allocated to employees participating in the share saving plan for USD 72 million and USD 75 million, respectively. For further information, see note 8 Salaries and personnel expenses.

21 Finance debt

Non-current finance debt

Finance debt measured at amortised cost

	Weighted average interest rates in %[1]		Carrying amount in USD millions at 31 December		Fair value in USD millions at 31 December[2]	
	2022	2021	2022	2021	2022	2021
Unsecured bonds						
United States Dollar (USD)	3.82	3.88	17,190	17,451	16,167	19,655
Euro (EUR)	1.42	1.42	7,465	7,925	6,782	8,529
Great Britain Pound (GBP)	6.08	6.08	1,652	1,852	1,836	2,674
Norwegian Kroner (NOK)	4.18	4.18	304	340	311	380
Total unsecured bonds			26,612	27,568	25,097	31,237
Unsecured loans						
Japanese Yen (JPY)	4.30	4.30	76	87	90	106
Total unsecured loans			76	87	90	106
Total			26,688	27,655	25,187	31,343
Non-current finance debt due within one year			2,547	250	2,597	268
Non-current finance debt			24,141	27,404	22,590	31,075

1) Weighted average interest rates are calculated based on the contractual rates on the loans per currency at 31 December and do not include the effect of swap agreements.
2) Fair values are determined from external calculation models based on market observations from various sources, classified at level 2 in the fair value hierarchy. For more information regarding fair value hierarchy, see note 28 Financial instruments and fair value measurement.

Unsecured bonds amounting to USD 17,190 million are denominated in USD and unsecured bonds denominated in other currencies amounting to USD 8,624 million are swapped into USD. One bond denominated in EUR amounting to USD 797 million is not swapped. The table does not include the effects of agreements entered into to swap the various currencies into USD. For further information see note 28 Financial instruments and fair value measurement.

Substantially all unsecured bonds and unsecured bank loan agreements contain provisions restricting future pledging of assets to secure borrowings without granting a similar secured status to the existing bondholders and lenders.
No new bonds were issued in 2022.

Out of Equinor's total outstanding unsecured bond portfolio, 38 bond agreements contain provisions allowing Equinor to call the debt prior to its final redemption at par or at certain specified premiums if there are changes to the Norwegian tax laws. The carrying amount of these agreements is USD 26,302 million at the 31 December 2022 closing currency exchange rate.

For more information about the revolving credit facility, maturity profile for undiscounted cash flows and interest rate risk management, see note 4 Financial risk and capital management.

Non-current finance debt maturity profile

(in USD million)	At 31 December 2022	2021
Year 2 and 3	4,794	5,015
Year 4 and 5	4,510	4,731
After 5 years	14,837	17,659
Total repayment of non-current finance debt	24,141	27,404
Weighted average maturity (years - including current portion)	9	10
Weighted average annual interest rate (% - including current portion)	3.29	3.33

Current finance debt

(in USD million)	At 31 December 2022	2021
Collateral liabilities	1,571	2,271
Non-current finance debt due within one year	2,547	250
Other including US Commercial paper programme and bank overdraft	241	2,752
Total current finance debt	4,359	5,273
Weighted average interest rate (%)	2.22	0.51

Collateral liabilities and other current liabilities mainly relate to cash received as security for a portion of Equinor's credit exposure and outstanding amounts on US Commercial paper (CP) programme. Issuance on the CP programme amounted to USD 227 million as of 31 December 2022 and USD 2,600 million as of 31 December 2021.

Reconciliation of cash flows from financing activities to finance line items in balance sheet

(in USD million)	Non-current finance debt	Current finance debt	Financial receivable Collaterals[1]	Additional paid in capital /Treasury shares	Non-controlling interest	Dividend payable	Lease liabilities[2]	Total
At 1 January 2022	27,404	5,273	(1,577)	(2,027)	14	582	3,562	
New finance debt								-
Repayment of finance debt	(250)							(250)
Repayment of lease liabilities							(1,366)	(1,366)
Dividend paid						(5,380)		(5,380)
Share buy-back				(3,315)				(3,315)
Net current finance debt and other finance activities		(2,982)	(2,038)	(73)	(8)			(5,102)
Net cash flow from financing activities	(250)	(2,982)	(2,038)	(3,388)	(8)	(5,380)	(1,366)	(15,414)
Transfer to current portion	(2,297)	2,297						
Effect of exchange rate changes	(710)	(78)	145		(3)		(149)	
Dividend declared						7,549		
New leases							1,644	
Other changes	(7)	(151)		30	(2)	57	(24)	
Net other changes	(3,014)	2,068	145	30	(5)	7,606	1,471	
At 31 December 2022	24,141	4,359	(3,468)	(5,385)	1	2,808	3,667	

(in USD million)	Non-current finance debt	Current finance debt	Financial receivable Collaterals[1]	Additional paid in capital /Treasury shares	Non-controlling interest	Dividend payable	Lease liabilities[2]	Total
At 1 January 2021	29,118	4,591	(967)	(1,588)	19	357	4,406	
New finance debt								-
Repayment of finance debt	(2,675)							(2,675)
Repayment of lease liabilities							(1,238)	(1,238)
Dividend paid						(1,797)		(1,797)
Share buy-back				(321)				(321)
Net current finance debt and other finance activities	(335)	2,273	(651)	(75)	(18)			1,195
Net cash flow from financing activities	(3,010)	2,273	(651)	(396)	(18)	(1,797)	(1,238)	(4,836)
Transfer to current portion	1,724	(1,724)						
Effect of exchange rate changes	(422)	(8)	41		(1)		(61)	
Dividend declared						2,041		
New leases							476	
Other changes	(6)	141	-	(43)	14	(19)	(21)	
Net other changes	1,296	(1,591)	41	(43)	13	2,022	394	
At 31 December 2021	27,404	5,273	(1,577)	(2,027)	14	582	3,562	

1) Financial receivable collaterals are included in Trade and other receivables in the Consolidated balance sheet. See note 18 Trade and other receivables for more information.
2) See note 25 Leases for more information.

22 Pensions

Accounting policies

Equinor has pension plans for employees that either provide a defined pension benefit upon retirement or a pension dependent on defined contributions and related returns. A portion of the contributions are provided for as notional contributions, for which the liability increases with a promised notional return, set equal to the actual return of assets invested through the ordinary defined contribution plan. For defined benefit plans, the benefit to be received by employees generally depends on many factors including length of service, retirement date and future salary levels.

Equinor's proportionate share of multi-employer defined benefit plans is recognised as liabilities in the Consolidated balance sheet as sufficient information is considered available, and a reliable estimate of the obligation can be made.

The cost of pension benefit plans is expensed over the period that the employees render services and become eligible to receive benefits. The calculation is performed by an external actuary. Equinor's net obligation from defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date, reflecting the maturity dates approximating the terms of Equinor's obligations. On 31 December 2022, the discount rate for the defined benefit plans in Norway was established on the basis of seven years' mortgage covered bonds interest rate extrapolated on a yield curve which matches the duration of Equinor's payment portfolio for earned benefits, which was calculated to be 13.5 years at the end of 2022. The present values of the defined benefit obligation, the related current service cost and past service cost are measured using the projected unit credit method. The assumptions for expected wage growth, expected rate of pension increase and the expected increase of social security base amount (G-amount) are based on agreed regulation in the plans, historical observations, future expectations of the assumptions and the relationship between these assumptions. For members in Norway, the mortality table K2013, issued by The Financial Supervisory Authority of Norway, is used as the best mortality estimate. Social security tax is calculated based on a pension plan's net funded status and is included in the defined benefit obligation.

The recognition of a net surplus for the funded plan is based on the assumption that the net assets represent a future value for Equinor, either as a possible distribution to premium fund which can be used for future funding of new liabilities, or as disbursement of equity in the pension fund.

The net interest related to defined benefit plans is calculated by applying the discount rate to the net present value of the benefit obligation and is presented in the Consolidated statement of income within Net financial items. The difference between estimated interest income and actual return is recognised in the Consolidated statement of comprehensive income as actuarial gains/losses.

Actuarial gains and losses are recognised in full in the Consolidated statement of comprehensive income in the period in which they occur, while actuarial gains and losses related to provision for termination benefits are recognised in the Consolidated statement of income in the period in which they occur. Due to the parent company Equinor ASA's functional currency being USD, the significant part of Equinor's pension obligations will be payable in a foreign currency (i.e. NOK). As a consequence, actuarial gains and losses related to the parent company's pension obligations include the impact of exchange rate fluctuations.

Contributions to defined contribution schemes are recognised in the Consolidated statement of income as pension costs in the period in which the contribution amounts are earned by the employees.

Notional contribution plans, reported in the parent company Equinor ASA, are recognised as Pension liabilities with the actual value of the notional contributions and promised return at reporting date. Notional contributions are recognised in the Consolidated statement of income as periodic pension cost, while changes in fair value of the employees' notional assets are reflected in the Consolidated statement of income under Net financial items.

Periodic pension cost is accumulated in cost pools and allocated to business areas and Equinor's operated joint operations (licences) on an hours' incurred basis and recognised in the Consolidated statement of income based on the function of the cost.

Pension plans in Equinor

The main pension plans for Equinor ASA and its most significant subsidiaries are defined contribution plans which includes certain unfunded elements (notional contribution plans). In addition, several employees and former employees of the Equinor Group is a member of certain defined benefit plans. The benefit plan in Equinor ASA was closed in 2015 for new employees and for employees with more than 15 years to regular retirement age. Equinor's defined benefit plans are generally based on a minimum of 30 years of service and 66% of the final salary level, including an assumed benefit from the Norwegian National Insurance Scheme. The Norwegian companies in the group are subject to, and complies with, the requirements of the Norwegian Mandatory Company Pensions Act.

The defined benefit plans in Norway are managed and financed through Equinor Pensjon (Equinor's pension fund - hereafter Equinor Pension). Equinor Pension is an independent pension fund that covers the employees in Equinor's Norwegian companies. The pension fund's assets are kept separate from the company's and group companies' assets. Equinor Pension is supervised by the Financial Supervisory Authority of Norway ("Finanstilsynet") and is licenced to operate as a pension fund.

Equinor has more than one defined benefit plan, but the disclosure is made in total since the plans are not subject to materially different risks. Pension plans outside Norway are not material and as such not disclosed separately. The tables in this note present pension costs on a gross basis before allocation to licence partners. In the Consolidated statement of income, the pension costs in Equinor ASA are presented net of costs allocated to licence partners.

Equinor is also a member of a Norwegian national agreement-based early retirement plan (“AFP”), and the premium is calculated based on the employees' income but limited to 7.1 times the basic amount in the National Insurance scheme (7.1 G). The premium is payable for all employees until age 62. Pension from the AFP scheme will be paid from the AFP plan administrator to employees for their full lifetime.

Net pension cost

(in USD million)	2022	2021	2020
Notional contribution plans	57	60	55
Defined benefit plans	188	216	184
Defined contribution plans	213	213	192
Total net pension cost	458	488	432

In addition to the pension cost presented in the table above, financial items related to defined benefit plans are included in the Consolidated statement of income within Net financial items. Interest cost and changes in fair value of notional contribution plans amounts to USD 105 million in 2022 and USD 238 million in 2021. Interest income of USD 116 million has been recognised in 2022, and USD 106 million in 2021.

Changes in pension liabilities and plan assets during the year

(in USD million)	2022	2021
Pension liabilities at 1 January	9,358	9,216
Current service cost	183	208
Interest cost	105	238
Actuarial (gains)/losses and currency effects	(1,785)	(72)
Changes in notional contribution liability and other effects	67	63
Benefits paid	(258)	(295)
Pension liabilities at 31 December	7,670	9,358
Fair value of plan assets at 1 January	6,404	6,234
Interest income	116	106
Return on plan assets (excluding interest income)	(622)	291
Company contributions	104	114
Benefits paid	(121)	(137)
Other effects	6	-
Foreign currency translation effects	(669)	(204)
Fair value of plan assets at 31 December	5,218	6,404
Net pension liability at 31 December	2,452	2,954
Represented by:		
Asset recognised as non-current pension assets (funded plan)	1,219	1,449
Liability recognised as non-current pension liabilities (unfunded plans)	3,671	4,403
Pension liabilities specified by funded and unfunded pension plans	7,670	9,358
Funded	3,999	4,955
Unfunded	3,671	4,403

Equinor recognised an actuarial gain from changes in financial assumptions in 2022, mainly due to a larger increase in discount rate compared to the other assumptions. An actuarial loss was recognised in 2021.

Actuarial losses and gains recognised directly in Other comprehensive income (OCI)

(in USD million)	2022	2021	2020
Net actuarial (losses)/gains recognised in OCI during the year	174	63	3
Foreign currency translation effects	287	84	(109)
Tax effects of actuarial (losses)/gains recognised in OCI	(105)	(35)	19
Recognised directly in OCI during the year, net of tax	356	112	(87)

Actuarial assumptions

Rounded to the nearest quartile	Assumptions used to determine benefit costs in %		Assumptions used to determine benefit obligations in %	
	2022	2021	2022	2021
Discount rate	2.00	1.75	3.75	2.00
Rate of compensation increase	2.50	2.00	3.50	2.50
Expected rate of pension increase	1.75	1.25	2.75	1.75
Expected increase of social security base amount (G-amount)	2.25	2.00	3.25	2.25
Weighted-average duration of the defined benefit obligation			13.5	15.2

The assumptions presented are for the Norwegian companies in Equinor which are members of Equinor's pension fund. The defined benefit plans of other subsidiaries are immaterial to the consolidated pension assets and liabilities.

Sensitivity analysis

The table below presents an estimate of the potential effects of changes in the key assumptions for the defined benefit plans. The following estimates are based on facts and circumstances as of 31 December 2022.

	Discount rate		Expected rate of compensation increase		Expected rate of pension increase		Mortality assumption	
(in USD million)	0.50%	-0.50%	0.50%	-0.50%	0.50%	-0.50%	+ 1 year	- 1 year
Effect on:								
Defined benefit obligation at 31 December 2022	(491)	553	109	(104)	462	(422)	285	(257)
Service cost 2023	(16)	18	8	(7)	12	(11)	6	(5)

The sensitivity of the financial results to each of the key assumptions has been estimated based on the assumption that all other factors would remain unchanged. The estimated effects on the financial result would differ from those that would actually appear in the Consolidated financial statements because the Consolidated financial statements would also reflect the relationship between these assumptions.

Pension assets
The plan assets related to the defined benefit plans were measured at fair value. Equinor Pension invests in both financial assets and real estate.

The table below presents the portfolio weighting as approved by the board of Equinor Pension for 2022. The portfolio weight during a year will depend on the risk capacity.

(in %)	2022	2021	Target portfolio weight
Equity securities	32.9	34.1	29-38
Bonds	53.1	50.2	46-59
Money market instruments	7.4	9.1	0-14
Real estate	6.6	6.6	5-10
Total	100.0	100.0	

In 2022, 44% of the equity securities and 3% of bonds had quoted market prices in an active market. 54% of the equity securities, 97% of bonds and 100% of money market instruments had market prices based on inputs other than quoted prices. If quoted market prices are not available, fair values are determined from external calculation models based on market observations from various sources.

In 2021, 61% of the equity securities and 3% of bonds had quoted market prices in an active market. 37% of the equity securities, 97% of bonds and 100% of money market instruments had market prices based on inputs other than quoted prices.

For definition of the various levels, see note 28 Financial instruments and fair value measurement.

Estimated company contributions to be made to Equinor Pension in 2023 is approximately USD 108 million.

23 Provisions and other liabilities

Accounting policies

Asset retirement obligations (ARO)
Provisions for asset retirement obligations (ARO) are recognised when Equinor has an obligation (legal or constructive) to dismantle and remove a facility or an item of property, plant and equipment and to restore the site on which it is located, and when a reliable estimate of that liability can be made. Normally an obligation arises for a new facility, such as an oil and natural gas production or transportation facility, upon construction or installation. An obligation may also arise during the period of operation of a facility through a change in legislation or through a decision to terminate operations or be based on commitments associated with Equinor's ongoing use of pipeline transport systems where removal obligations rest with the volume shippers.

The amount recognised is the present value of the estimated future expenditures determined in accordance with local conditions and requirements. The cost is estimated based on current regulations and technology, considering relevant risks and uncertainties. The discount rate used in the calculation of the ARO is a market-based risk-free rate based on the applicable currency and time horizon of the underlying cash flows. The provisions are classified under Provisions in the Consolidated balance sheet.

When a provision for ARO is recognised, a corresponding amount is recognised to increase the related property, plant and equipment and is subsequently depreciated as part of the property, plant and equipment. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding property, plant and equipment. When a decrease in the ARO related to a producing asset exceeds the carrying amount of the asset, the excess is recognised as a reduction of Depreciation, amortisation and net impairment losses in the Consolidated statement of income. When an asset has reached the end of its useful life, all subsequent changes to the ARO are recognised as they occur in Operating expenses in the Consolidated statement of income.

Removal provisions associated with Equinor's role as shipper of volumes through third party transport systems are expensed as incurred.

Estimation uncertainty regarding asset retirement obligations
Establishing the appropriate estimates for such obligations are based on historical knowledge combined with knowledge of ongoing technological developments, expectations about future regulatory and technological development and involve the application of

judgement and an inherent risk of significant adjustments. The costs of decommissioning and removal activities require revisions due to changes in current regulations and technology while considering relevant risks and uncertainties. Most of the removal activities are many years into the future, and the removal technology and costs are constantly changing. The speed of the transition to renewable energy sources may also influence the production period, hence the timing of the removal activities. The estimates include assumptions of norms, rates and time required which can vary considerably depending on the assumed removal complexity. Moreover, changes in the discount rate and foreign currency exchange rates may impact the estimates significantly. As a result, the initial recognition of ARO and subsequent adjustments involve the application of significant judgement.

(in USD million)	Asset retirement obligations	Other provisions and liabilities, including claims and litigations	Total
Non-current portion at 31 December 2021	17,279	2,620	19,899
Current portion at 31 December 2021 reported as Trade, other payables and provisions	138	1,566	1,704
Provisions and other liabilities at 31 December 2021	17,417	4,186	21,603
New or increased provisions and other liabilities	998	497	1,495
Change in estimates	(255)	1,283	1,028
Amounts charged against provisions and other liabilities	(204)	(1,830)	(2,034)
Effects of change in the discount rate	(4,920)	(212)	(5,132)
Reduction due to divestments	(361)	(181)	(542)
Accretion expenses	387	62	449
Reclassification and transfer	(46)	841	795
Foreign currency translation effects	(1,282)	(88)	(1,370)
Provisions and other liabilities at 31 December 2022	11,734	4,558	16,292
Non-current portion at 31 December 2022	11,569	4,064	15,633
Current portion at 31 December 2022 reported as Trade, other payables and provisions	165	494	659

Equinor's estimated asset retirement obligations (ARO) have decreased by USD 5,683 million to USD 11,734 million at 31 December 2022 compared to year-end 2021, mainly due to increased discount rates and strengthening of USD versus NOK. Changes in ARO are reflected within Property, plant and equipment and Provisions and other liabilities in the Consolidated balance sheet.

In certain production sharing agreements (PSA), Equinor's estimated share of asset retirement obligation (ARO) is paid into an escrow account over the producing life of the field. These payments are considered down-payments of the liabilities and included in the line item Amounts charged against provisions and other liabilities.

Claims and litigations mainly relate to expected payments for unresolved claims. The timing and amounts of potential settlements in respect of these claims are uncertain and dependent on various factors that are outside management's control. For further information on provisions and contingent liabilities, see note 26 Other commitments, contingent liabilities and contingent assets.

The timing of cash outflows of asset retirement obligations depends on the expected cease of production at the various facilities.

Line item Change in estimates includes USD 791 million related to SDFI liability. See note 27 Related parties for further details.

Line item Amounts charged against provisions and other liabilities includes settlement of USD 1,050 million related to Brazilian Offshore licence BM-S-8.

Sensitivities with regards to discount rate on the total ARO portfolio
The discount rate sensitivity has been calculated by assuming a reasonably possible change of 1.2 percentage points.
An increase in the discount rate of 1.2 percentage points would reduce the ARO liability by USD 1,705 million. A corresponding reduction would increase the liability by USD 2,190 million. See note 3 Consequences of initiatives to limit climate changes for sensitivity with regards to change in the removal year.

Expected timing of cash outflows

(in USD million)	Asset retirement obligations	Other provisions and liabilities, including claims and litigations	Total
2023 - 2027	1,201	3,664	4,865
2028 - 2032	1,239	198	1,437
2033 - 2037	4,058	158	4,216
2038 - 2042	3,429	24	3,453
Thereafter	1,807	514	2,321
At 31 December 2022	11,734	4,558	16,292

24 Trade, other payables and provisions

	At 31 December	
(in USD million)	2022	2021
Trade payables	6,207	6,249
Non-trade payables and accrued expenses	2,688	2,181
Payables due to participation in joint operations and similar arrangements	2,074	1,876
Payables to equity accounted associated companies and other related parties	1,479	2,045
Total financial trade and other payables	12,449	12,350
Current portion of provisions and other non-financial payables	903	1,960
Trade, other payables and provisions	13,352	14,310

Included in Current portion of provisions and other non-financial payables are certain provisions that are further described in note 23 Provisions and other liabilities and in note 26 Other commitments, contingent liabilities and contingent assets. For information

regarding currency sensitivities, see note 28 Financial instruments and fair value measurement. For further information on payables to equity accounted associated companies and other related parties, see note 27 Related parties.

25 Leases

Accounting policies

Leases
A lease is defined as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date at which the underlying asset is made available for Equinor, the present value of future lease payments (including extension options considered reasonably certain to be exercised) is recognised as a lease liability. The present value is calculated using Equinor's incremental borrowing rate. A corresponding right-of-use (RoU) asset is recognised, including lease payments and direct costs incurred at the commencement date. Lease payments are reflected as interest expense and a reduction of lease liabilities. The RoU assets are depreciated over the shorter of each contract's term and the assets' useful life.

Short term leases (12 months or less) and leases of low value assets (regarded as such when the sum of nominal lease payments over the lease term do not exceed USD 500.000) are expensed or (if appropriate) capitalised as incurred, depending on the activity in which the leased asset is used.

Many of Equinor's lease contracts, such as rig and vessel leases, involve several additional services and components, including personnel cost, maintenance, drilling related activities, and other items. For a number of these contracts, the additional services represent a not inconsiderable portion of the total contract value. Non-lease components within lease contracts are accounted for separately for all underlying classes of assets and reflected in the relevant expense category or (if appropriate) capitalised as incurred, depending on the activity involved.

Accounting judgement regarding leases
In the oil and gas industry, where activity frequently is carried out through joint arrangements or similar arrangements, the application of IFRS 16 Leases requires evaluations of whether the joint arrangement or its operator is the lessee in each lease agreement and consequently whether such contracts should be reflected gross (100%) in the operator's financial statements, or according to each joint operation partner's proportionate share of the lease.

In many cases where an operator is the sole signatory to a lease contract of an asset to be used in the activities of a specific joint operation, the operator does so implicitly or explicitly on behalf of the joint arrangement. In certain jurisdictions, and importantly for Equinor as this includes the Norwegian continental shelf (NCS), the concessions granted by the authorities establish both a right and an obligation for the operator to enter into necessary agreements in the name of the joint operations (licences).

As is the customary norm in upstream activities operated through joint arrangements, the operator will manage the lease, pay the lessor, and subsequently re-bill the partners for their share of the lease costs. In each such instance, it is necessary to determine whether the operator is the sole lessee in the external lease arrangement, and if so, whether the billings to partners may represent sub-leases, or whether it is in fact the joint arrangement which is the lessee, with each participant accounting for its proportionate share of the lease. Where all partners in a licence are considered to share the primary responsibility for lease payments under a contract, Equinor's proportionate share of the related lease liability and RoU asset will be recognised net by Equinor. When Equinor is considered to have the primary responsibility for the full external lease payments, the lease liability is recognised gross (100%). Equinor derecognises a portion of the RoU asset equal to the non-operator's interests in the lease, and replace it with a corresponding financial lease receivable, if a financial sublease is considered to exist between Equinor and the licence. A financial sublease will typically exist where Equinor enters into a contract in its own name, has the primary responsibility for the external lease payments, the underlying asset will only be used on one specific licence, and the costs and risks related to the use of the asset are carried by that specific licence. Depending on facts and circumstances in each case, the conclusions reached may vary between contracts and legal jurisdictions.

Equinor leases certain assets, notably drilling rigs, transportation vessels, storages and office facilities for operational activities. Equinor is mostly a lessee, and the use of leases serves operational purposes rather than as a tool for financing.

Information related to lease payments and lease liabilities

(in USD million)	2022	2021
Lease liabilities at 1 January	3,562	4,406

		2022		2021
New leases, including remeasurements and cancellations		1,644		476
Gross lease payments	(1,484)		(1,350)	
Lease interest	95		91	
Lease repayments	(1,389)	(1,389)	(1,259)	(1,259)
Foreign currency translation effects		(149)		(61)
Lease liabilities at 31 December		3,667		3,562
Current lease liabilities		1,258		1,113
Non-current lease liabilities		2,409		2,449

Lease expenses not included in lease liabilities

(in USD million)	2022	2021
Short-term lease expenses	286	160

Payments related to short term leases are mainly related to drilling rigs and transportation vessels, for which a significant portion of the lease costs have been included in the cost of other assets, such as rigs used in exploration or development activities. Variable lease expense and lease expense related to leases of low value assets are not significant.

Equinor recognised revenues of USD 319 million in 2022 and USD 272 million in 2021 related to lease costs recovered from licence partners related to lease contracts being recognised gross by Equinor.

Commitments relating to lease contracts which had not yet commenced at year-end are included within Other commitments in note 26 Other commitments, contingent liabilities and contingent assets.

A maturity profile based on undiscounted contractual cash flows for lease liabilities is disclosed in note 4 Financial risk and capital management.

Non-current lease liabilities maturity profile

	At 31 December	
(in USD million)	2022	2021
Year 2 and 3	1,360	1,164
Year 4 and 5	483	586
After 5 years	566	699
Total repayment of non-current lease liabilities	2,409	2,449

The Right of use assets are included within the line item Property, plant and equipment in the Consolidated balance sheet. See also note 12 Property, plant and equipment.

26 Other commitments, contingent liabilities and contingent assets

Accounting policies

Estimation uncertainty regarding levies
Equinor's global business activities are subject to different indirect taxes in various jurisdictions around the world. In these jurisdictions, governments can respond to global or local development, including climate related matters and public fiscal balances, by issuing new laws or other regulations stipulating changes in value added tax, tax on emissions, customs duties or other levies which may affect profitability and even the viability of Equinor's business in that jurisdiction. Equinor mitigates this risk by using local legal representatives and staying up to date with the legislation in the jurisdictions where activities are carried out. Occasionally, legal disputes arise from difference in interpretations. Equinor's legal department, together with local legal representatives, estimate the outcome from such legal disputes based on first-hand knowledge. Such estimates may differ from the actual results.

Contractual commitments
Equinor had contractual commitments of USD 5,454 million as of 31 December 2022. The contractual commitments reflect Equinor's proportional share and mainly comprise construction and acquisition of property, plant and equipment as well as committed investments/funding or resources in equity accounted entities. It also includes Equinors' estimated expenditures related to commitments to drill a certain number of wells, commitments which sometimes can be a prerequisite to be awarded oil and gas exploration and production licences.

At the end of 2022, Equinor was committed to participate in 40 wells, with an average ownership interest of approximately 42%. Equinor's share of estimated expenditures to drill these wells amounts to USD 566 million. Additional wells that Equinor may become committed to participating in depending on future discoveries in certain licences are not included in these numbers.

Other long-term commitments
Equinor has entered into various long-term agreements for pipeline transportation as well as terminal use, processing, storage and entry/exit capacity commitments and commitments related to specific purchase agreements. The agreements ensure the rights to the capacity or volumes in question, but also impose on Equinor the obligation to pay for the agreed-upon service or commodity, irrespective of actual use. The contracts' terms vary, with durations of up to 2060.

Take-or-pay contracts for the purchase of commodity quantities are only included in the table below if their contractually agreed pricing is of a nature that will or may deviate from the obtainable market prices for the commodity at the time of delivery.

Obligations payable by Equinor to entities accounted for in the Equinor group using the equity method are included in the table below with Equinor's full proportionate share. For assets (such as pipelines) that are included in the Equinor accounts through joint operations or similar arrangements, and where consequently Equinor's share of assets, liabilities, income and expenses (capacity costs) are reflected on a line-by-line basis in the Consolidated financial statements, the amounts in the table include the net commitment payable by Equinor (i.e. Equinor's proportionate share of the commitment less Equinor's ownership share in the applicable entity).

The table below also includes USD 3,033 million as the non-lease components of lease agreements reflected in the accounts according to IFRS 16, as well as leases not yet commenced. For commenced leases, please refer to note 25 Leases.

Nominal minimum other long-term commitments at 31 December 2022:

(in USD million)	
2023	2,603
2024	2,103
2025	1,892
2026	1,260
2027	1,309
Thereafter	5,733
Total other long-term commitments	14,900

Guarantees
Equinor has guaranteed for its proportionate share of some of our associates' long-term bank debt, payment obligations under contracts, and certain third-party obligations. The total amount guaranteed at year-end 2022 is USD 1,725 million. The book value of the guarantees is immaterial.

Contingent liabilities and contingent assets

Agbami dispute settlement agreement and licence extension
During 2022, an agreement was reached in a three-year long negotiation between the parties Nigerian National Petroleum Company Limited (NNPC), Chevron and Equinor. The parties have agreed to an extension of the operating licence period and the related Production Sharing Contract (PSC) for Oil Mining Lease (OML) 128 of the unitised Agbami field until 2042. At the same time, the parties agreed outstanding legal disputes related to the allocation between the parties of cost oil, tax oil and profit oil volumes. The settlement agreement awards Equinor with an amicable compensation for overlifted volumes, which will be payable over the 20-year licence extension. The amounts and timing of payments to be received depend on a number of factors related to operation of the field, as well as future oil prices and production volumes. Equinor will consequently recognise settlement payments when received, and no amounts have been recognised in the Consolidated statement of income or Balance sheet for 2022. The parties are currently undertaking necessary legal actions in order to formally close the legal disputes.

Claim from Petrofac regarding multiple variation order requests performed in Algeria (In Salah)
Petrofac International (UAE) LLC ("PIUL") was awarded the EPC Contract to execute the ISSF Project (the In Salah Southern Fields Project which has finalised the development of 4 gas fields in central Algeria). Following suspension of activity after the terrorist attack at another gas field in Algeria (In Amenas) in 2013, PIUL issued multiple Variation Order Requests ("VoRs") related to the costs incurred for stand-by and remobilization costs after the evacuation of expatriates. Several VoRs have been paid, but the settlement of the remaining has been unsuccessful. PIUL initiated arbitration in August 2020 claiming an estimated amount of USD 533 million, of which Equinor holds a 31.85% share. Equinor's maximum exposure amounts to USD 163 million. Equinor has provided for its best estimate in the matter.

Withholding tax dispute regarding remittances from Brazil to Norway
Remittances made from Brazil for services are normally subject to withholding income tax. In 2012, Equinor's subsidiaries in Brazil filed a lawsuit to avoid paying this tax on remittances made to Equinor ASA and Equinor Energy AS for services without transfer of technology based on the Double Tax Treaty Brazil has with Norway. Court proceedings through several levels in the legal system have been ongoing since a first level decision in Equinor's favour was reached in 2013, and a final verdict has not yet been reached. Withholding tax has not been paid since 2014. Equinor's maximum exposure is estimated at approximately USD 146 million. Equinor is of the view that all applicable tax regulations have been applied in the case and that Equinor has a strong position. No amounts have consequently been provided for in the financial statements.

Suit for an annulment of Petrobras' sale of the interest in BM-S-8 to Equinor
In March 2017, an individual connected to the Union of Oil Workers of Sergipe (Sindipetro) filed a class action suit against Petrobras, Equinor, and ANP - the Brazilian Regulatory Agency - to seek annulment of Petrobras' sale of the interest and operatorship in BM-S-8 to Equinor, which was closed in November 2016 after approval by the partners and authorities. In February 2022, sentence in the annulment case was issued at the first instance level, and Equinor won on all merits. The case was appealed by the plaintiff and Equinor has filed counter arguments. At the end of 2022, the acquired interest remains in Equinor's balance sheet, where the assets related to phase 1 have been reclassified to property, plant and equipment and the assets related to phase 2 are presented as intangible assets, all of which are part of the Exploration & Production International (E&P International) segment.

Brazilian law creating uncertainty regarding certain tax incentives
Equinor is currently part in two legal matters in the state of Rio de Janeiro in Brazil related to a law requiring taxpayers that benefits from ICMS tax incentives (i.e. Repetro) to deposit 10% of the savings made from such benefits into a state fund. Equinor is of the opinion that specific incentives so far relevant for the Roncador and Peregrino fields are not in scope of the law, while the state of Rio de Janeiro requires deposits to be paid with the addition of fines and interests. Several legal actions to oppose the laws and related payments have therefore been initiated by both Equinor's peers and the Brazilian Petroleum and Gas Institute (IBP). At year-end 2022, the maximum exposure for Equinor in these various matters has been estimated to a total of USD 132 million. Equinor is of the opinion that the law is unconstitutional, especially for Repetro incentives, and this will be upheld in future legal proceedings. No amounts have consequently been provided for in the financial statements.

KKD oil sands partnership
Canadian tax authorities have issued a notice of reassessment for 2014 for Equinor's Canadian subsidiary which was party to Equinor's divestment of 40% of the KKD Oil Sands partnership at that time. The reassessment, which has been appealed, adjusts the allocation of the proceeds of disposition of certain Canadian resource properties from the partnership. Maximum exposure is estimated to be approximately USD 372 million. The appeal process with the Canadian tax authorities, as well as any subsequent litigation that may become necessary, may take several years. No taxes will become payable until the matter has been finally settled.

Equinor is of the view that all applicable tax regulations have been applied in the case and that Equinor has a strong position. No amounts have consequently been provided for in the financial statements.

Resolved dispute with Norwegian tax authorities related to Equinor Service Center Belgium N.V
In the fourth quarter of 2020, Equinor received a decision from the Norwegian tax authorities related to the capital structure of the subsidiary Equinor Service Center Belgium N.V., concluding that the capital structure had to be based on the arm length's principle, affecting the fiscal years 2012 to 2016. Equinor received a claim of USD 182 million that was paid in 2021. During 2022, the tax authorities reversed their decision and accepted Equinor's initial position. The tax payment has been reimbursed to Equinor, adjusted for changes in tax rates. The adjustment, which has been recognised as tax expense in the Consolidated statement of income in 2022, is considered immaterial.

Dispute with Norwegian tax authorities regarding R&D costs in the offshore tax regime
Equinor has an ongoing dispute regarding the level of Research & Development cost to be allocated to the offshore tax regime. During 2022, the Oil Taxation Office (OTO) informed Equinor that it had decided to accept Equinor's position regarding certain disputed items, resulting in a reduction in Equinor's maximum exposure. Further, Equinor has accepted an increase in taxable income for both onshore and offshore tax. A previously recognised provision of USD 95 million has been reclassified to current tax payable. Equinor's Income tax expense was not affected by this development, and the remaining expected maximum exposure related to R&D costs in the offshore tax regime is considered immaterial.

Dispute with Norwegian tax authorities regarding internal pricing of natural gas liquids
The Oil Taxation Office has challenged the internal pricing of certain products of natural gas liquids sold from Equinor Energy AS to Equinor ASA in the years 2011-2020. During 2022 there has been development in various elements of these cases, where parts of the previous exposure have been resolved or have reached the end of available appeal processes, and other parts have been appealed. Following these developments, which did not impact the Consolidated statement of income significantly, the maximum exposure regarding the gas liquid pricing remains at an estimated USD 71 million. Equinor has provided for its best estimate in the matter.

Other claims
During the normal course of its business, Equinor is involved in legal proceedings, and several other unresolved claims are currently outstanding. The ultimate liability or asset, in respect of such litigation and claims cannot be determined at this time. Equinor has provided in its Consolidated financial statements for probable liabilities related to litigation and claims based on its best estimate. Equinor does not expect that its financial position, results of operations or cash flows will be materially affected by the resolution of these legal proceedings. Equinor is actively pursuing the above disputes through the contractual and legal means available in each case, but the timing of the ultimate resolutions and related cash flows, if any, cannot at present be determined with sufficient reliability.

Provisions related to claims other than those related to income tax are reflected within note 23 Provisions and other liabilities. Uncertain income tax related liabilities are reflected as current tax payables or deferred tax liabilities as appropriate, while uncertain tax assets are reflected as current or deferred tax assets.

27 Related parties

Transactions with the Norwegian State
The Norwegian State is the majority shareholder of Equinor and also holds major investments in other Norwegian companies. As of 31 December 2022, the Norwegian State had an ownership interest in Equinor of 67.0% (excluding Folketrygdfondet, the Norwegian national insurance fund, of 3.4%). This ownership structure means that Equinor participates in transactions with many parties that are under a common ownership structure and therefore meet the definition of a related party. The responsibility for the Norwegian State`s shareholding in Equinor was transferred from the Ministry of Petroleum and Energy to the Ministry of Trade and Industry on 1 January 2022.

Total purchases of oil and natural gas liquids from the Norwegian State amounted to USD 12,617 million, USD 9,572 million and USD 5,108 million in 2022, 2021 and 2020, respectively. These purchases of oil and natural gas liquids are recorded in Equinor ASA. In addition, Equinor ASA sells in its own name, but for the Norwegian State's account and risk, the Norwegian State's gas production. These transactions are presented net. For further information please see note 7 Total revenues and other income. The most significant items included in the line-item Payables to equity accounted associated companies and other related parties in note 24 Trade and other payables, are amounts payable to the Norwegian State for these purchases.

The line-item Prepayments and Financial Receivables includes USD 1,461 million which represent a gross receivable from the Norwegian state under the Marketing Instruction in relation to the state's (SDFI) expected participation in the gas sales activities of a foreign subsidiary of Equinor. At year end 2021 the corresponding amount was USD 435 million. The increase is mainly related to increased volumes and higher cost price on the gas storage. A corresponding non-current liability of USD 1,461 million has been recognized, representing SDFI's estimated interest in the gas sales activities in the foreign subsidiary.

Other transactions
In its ordinary business operations Equinor enters into contracts such as pipeline transport, gas storage and processing of petroleum products, with companies in which Equinor has ownership interests. Such transactions are included within the applicable captions in the Consolidated statement of income. Gassled and certain other infrastructure assets are operated by Gassco AS, which is an entity under common control by the Norwegian Ministry of Petroleum and Energy. Gassco's activities are performed on behalf of and for the risk and reward of pipeline and terminal owners, and capacity payments flow through Gassco to the respective owners. Equinor payments that flowed through Gassco in this respect amounted to USD 1,210 million, USD 1,030 million and USD 896 million in 2022, 2021 and 2020, respectively. These payments are mainly recorded in Equinor ASA. The stated amounts represent Equinor's capacity payment net of Equinor's own ownership interests in Gassco operated infrastructure. In addition, Equinor ASA manages, in its own name, but for the Norwegian State's account and risk, the Norwegian State's share of the Gassco costs. These transactions are presented net. Equinor has had transactions with other associated companies and joint ventures in the course of its ordinary business, for which amounts have not been disclosed due to materiality. In addition, Equinor has had transactions with joint operations and similar arrangements where Equinor is operator. Indirect operating expenses incurred as operator are charged to the joint operation or similar arrangement based on the "no-gain/no-loss" principle.

Related party transactions with management are presented in note 8 Salaries and personnel expenses.

28 Financial instruments and fair value measurement

Accounting policies

Financial assets
Financial assets are initially recognised at fair value when Equinor becomes a party to the contractual provisions of the asset. The subsequent measurement of the financial assets depends on which category they have been classified into at inception: Financial investments at amortised cost, at fair value through profit or loss, and at fair value through other comprehensive income. The classification is based on an evaluation of the contractual terms and the business model applied.

Short-term highly liquid investments with original maturity exceeding 3 months are classified as current financial investments. Current financial investments are primarily accounted for at amortised cost but also at fair value through profit or loss, depending on classification.

Trade receivables are carried at the original invoice amount less a provision for doubtful receivables which represent expected losses computed on a probability-weighted basis.

A part of Equinor's financial investments is managed together as an investment portfolio of Equinor's captive insurance company and is held in order to comply with specific regulations for capital retention. The investment portfolio is managed and evaluated on a fair value basis in accordance with an investment strategy and is accounted for at fair value through profit or loss.

Financial assets are presented as current if they contractually will expire or otherwise are expected to be recovered within 12 months after the balance sheet date, or if they are held for the purpose of being traded. Financial assets and financial liabilities are shown separately in the Consolidated balance sheet, unless Equinor has both a legal right and a demonstrable intention to net settle certain balances payable to and receivable from the same counterparty.

Financial assets are derecognised when rights to cash flows and risks and rewards of ownership are transferred through a sales transaction or the contractual rights to the cash flows expire, are redeemed, or cancelled. Gains and losses arising on the sale, settlement or cancellation of financial assets are recognised within Net financial items.

Financial liabilities
Financial liabilities are initially recognised at fair value when Equinor becomes a party to the contractual provisions of the liability. The subsequent measurement of financial liabilities is either as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost using the effective interest method, depending on classification. The latter applies to Equinor's non-current bank loans and bonds.

Financial liabilities are presented as current if the liability is expected to be settled as part of Equinor’s normal operating cycle, the liability is due to be settled within 12 months after the balance sheet date, Equinor does not have the right to defer settlement of the liability more than 12 months after the balance sheet date, or if the liabilities are held for the purpose of being traded.

Financial liabilities are derecognised when the contractual obligations are settled, or if they expire, are discharged or cancelled. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognised within Net financial items.

Derivative financial instruments
Equinor uses derivative financial instruments to manage certain exposures to fluctuations in foreign currency exchange rates, interest rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value through profit and loss. The impact of commodity-based derivative financial instruments is recognised in the Consolidated statement of income as Other revenues, as such derivative instruments are related to sales contracts or revenue-related risk management for all significant purposes. The impact of other derivative financial instruments is reflected under Net financial items.

Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Derivative assets or liabilities expected to be settled, or with the legal right to be settled more than 12 months after the balance sheet date, are classified as non-current. Derivative financial instruments held for the purpose of being traded are however always classified as current.

Contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument are accounted for as financial instruments. However, contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with Equinor's expected purchase, sale or usage requirements, also referred to as own-use, are not accounted for as financial instruments. Such sales and purchases of physical commodity volumes are reflected in the Consolidated statement of income as Revenue from contracts with customers and Purchases [net of inventory variation], respectively. This is applicable to a significant number of contracts for the purchase or sale of crude oil and natural gas, which are recognised upon delivery.

For contracts to sell a non-financial item that can be settled net in cash, but which ultimately are physically settled despite not qualifying as own use prior to settlement, the changes in fair value are included in Gain/loss on commodity derivatives (part of Other revenues, see note 7 Total revenues and other income). When these derivatives are physically settled, the previously recognised unrealised gain/loss is included in Physically settled commodity derivatives (also part of Other revenues). The physical deliveries made through such contracts are included in Revenue from contracts with customers at contract price.

Derivatives embedded in host contracts which are not financial assets within the scope of IFRS 9 are recognised as separate derivatives and are reflected at fair value with subsequent changes through profit and loss, when their risks and economic characteristics are not closely related to those of the host contracts, and the host contracts are not carried at fair value. Where there is an active market for a commodity or other non-financial item referenced in a purchase or sale contract, a pricing formula will, for instance, be considered to be closely related to the host purchase or sales contract if the price formula is based on the active market in question. A price formula with indexation to other markets or products will however result in the recognition of a separate derivative. Where there is no active market for the commodity or other non-financial item in question, Equinor assesses the characteristics of such a price related embedded derivative to be closely related to the host contract if the price formula is based on relevant indexations commonly used by other market participants. This applies to certain long-term natural gas sales agreements.

Financial instruments by category

The following tables present Equinor's classes of financial instruments and their carrying amounts by the categories as they are defined in IFRS 9 Financial Instruments. For financial investments, the difference between measurement as defined by IFRS 9 categories and measurement at fair value is immaterial. For trade and other receivables and payables, and cash and cash equivalents, the carrying amounts are considered a reasonable approximation of fair value. See note 21 Finance debt for fair value information of non-current bonds and bank loans.

At 31 December 2022 (in USD million)	Note	Amortised cost	Fair value through profit or loss	Non-financial assets	Total carrying amount
Assets					
Non-current derivative financial instruments			691		691
Non-current financial investments	16	117	2,616		2,733
Prepayments and financial receivables	16	1,658		404	2,063
Trade and other receivables	18	21,611		841	22,452
Current derivative financial instruments			4,039		4,039
Current financial investments	16	29,577	300		29,876
Cash and cash equivalents	19	12,473	3,106		15,579
Total		65,436	10,752	1,245	77,433

At 31 December 2021 (in USD million)	Note	Amortised cost	Fair value through profit or loss	Non-financial assets	Total carrying amount
Assets					
Non-current derivative financial instruments			1,265		1,265
Non-current financial investments	16	253	3,093		3,346
Prepayments and financial receivables	16	707		380	1,087
Trade and other receivables	18	17,192		736	17,927
Current derivative financial instruments			5,131		5,131
Current financial investments	16	20,946	300		21,246
Cash and cash equivalents	19	11,412	2,714		14,126
Total		50,510	12,503	1,116	64,128

At 31 December 2022 (in USD million)	Note	Amortised cost	Fair value through profit or loss	Non-financial liabilities	Total carrying amount
Liabilities					
Non-current finance debt	21	24,141			24,141
Non-current derivative financial instruments			2,376		2,376
Trade, other payables and provisions	24	12,449		903	13,352
Current finance debt	21	4,359			4,359
Dividend payable		2,808			2,808
Current derivative financial instruments			4,106		4,106
Total		43,757	6,482	903	51,142

At 31 December 2021 (in USD million)	Note	Amortised cost	Fair value through profit or loss	Non-financial liabilities	Total carrying amount
Liabilities					
Non-current finance debt	21	27,404			27,404
Non-current derivative financial instruments			767		767
Trade, other payables and provisions	24	12,350		1,960	14,310
Current finance debt	21	5,273			5,273
Dividend payable		582			582
Current derivative financial instruments			4,609		4,609
Total		45,609	5,376	1,960	52,945

Measurement of fair values

Quoted prices in active markets represent the best evidence of fair value and are used by Equinor in determining the fair values of assets and liabilities to the extent possible. Financial instruments quoted in active markets will typically include financial instruments with quoted market prices obtained from the relevant exchanges or clearing houses. The fair values of quoted financial assets, financial liabilities and derivative instruments are determined by reference to mid-market prices, at the close of business on the balance sheet date.

Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's-length market transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and pricing models and related internal assumptions. In the valuation techniques, Equinor also takes into consideration the counterparty and its own credit risk. This is either reflected in the discount rate used or through direct adjustments to the calculated cash flows. Consequently, where Equinor reflects elements of long-term physical delivery commodity contracts at fair value, such fair value estimates to the extent possible are based on quoted forward prices in the market and underlying indexes in the contracts, as well as assumptions of forward prices and margins where observable market prices are not available. Similarly, the fair values of interest and currency swaps are estimated based on relevant quotes from active markets, quotes of comparable instruments, and other appropriate valuation techniques.

Fair value hierarchy

The following table summarises each class of financial instruments which are recognised in the Consolidated balance sheet at fair value, split by Equinor's basis for fair value measurement.

(in USD million)	Non-current financial investments	Non-current derivative financial instruments - assets	Current financial investments	Current derivative financial instruments - assets	Cash equivalents	Non-current derivative financial instruments - liabilities	Current derivative financial instruments - liabilities	Net fair value
At 31 December 2022								
Level 1	903	0	-	25		0	(60)	868
Level 2	1,222	97	300	3,722	3,106	(2,352)	(3,952)	2,143
Level 3	491	594		292		(24)	(94)	1,259
Total fair value	2,616	691	300	4,039	3,106	(2,376)	(4,106)	4,270
At 31 December 2021								
Level 1	860	-	-	949		-	(69)	1,740
Level 2	1,840	884	300	4,108	2,714	(762)	(4,539)	4,545
Level 3	393	380		74		(4)		843
Total fair value	3,093	1,265	300	5,131	2,714	(767)	(4,609)	7,127

Level 1, fair value based on prices quoted in an active market for identical assets or liabilities, includes financial instruments actively traded and for which the values recognised in the Consolidated balance sheet are determined based on observable prices on identical instruments. For Equinor this category will, in most cases, only be relevant for investments in listed equity securities and government bonds.

Level 2, fair value based on inputs other than quoted prices included within level 1, which are derived from observable market transactions, includes Equinor's non-standardised contracts for which fair values are determined on the basis of price inputs from observable market transactions. This will typically be when Equinor uses forward prices on crude oil, natural gas, interest rates and foreign currency exchange rates as inputs to the valuation models to determine the fair value of it derivative financial instruments.

Level 3, fair value based on unobservable inputs, includes financial instruments for which fair values are determined on the basis of input and assumptions that are not from observable market transactions. The fair values presented in this category are mainly based on internal assumptions. The internal assumptions are only used in the absence of quoted prices from an active market or other observable price inputs for the financial instruments subject to the valuation.

The fair value of certain earn-out agreements and embedded derivative contracts are determined by the use of valuation techniques with price inputs from observable market transactions as well as internally generated price assumptions and volume profiles. The discount rate used in the valuation is a risk-free rate based on the applicable currency and time horizon of the underlying cash flows adjusted for a credit premium to reflect either Equinor's credit premium, if the value is a liability, or an estimated counterparty credit

premium if the value is an asset. In addition, a risk premium for risk elements not adjusted for in the cash flow may be included when applicable. The fair values of these derivative financial instruments have been classified in their entirety in the third category within current derivative financial instruments and non-current derivative financial instruments. Another reasonable assumption, that could have been applied when determining the fair value of these contracts, would be to extrapolate the last observable forward prices with inflation. If Equinor had applied this assumption, the fair value of the contracts included would have increased by approximately USD 0.5 billion at end of 2022, while at end of 2021 the increase in fair value was approximately USD 0.4 billion.

The reconciliation of the changes in fair value during 2022 and 2021 for financial instruments classified as level 3 in the hierarchy is presented in the following table.

(in USD million)	Non-current financial investments	Non-current derivative financial instruments - assets	Current derivative financial instruments - assets	Non-current derivative financial instruments - liabilities	Current derivative financial instruments - liabilities	Total amount
Opening at 1 January 2022	393	380	74	(4)	0	843
Total gains and losses recognised in statement of income	(50)	243	197	(20)	0	370
Purchases	175		10		(120)	65
Sales	-	-	2	-	22	24
Settlement	(7)		(64)			(71)
Transfer into level 3	-		80		5	85
Foreign currency translation effects	(19)	(30)	(7)		(1)	(57)
Closing at 31 December 2022	492	593	292	(24)	(94)	1,259
Opening at 1 January 2021	308	330	24	(5)	-	657
Total gains and losses recognised in statement of income	(23)	58	72	1	-	108
Purchases	119					119
Settlement	(7)		(20)			(27)
Transfer out of level 3	-					-
Foreign currency translation effects	(3)	(8)	(2)			(13)
Closing at 31 December 2021	393	380	74	(4)	-	843

During 2022 the financial instruments within level 3 have had a net increase in fair value of USD 416 million. The USD 370 million recognised in the Consolidated statement of income during 2022 are mainly related to changes in fair value of certain embedded derivatives and earn-out agreements.

29 Subsequent events

Agreement to acquire Suncor Energy UK Limited

On 3 March 2023, Equinor entered into an agreement to acquire 100% of Suncor Energy UK Limited for a total consideration of USD 850 million before adjustments for working capital and net cash. USD 250 million is contingent on final investment decision on the Rosebank field. The transaction includes a non-operated interest in the producing Buzzard oil field (29.89%) and an additional interest in the operated Rosebank development (40%). Closing of the transaction is expected in the first half of 2023 subject to relevant regulatory approvals and will be recognised in the E&P International segment.