A photograph of an oil pumpjack in a desert landscape. The pumpjack is a large metal structure with a long arm extending upwards and outwards. The ground is sandy and shows tire tracks. The sky is a mix of blue and white clouds. The text "ASSESSMENT OF EQUINOR'S CLIMATE STRATEGY" is overlaid in large white letters.

ASSESSMENT OF EQUINOR'S CLIMATE STRATEGY

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INTRODUCTION



While a growing number of financial institutions are disengaging from oil and gas, deeming the sector incapable of transformation, others argue that their support is crucial for the energy transition. Even if it is often perceived as a best-in-class company, Equinor still relies on oil and gas expansion and recently backtracked on key climate commitments, including on its 2030 fossil fuel production target and its 2030 investment strategy.

To assess Equinor's climate strategy and provide our analysis, Reclaim Finance relied on the International Energy Agency's (IEA) Net Zero Emissions by 2050 Scenario (NZE).¹ The NZE is based on a 1.5°C trajectory and includes:

- A drop in oil and gas production of 21.4% and 13.1% respectively by 2030, compared with 2023 levels.
- A halt to the development of new oil and gas production projects and liquefied natural gas (LNG) terminals.
- A 3-fold increase in installed renewables capacity by 2030, which requires doubling current investment levels in renewable power, grids and battery storage to US\$2.5 trillion by 2030.

Equinor ranks as the 19th biggest oil and gas producer and the 17th biggest oil and gas upstream developer worldwide. The company is the 44th largest LNG export terminal developer.²

As one of the biggest European integrated oil and gas companies and one of the largest greenhouse gas (GHG) emitters globally, Equinor is among the few companies in the world whose climate transition (or lack thereof) in the coming years will have a determining impact on our collective ability to limit global temperature rise to 1.5°C. In 2020, the company pledged to achieve carbon neutrality across its entire operations on an absolute basis by 2050 or sooner.³

KEY FINDINGS

1. THE INVESTMENT STRATEGY OF EQUINOR INCREASINGLY PRIORITIZES THE OIL AND GAS SECTOR AND REDISTRIBUTION TO SHAREHOLDERS, TO THE DETRIMENT OF CLIMATE SOLUTIONS

- Equinor has been investing in oil and gas rather than in renewable energy:⁴ For every dollar invested in 2024 in its renewables and low carbon solutions business - which includes solar, wind energy, power storage, hydrogen - Equinor invested US\$6.6 in oil and gas.
- Equinor has remunerated shareholders rather than investing in renewable energy: For every dollar invested in 2024 in its renewables and low carbon solutions business, Equinor distributed 6.8 dollars to its shareholders through dividends and share buybacks.
- Equinor has backtracked on its plans for future investments dedicated to "low carbon". The company abandoned its 50% gross capital expenditure target dedicated to low carbon by 2030. Equinor now plans to allocate 36% of its organic capital expenditure to these activities to 2027.

2. EQUINOR'S ENERGY STRATEGY WILL RELY EVEN MORE ON THE DEVELOPMENT OF NEW FOSSIL FUEL PROJECTS

- With Equinor's oil and gas production from its currently producing fields and already committed short-term expansion plans, the company's production in 2030 will be 46% higher than the level required to align with the NZE. In terms of short-term expansion, Equinor ranks as the 17th biggest oil and gas upstream developer.
- Equinor went back on its commitment to reduce its oil and gas production to 2 million barrels of oil equivalent per day by 2030, and now plans 2.3 million in 2027 and 2.2 million in 2030. With its latest plan, Equinor's 2030 oil and gas production will be 10% higher than previously targeted. Equinor will have to develop additional discoveries or acquire fields beyond those already under short-term expansion to meet its 2030 oil and gas production target. Its existing operating fields and short-term expansion plans will not be sufficient to reach its 2030 oil and gas production target. With the company's current strategy, its 2030 production will be 80% higher than the NZE.
- Equinor does not own existing liquefaction capacities but plans to construct 5.2 Mtpa of new capacities. This would result in emissions exceeding the limits identified in the NZE scenario.

3. EQUINOR DIVERSIFICATION STRATEGY REMAINS MARGINAL AND PARTLY RELIES ON GAS AND UNSUSTAINABLE ENERGIES

- Equinor will produce 20.9 times more energy from oil and gas than from renewables by 2030. The company will account for 1.6% of the worldwide oil and gas production in the NZE scenario.
- Equinor reversed on its net installed renewable power capacity in 2030 and abandoned its net renewable production target. With only 10 to 12 GW of net renewable capacity targeted by 2030 in its latest commitments, Equinor's net renewable capacity will be 21.4% lower than previously planned. The company will produce 0.1% of the worldwide renewable power production in the NZE scenario.
- Equinor will raise its gas power gross capacity by 51.1% with its new gas power projects.

01

***CURRENT ENERGY
PRODUCTION***



Equinor accounts for 1.4% of global oil and gas production.⁵ In 2024, Equinor extracted 395 million barrels of oil (mmbbl) and 360 million barrels of oil equivalent (mmboe) of gas.⁶ Beyond exploration and production, Equinor is also active in other energy segments such as oil and gas transportation, oil refining, hydrogen, solar, wind and gas power generation and retail.

The company's power production is composed of gas power and renewable energy – wind, solar and battery storage. Equinor owns 6 operating gas plant units⁷ and generated 1.99 terawatt-hours (TWh) of electricity through gas in 2024. Equinor's net installed renewable capacities reached 2.4 GW and generated 2.93 TWh.⁸ 60% of Equinor's power production comes from renewable sources and 40% from gas.



“

I AM ALSO CALLING ON CEOs OF ALL OIL AND GAS COMPANIES TO BE PART OF THE SOLUTION. THEY SHOULD PRESENT CREDIBLE, COMPREHENSIVE AND DETAILED TRANSITION PLANS IN LINE WITH THE RECOMMENDATIONS OF MY HIGH-LEVEL EXPERT GROUP ON NETZERO PLEDGES.

Antonio Guterres,
Secretary-General of the United Nations, March 2023

02

CASH-FLOW ALLOCATION

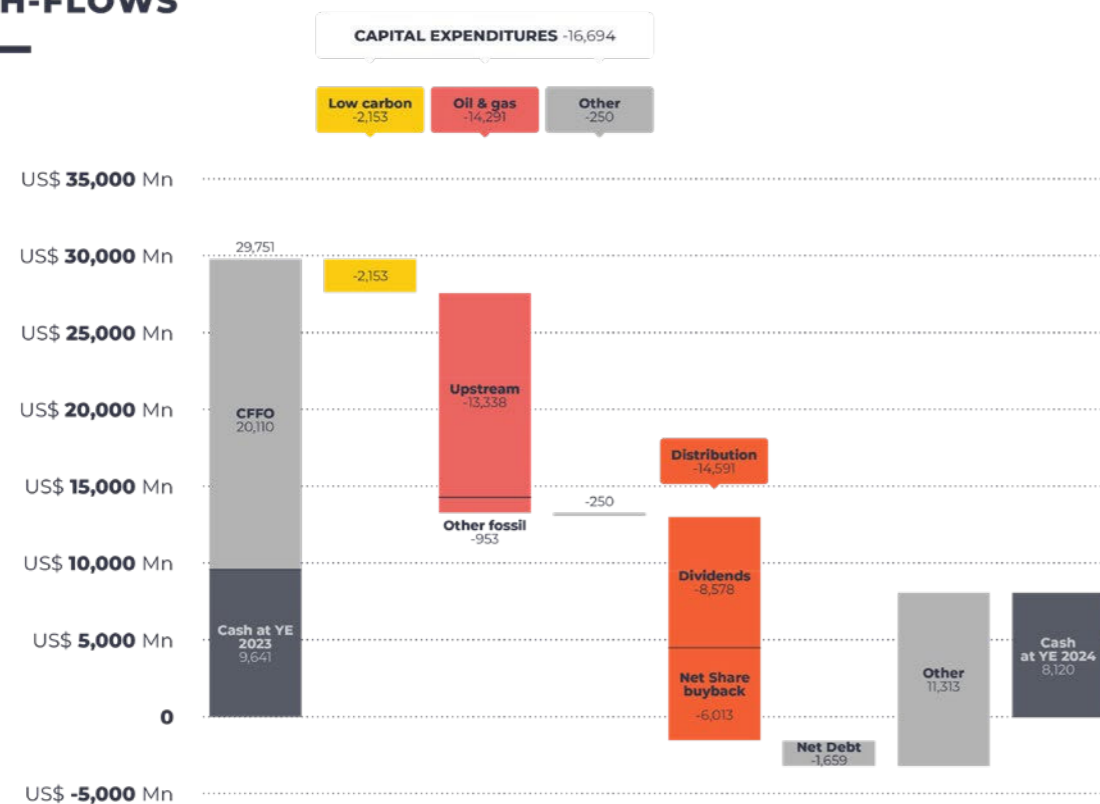


The future energy mix and GHG emissions of a company are determined by its current energy mix and its investment strategy.

From 2022 to 2024, Equinor invested US\$1,153 million per year in oil and gas exploration, making it

the 9th largest investor in exploration over those three years.⁹ The investments reveal the importance of oil and gas expansion to the company's long-term strategy, which includes the search for new fields that could become operational in decades.

BREAKDOWN OF EQUINOR'S 2024 CASH-FLOWS



Source: Equinor, 2024 Annual report, page 191, 2025

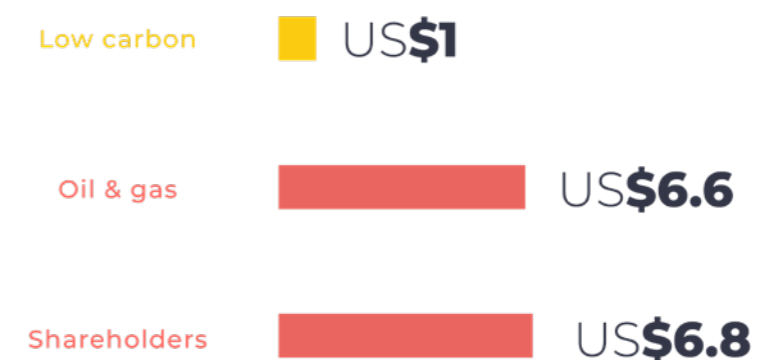
Information in Equinor's 2024 annual report¹⁰ shows how the cash and cash flows generated from its operational activities were spent in 2023:

- Equinor invested US\$2.2 billion in renewables and low carbon solutions, which includes solar, wind energy, power storage, hydrogen – without reporting the hydrogens origin – and carbon capture utilization and storage (CCUS).
- Equinor invested US\$14.3 billion in oil and gas, including US\$13.3

billion in oil and gas exploration and production. In total, for every dollar invested in renewables and low carbon solutions, 6.6 dollars were invested in oil and gas.

- Equinor provided its shareholders with US\$14.6 billion through dividend payments (US\$8.6 billion) and share buybacks (US\$6.0 billion). In total, for every dollar invested in renewables and low carbon solutions, 6.8 dollars were distributed to shareholders.

EQUINOR'S 2024 LOW CARBON INVESTMENT RATIOS



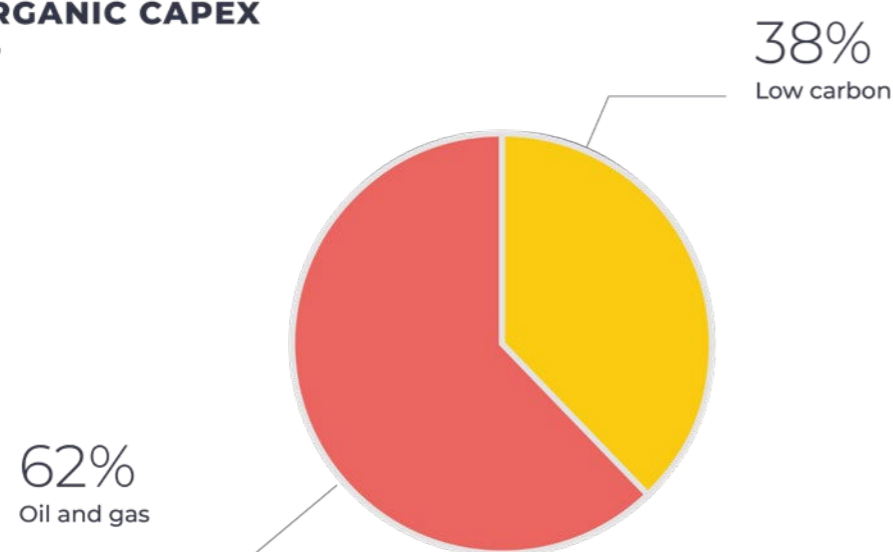
Source: Equinor, 2024 Annual report, page 191, 2025

Equinor abandoned its commitment to allocate half of its gross capital expenditure (CAPEX) in its “renewables and low carbon” business by 2030.¹¹ In its new CAPEX plan, the company aims at US\$13 billion invested each year,¹² but only US\$5 billion will be invested in “renewables and low carbon”.¹³ This is a significant backtrack on its previous plan with only 38% of its investments dedicated to its “low carbon” activities.

Total annual energy investment needs to increase by 67% by 2030

according to the NZE scenario, which includes a shift from fossil fuels to clean alternatives. This requires a two-fold increase in investments in clean energy, end-use and efficiency between 2022 and 2030, with clean energy investments ten times the size of investments in fossil fuels. Moreover, for each dollar spent on fossil fuels, 6 dollars of which are for sustainable power supply.¹⁴ In its 2023 report, the IEA established that oil and gas companies must allocate more than 50% of their capital expenditure (CAPEX) in clean energy by 2030.¹⁵

EQUINOR'S ORGANIC CAPEX PLAN TO 2027



Equinor, *Capital Market Update*, page 13 and 17, 2025



“

ACHIEVING THE GOAL OF TRIPLING INSTALLED RENEWABLES CAPACITY BY 2030, AS IN THIS [NZE] SCENARIO, REQUIRES DOUBLING CURRENT INVESTMENT LEVELS IN RENEWABLE POWER, GRIDS AND BATTERY STORAGE.

International energy agency,
World Energy Outlook 2024

03

FOSSIL FUEL STRATEGY



A. UPSTREAM EXPANSION PLANS

The IEA published the NZE in May 2021¹⁶ to provide a pathway to meet global energy needs while maintaining a 50% chance of keeping global temperature increases below 1.5°C. It was used as the reference scenario in the IEA's World Energy Outlook (WEO) 2021 and was updated in 2022, 2023¹⁷ and 2024.¹⁸ The NZE projects a halt to the development of any new oil and gas fields for which a Final Investment Decision (FID) was not approved by January 1st, 2022.

The Intergovernmental Panel on Climate Change (IPCC) also highlights the risks associated with the development of any new fossil fuel projects. This concurs with a large and growing body of scientific evidence showing the need to immediately end fossil fuel development, and a growing consensus on this in net-zero policy discussions.

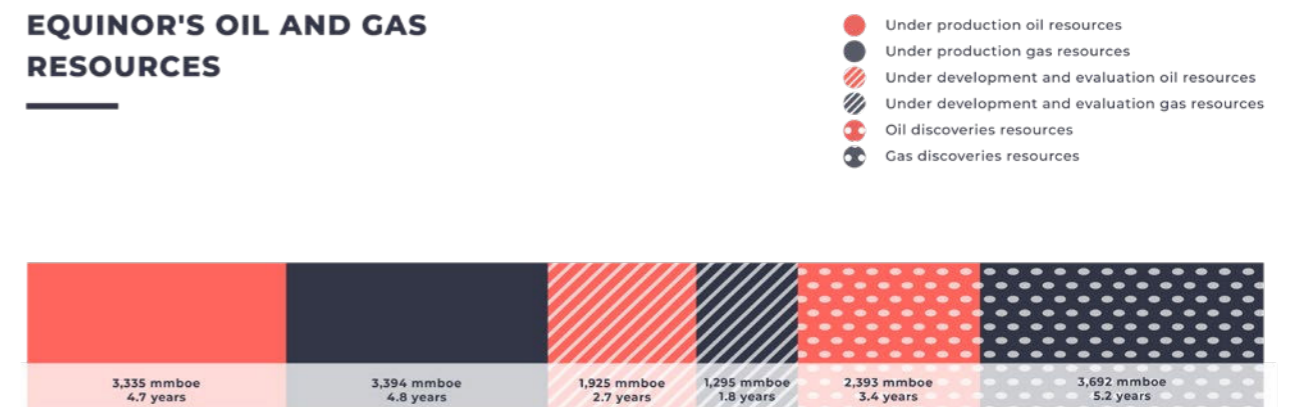
According to the 2024 Global Oil and Gas Exit List (GOGEL), Equinor is the 17th top global oil and gas upstream short-term developer.

The company accounts for 1.3% of global short-term expansion plans, with 71.9% of its short-term expansion plans not obtaining a FID before 2022 – therefore overshooting the NZE. Among Equinor's main projects that are yet to enter production or have a FID obtained before 2022, Reclaim Finance identified significant upstream gas projects such as Vaca Muerta's shale basin in Argentina and Barents Sea fields in the Arctic.¹⁹

Equinor's new projects would give to the company significant additional resources even though it already has enough to extract oil and gas for several years. As of February 2025:

- Equinor has 6,730 mmboe of resources under production, including 3,335 mmbbl of oil and 3,394 mmboe of gas. This represents the equivalent of 9.4 years of production at 2024 levels.
- Equinor has 3,219 mmboe of resources under development or field evaluation, including 1,925 mmbbl of oil and 1,295 mmboe of gas. This represents 4.5 years of production at 2024 levels.

EQUINOR'S OIL AND GAS RESOURCES



Source: Rystad Energy, accessed in February 2025

- Equinor owns 6,085 mmboe of oil and fossil gas discoveries, including 2,393 mmbbl of oil and 3,692 mmboe of gas. This represents 8.5 years of production at 2024 levels.

B. UPSTREAM PRODUCTION

According to the NZE scenario, oil and gas production decreases by 21.4% and 13.1%, respectively, between 2023 and 2030.²⁰ In this scenario, the rate of oil and gas produc-

tion declines due to a combination of the natural depletion of existing oil and gas fields and the absence of new fields to fill the gap. This scenario relies on negative emissions, then oil and gas production would need to decline much faster without negative emissions. These include the deployment of technologies unproven at scale, such as Carbon Capture, Utilization and Storage (CCUS). Other prominent 1.5°C scenarios with no or low overshoot also show oil and gas production declining by 2030. These include the One Earth Climate Model (OECM),²¹

the net zero climate scenarios from the Network for Greening the Financial System (NGFS),²² and the IPCC's 1.5°C with no or low overshoot scenarios filtered to limit to reasonable volumes the reliance on negative emissions (e.g. CCUS, nature-based solutions, etc.).²³

The following chart compares Equinor's planned oil and gas production level by 2030 with:

- Equinor's production by 2030 if it aligns with the NZE (i.e. Equinor's production level from its producing fields and its fields currently under development with a FID obtained before 2022).
- Equinor's production by 2030

if it carries out its short-term expansion plans (i.e. Equinor's production from its fields currently under production, under development and under field evaluation).

In 2030, with oil and gas from currently producing fields, fields under development and under evaluation, Equinor's production level will be 46% higher than the NZE.

While Equinor had formerly committed to decrease its oil and gas production at 2,000kboe per day by 2030,²⁴ the company backtracked on its target. Equinor is now aiming to increase its oil and gas production in the short-term to peak at 2.3 mmboe per day in 2027, before

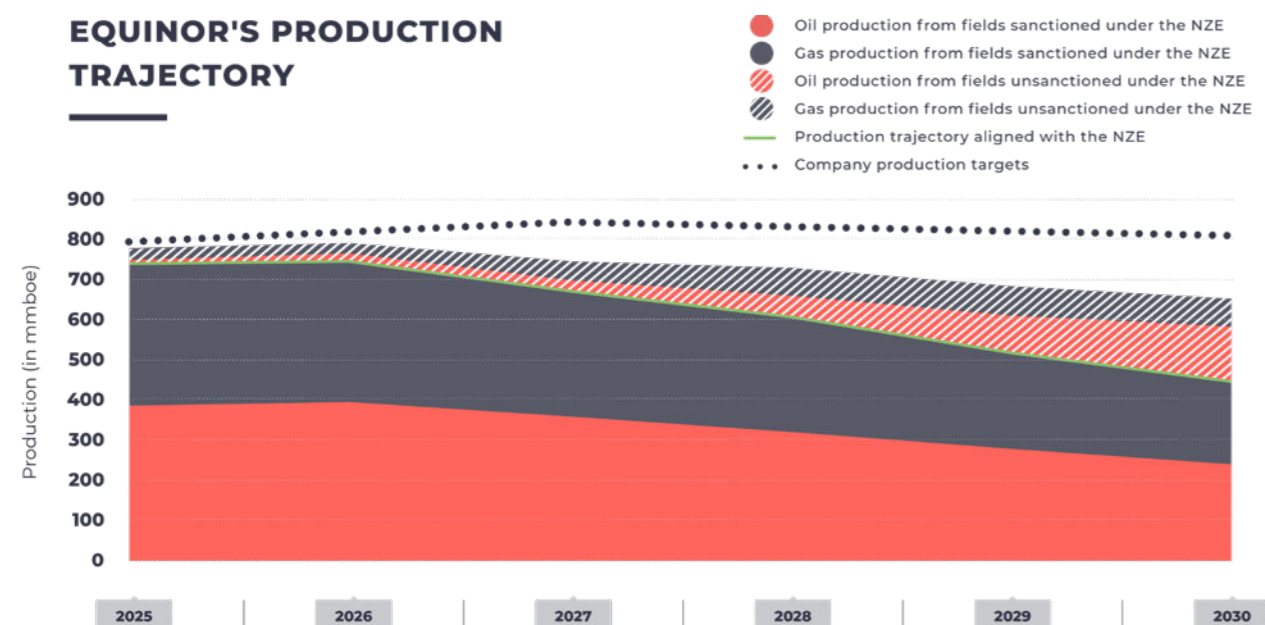
slightly reducing its production to 2.2 mmboe per day in 2030.²⁵ With its new strategy, Equinor's 2030 oil and gas production will be 10% higher than previously targeted. Equinor cannot achieve this target even with the short-term expansion plans that it has already committed to. In other words, to reach its production target, Equinor will have to develop further discoveries and/or acquire new fields. With its new targets, Equinor's 2030 production target for oil and gas will be 80% above NZE alignment

With its production target, Equinor's 2030 oil and gas extraction will represent 1.6% of the global oil and gas production in 2030, according to production level of the NZE.

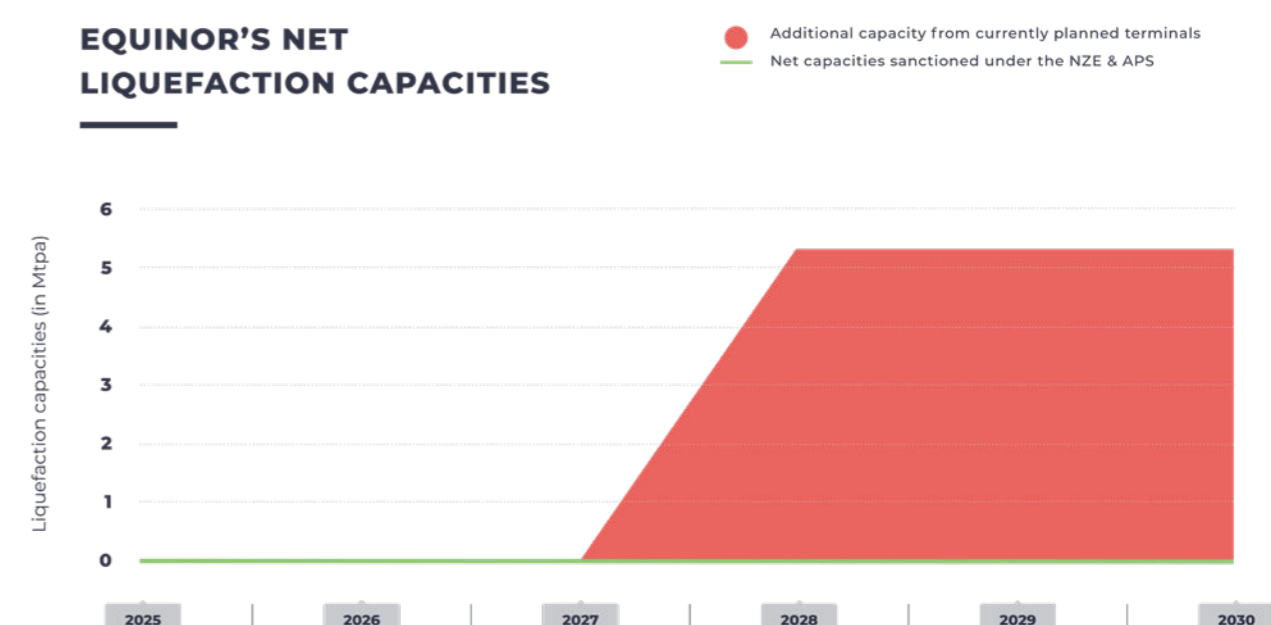
C. LNG TERMINAL NET CAPACITIES

Under the NZE scenario, future gas demand is met with all existing LNG export terminals. No new LNG export terminal plans are necessary to meet demand. Equinor's LNG expansion plans are not aligned with the NZE.²⁶

Equinor's gas-oriented strategy relies on new midstream infrastructure that will be commissioned in the coming years. In fact, Equinor does not own existing liquefaction capacities but plans to construct new capacities with the project Tanzania LNG. This project would add net liquefaction capacities of 5.25 Mtpa to its portfolio.²⁷ This project is not aligned with the NZE.



Source: Rystad Energy on oil and gas production and expansion, accessed in February 2025; Equinor investor presentations on company production targets.



Source: Enerdata LNG database, accessed in January 2024, for operational terminals and Global Oil and Gas Exit List 2024 for under construction and planned terminals.

04

***DIVERSIFICATION
STRATEGY***

A. UNSUSTAINABLE DIVERSIFICATION

Gas power

In 2024, 40% of Equinor's electricity production was fossil-based, with 2.0 TWh being generated using gas²⁸ through its six gas power units.²⁹ As gas combustion is one of the main sources of carbon dioxide and methane emissions, it cannot be considered as a solution for the transition, and should be urgently replaced by a sustainable energy source. Especially given that by 2035, advanced economies should achieve a carbon neutral power sector, according to the NZE, and by 2045 in the rest of the world.³⁰

Nevertheless, Equinor plans one new gas power unit that is currently under pre-construction in the United Kingdom. With 0.9 GW of additional gross capacity, this new unit would represent an increase of 51.1% compared with the current gross operating gas power capacities of the company.³¹

B. SUSTAINABLE ENERGY

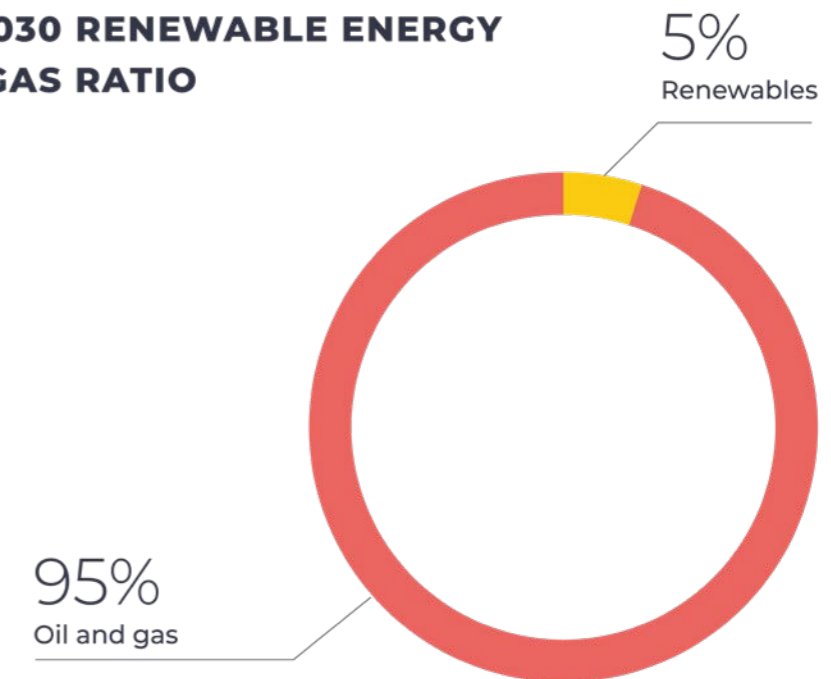
The NZE scenario projects strong growth in renewable energy production, that will be multiplied by 2.4 between 2023 and 2030, led by increased solar and wind capacity. In 2024, Equinor generated 2.9 TWh of electricity from renewable sources with its 4.1 GW of installed

renewable capacity.³² Equinor came back on its commitment to reach 12 to 16 GW of installed capacity by 2030³³ and abandoned its net renewable generation target of 35 to 60 TWh by 2030.³⁴ Now, Equinor is only targeting 10 to 12 GW installed or under development net capacity and has not set any updated renewable production target.³⁵ The renewable capacity target is 21.4%

lower than its previous target. If Equinor meets its targets, its energy production from renewables will be 20.9 times lower than its energy production from oil and gas.

Overall, Equinor will represent 0.1% of global renewable energy production in 2030, according to production level of the NZE.³⁶

EQUINOR'S 2030 RENEWABLE ENERGY TO OIL AND GAS RATIO



Source: Equinor, *Energy transition plan 2025*, pages 7 and 8, 2025



05

***EMISSIONS
TARGETS***



Equinor pledged mitigation targets for 2025, 2030 and 2035 using alternatively a 2015, 2017 and 2019 baseline. These were measured in intensity terms on scopes 1, 2 and 3, and in absolute terms on scopes 1, and 2.

In 2025, Equinor reviewed its pledged mitigation targets for 2030. The 2030 scope 1, 2 and 3 net carbon intensity target was reduced, from -20% previously planned³⁷ to -15%/-20% planned now.³⁸ Likewise, 2035 net carbon intensity target was reduced, from -40% previously planned³⁹ to -30%/-40% planned now

In 2024, Equinor's CO2e emissions were 286.5 MtCO2e, including 11.0 MtCO2e of scope 1 and 2 emissions and 275,6 MtCO2e of scope 3 emissions. Scope 3 emissions are by far the largest, representing 96.2% of the company's emissions.⁴⁰ However, while scope 3 represents the most significant part of the company's GHG emissions, Equinor does not have a specific absolute target for this scope.

Using the IEA's energy supply data from the NZE in the WEO 2024, Reclaim Finance calculated Equinor's GHG emissions trajectory. By 2030,

the company's targeted carbon intensity will be 10.9% higher than the NZE.

Equinor relies heavily on CCUS: the company previously planned to capture between 5 and 10 Mtpa CO2 to reduce its scope 3 emissions by 2030.⁴¹ Equinor does not mention this target anymore but kept the goal to capture between 30 to 50 Mtpa CO2 by 2035.⁴² As highlighted by the IPCC, however, CCUS in the energy sector still has limitations to overcome before it can be scaled up, which means it comes with limited potential and

prohibitive costs. Too high reliance on these types of mitigation approaches represents a material risk factor for Equinor's ability to reach its decarbonization targets.⁴³

FIND OUT MORE:

- [Methodology](#)
- [Glossary](#)
- Factsheets on [bioenergy](#), [hydropower](#), [hydrogen](#), [CCUS in power](#), [energy storage](#)

Equinor's pledged mitigation targets

Base year	Target year	Reduction target	Net target	Geographical scope	Emission scope	Emission type
2015	2030	-50%	Yes	World	1 & 2	Absolute
2019	2030	-15%/-20%	Yes	World	1 & 2 & 3	Intensity

Source: Equinor, *Energy transition plan 2025*, pages 20, 2025

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Reclaim Finance is an NGO affiliated with Friends of the Earth France. It was founded in 2020 and is 100% dedicated to issues linking finance with social and climate justice. In the context of the climate emergency and biodiversity losses, one of Reclaim Finance's priorities is to accelerate the decarbonization of financial flows. Reclaim Finance exposes the climate impacts of financial players, denounces the most harmful practices and puts its expertise at the service of public authorities and financial stakeholders who desire to bend existing practices to ecological imperatives.

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