

SEFE and Equinor enter long-term gas sales agreements and pursue large scale hydrogen supplies

[Berlin/Stavanger, 19.12.2023] Under the agreements Equinor will supply Germany's state-owned energy company SEFE (Securing Energy for Europe) with 111 terawatt hours (ca 10 billion cubic meters - bcm) of natural gas per year from 1 January 2024 until 2034, plus an option for another 5 years, at terms reflecting market prices. The annual volumes are equivalent to one third of German industrial demand.

The 5-year option is for a total of 319 TWh (around 29 bcm) over the period. The companies also signed a non-binding letter of intent (LoI) with the intention that SEFE will become a long term off-taker of giga-scale, low-carbon hydrogen supplies from Equinor starting in 2029 and continuing towards 2060.

"This is a response to Europe's need for long-term, reliable supply of energy and a viable route to decarbonization at scale", says Equinor's CEO Anders Opedal.

"Equinor and Germany have enjoyed a strong energy partnership ever since the start of Norwegian gas exports in 1977. The total volumes we have agreed make this one of the largest agreements we have made as a company, and the supplies will contribute to energy security for Germany and Europe. I am also pleased to sign the letter of intent to explore opportunities to supply SEFE with low-carbon hydrogen at industrial scale for decades to come, enabling European industries and flexible gas power plants to accelerate decarbonisation", says Opedal.

"By signing the agreements for gas and hydrogen supply, we have teamed up with a strong European supplier that brings us a big step closer to our common goal of decarbonizing the energy sector while at the same time providing energy security. The procurement of natural gas from the Norwegian continental shelf ensures the sustainable and future-proof supply for European and, in particular, German customers in the household and industrial sectors", says Dr Egbert Laege, CEO of SEFE.

"SEFE and Equinor share ambitious goals to accelerate the development of the hydrogen economy. This includes joint business opportunities related to transport and storage of hydrogen for the future. SEFE Group's storage company Astora could be a key building block in this", Dr Laege continues.

A key element in the potential collaboration on hydrogen is that SEFE could be a long-term off-taker of low-carbon hydrogen from projects that Equinor is planning on the continent and in Norway.

The clear ambition is to supply low-carbon hydrogen to SEFE at industrial scale, starting from 5 TWh per year from 2029 and ramping stepwise up to 40 TWh per year from 2050 towards 2060.

The gas will be delivered to Trading Hub Europe (THE) in Germany, Title Transfer Facility (TTF) in the Netherlands and at the National Balancing Point (NBP) in the UK.

The agreements were signed by Equinor's CEO Anders Opedal and SEFE's CEO, Dr. Egbert Laege in Berlin 19 December 2023. After the Troll gas sales agreement in 1986, this is one of the largest gas sales agreements Equinor has entered into as a company.

About SEFE

SEFE Securing Energy for Europe GmbH (SEFE) is an integrated midstream energy company headquartered in Berlin, Germany. SEFE is active in energy trading & portfolio management, sales, and storage operations and has its strongest presence in Germany and the United Kingdom. SEFE



employs around 1.500 people and supplies more than 50.000 customers, in particular industrial customers, and municipal utilities in Germany and seven European markets. With sales volumes of more than 210 TWh gas SEFE plays a pivotal role in providing energy supply stability for Germany and Europe. SEFE is owned by the Federal Republic of Germany.

About Equinor

Equinor is an international energy company committed to long-term value creation in a low-carbon future. Our purpose is to turn natural resources into energy for people and progress for society. Equinor's portfolio of projects encompasses oil and gas, renewables and low-carbon solutions, with an ambition of becoming a net-zero energy company by 2050. Headquartered in Stavanger (Norway), Equinor is the leading operator on the Norwegian continental shelf. We are present in around 30 countries worldwide.

Press photos

<https://www.equinor.com/news-and-media/photo-and-video>

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