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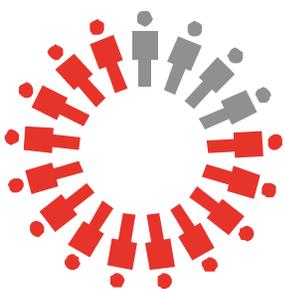
vision 2020: Global Exploration

Demand for energy will certainly increase with population growth and society is trying to balance between climate and transition from traditional to new energies.

Delivering the energy in this period is important and Exploration has a key role to play

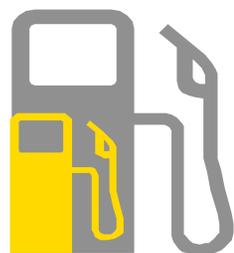
The energy challenge

There is more demand for energy globally as the world's population and living standards increase



Growing population

Global population will increase from around 7.6 billion today to over 10 billion by 2070.



Rising demand

Global energy demand will likely double by 2050, with 2 billion vehicles on the road (800 million today).



Ongoing supply

Renewable energy could triple by 2050, but we will still need large amounts of oil and gas to provide the full range of energy products we need.



Mitigating climate change

Net-zero emissions is a potentially achievable societal ambition.

Source: UN Population Fund; UN World Population Prospects (2015 revision); World Urbanization Prospects (2014 revision); International Energy Agency, Energy Technology Perspectives 2015; Shell New Lens Scenarios.

Global Exploration Production Forecast 2020-35

Assuming no investment post 2025 from two scenarios



High Decline Scenario could account for a decline of 5%.

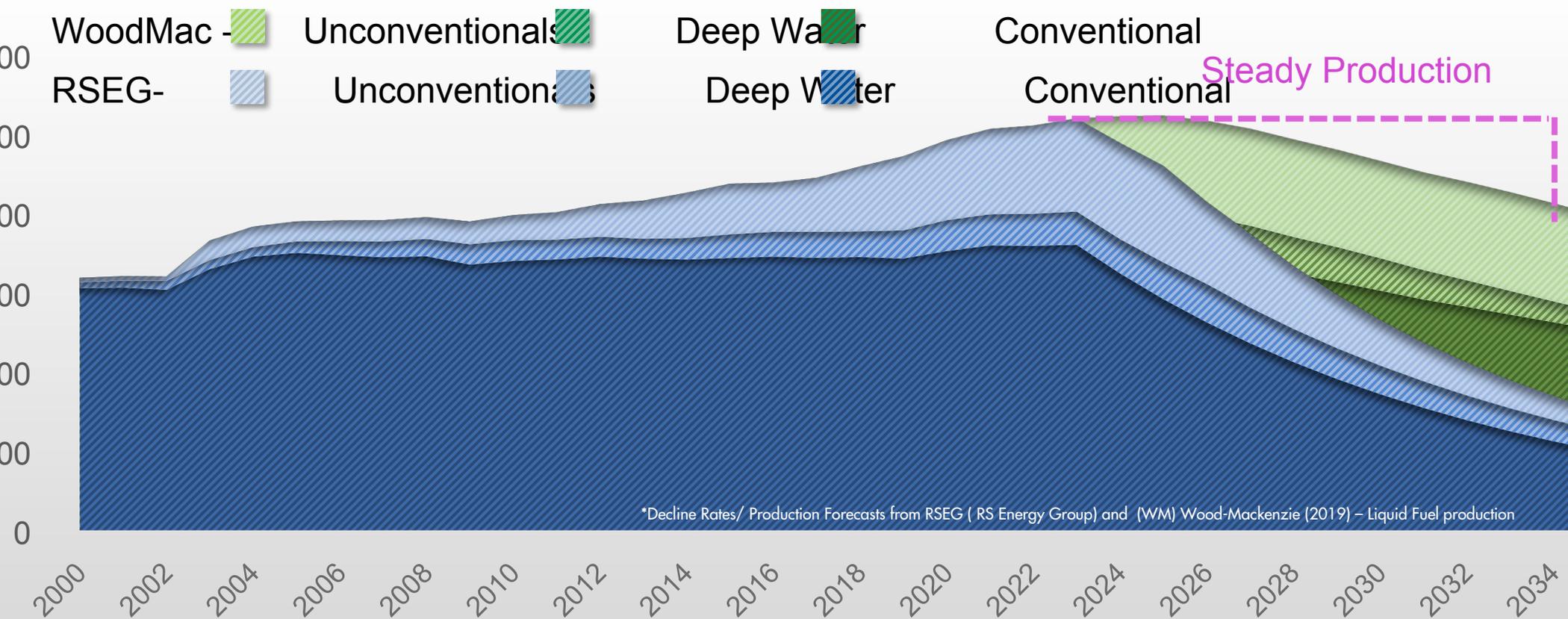
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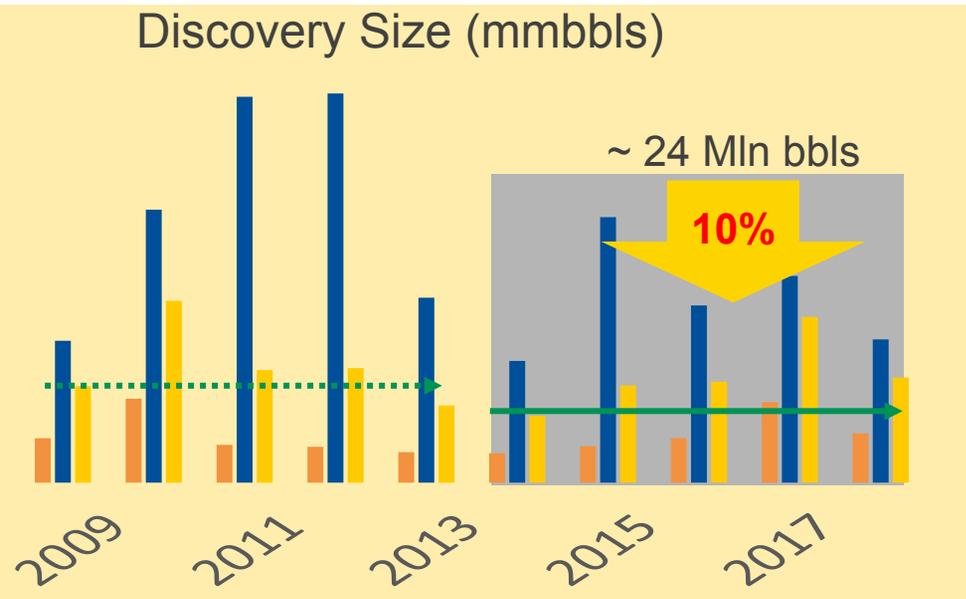
A Low Decline Scenario decline of up to 3%.

GAP: ~20 Bln bbls per year

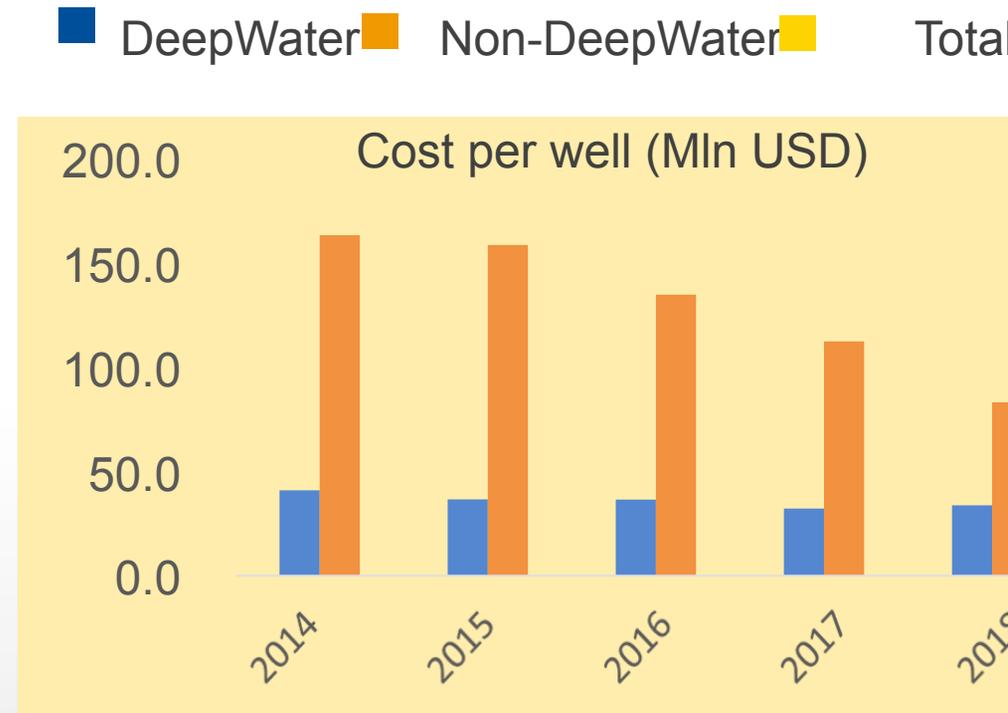
GAP: ~6 Bln bbls per year



Trends in Global Exploration

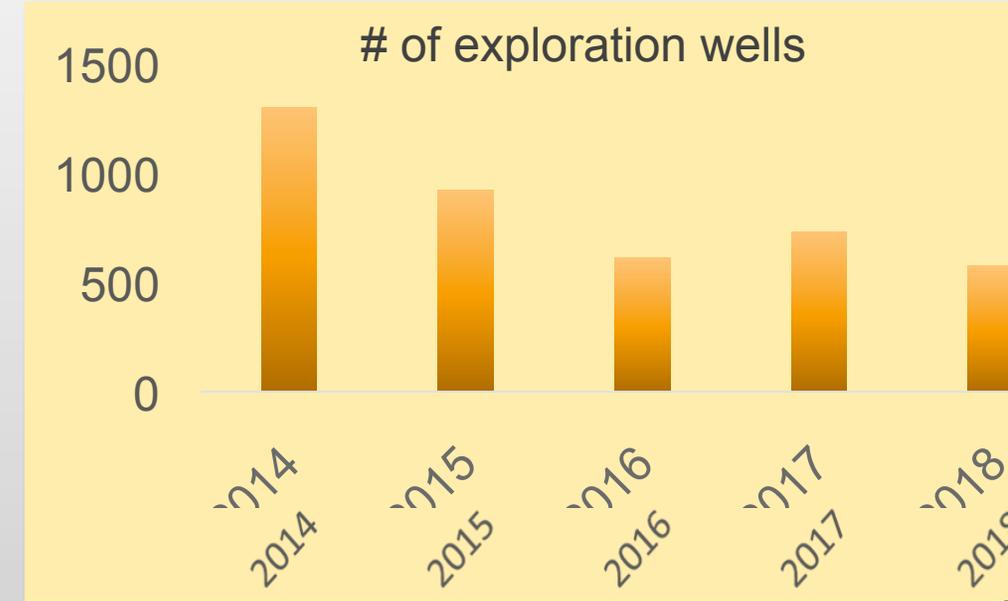


All data shown in slide from - WoodMackenzie (2019) – Exploration Benchmarking Presentation



Observations

- Declining investment in Exploration
- Fewer wells, smaller discoveries
- Filling the production gap will take between 500 and 1000 wells depending on decline scenario
- Industry is underinvesting!



Global Exploration – Change the game?



Global Exploration: in summary

Energy demand will increase as population rises to 10 Billion by 2070

Exploration must deliver 6-20 Billion barrels per year to offset production decline

Current trends show underinvestment

What will it take to deliver?

Improve success rates

Deliver higher volumes per exploration well

Reducing costs – more bang for our buck

Focusing on excellence: Efficiency, Data, Imaging, Prediction Capability

