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MEDIA WEBCAST TRANSCRIPT

WINTERSHALL DEA 3RD QUARTER 2020 RESULTS

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+++ The spoken word applies +++

Michael Sasse – SVP Corporate Communications

Good morning everyone and welcome to our media call. I hope everyone is doing well.

My name is Michael Sasse, I am Senior Vice President Corporate Communications at Wintershall Dea.

Today, we will focus on two main topics:

Our third quarter results and our latest news – the publication of our climate targets.

Together with me on the call we have our CEO and Chairman of the Board Mario Mehren and CFO Paul Smith, who will lead you through today's presentation.

Earlier today, we announced our target to achieve net zero upstream activities by 2030. Mario will start with this important topic. He will then speak about our operating environment and lastly will walk you through the highlights of the past quarter.



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Paul will continue with the presentation of our financial results and what to expect in the coming months.

At the end, we will have time for your questions.

Before we start some technical information:

If you would like to ask questions, you can do that on a written basis at any time by using the little text box at the very bottom of this webcast.

I will then read your question out during the Q&A session.

Alternatively, you can ask your questions live by phone during the Q&A session.

In this case, you need to register one more time by clicking on the link directly below this window.

Please make sure that you mute your webcast once you are on the phone asking your question to avoid any echo.

And with that I hand over to Mario.

Mario, please.



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Mario Mehren – Chief Executive Officer

Thanks Michael.

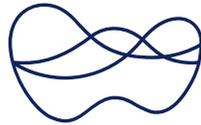
Ladies and gentlemen, welcome and hello to everybody. I hope you; your families, friends and colleagues are all staying safe and well.

2020 will certainly live long in our memories, both professionally and personally. We were forced to handle the consequences of the pandemic one way or another.

While lockdown measures were loosened in some parts of the world in the summer, resulting in early signs of economic recovery, global demand for hydrocarbons is still well below pre-pandemic levels and the impact of the latest lockdown announcements in Europe is yet to be seen.

There is no doubt that the necessary measures taken to reduce the spread of the virus and to fight the pandemic will have enormous effects on global economies. A difficult road to economic recovery lies ahead of us.

As always, we continue to plan for the worst, while hoping to be positively surprised.



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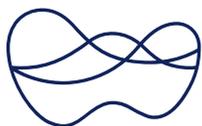
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There is one silver lining in the pandemic. The European Union, along with other nations, has accelerated development of climate change policies, such as the European Green Deal.

In planning for climate neutrality by 2050, Europe is playing a leading role globally, and will hopefully be an example to other regions: climate change can only be tackled together.

Today, we are announcing our contribution to the very urgent topic of decarbonization of the energy sector. Since the merger, we have been working intensively to define our strategy and our role within the energy transition.



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PAGE 4 – THE WORLD NEEDS MORE ENERGY AND LESS EMISSIONS

We should remember that our current situation – while difficult, exceptional, and damaging – will not last forever. It will be a relatively short-term interruption to powerful long-term growth trends. Just as the economic crisis in 2008 was.

That longer-term picture is clear. Growing global population and rising living standards worldwide continue to drive energy demand growth. Primary energy consumption has increased by an incredible 50% since the year 2000 and is expected to continue to grow.

Historically, growing energy demand has led to growing emissions. Carbon dioxide emissions increased by almost 50% since 2000 to 34 billion tonnes in 2019.

In its latest updates, the IEA sees primary energy demand increasing by another 25% by 2040 in the Stated Policies Scenario. A major rise. And that is not a 'business as usual' scenario, but a base case scenario assuming higher ambition levels for cutting emissions than in the past. Under this scenario, emissions will rise to 2040, albeit slowly.



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The IEA's Sustainable Development Scenario shows that drastic measures are needed go from just slowing the growth of emissions, to significantly reducing them.

So, delivering more, affordable, energy; whilst at the same time reducing greenhouse gas emissions and other pollution; will require significant changes.

Broadly, this means less coal, less oil, more renewables and an ongoing leading role for natural gas.

Oil will still have a role to play. Less to be burnt for fuel, but as a necessary material for many products, from medicines to solar panels.

Natural gas will be an energy transition enabler, as an affordable, flexible and carbon-efficient source.

So, gas and oil will remain at the heart of global energy supply.

However, it cannot be pure business as usual for companies like Wintershall Dea.



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PAGE 5 – PORTFOLIO WELL POSITIONED FOR THE ENERGY TRANSITION

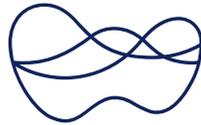
Our portfolio is well-positioned for this transition. We are the leading European independent gas and oil company and our strategy is built around that.

We are not going to change our strategy towards the renewables sector – that is simply not where our core expertise lies.

Let's look at our portfolio:

Firstly, it is heavily gas weighted, compared to our peers. That is important in the energy transition. Natural gas has a crucial role, for coal to gas switching in the short term, and then for production of blue and turquoise hydrogen.

Secondly, our emissions are already at the low end of our peer group and we have taken measures to drive them lower. For example, at our Mittelplate field in Northern Germany we have switched our power supply to 100% certified electricity from renewable sources. Additionally, some years ago, we committed to the World Bank "Zero Routine Flaring by 2030" initiative.



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I'm proud to say that we have already eliminated routine flaring at operated assets.

Having low emissions is of course not the only important element to succeed in the energy transition. So, thirdly, our portfolio is very low-cost. We have successfully reduced production costs by around 40% in recent years. In Q2 and Q3 they were at well below \$4 per boe.

Overall, we have a

- gas-weighted,
- low emitting,
- low cost portfolio.

That makes it competitive, and well positioned for the energy transition.

But: we need to do more.



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PAGE 6 – OUR ENERGY TRANSITION PATHWAY (Our targets)

As Europe's leading independent gas and oil company, Wintershall Dea has a clear responsibility to act. So, today we are setting out a clear energy transition pathway for our business. At its heart are some clear but achievable targets.

We target net zero greenhouse gas emissions. Not by 2050 but by 2030. And not just for our own-operated assets. Our net zero target applies to all Scope 1 and 2 CO₂ and methane emissions right across our portfolio. For the equity share of our operated and non-operated assets.

We will reduce our methane intensity to 0.1% by 2025 and achieve zero routine flaring by 2030. Then, we will go further. From 2030, we will focus on reducing Scope 3 emissions – the emissions associated with the products we sell – through technology. For us, that means hydrogen and CCS.

I'd like to talk a little about how we plan to reach those targets, in particular net zero by 2030, and tackling scope 3 emissions from 2030 onwards.



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PAGE 7 – OUR ENERGY TRANSITION PATHWAY (Based on 4-pillar climate approach)

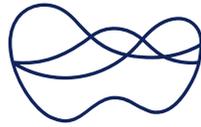
Meeting our goals for net zero, methane intensity and zero routine flaring is ambitious. We have a clear, timed and costed plan for how we will achieve this. Backed by investment of around €400 million over ten years.

That plan is based around these four pillars.

Portfolio optimization – we will steer our already attractive portfolio into an even lower emission one.

Management: investing in energy efficiency measures, and strict emissions management. There are several short to medium term levers we will apply to reduce our emissions. I've already mentioned, for example, converting Mittelplate to run on renewable energy.

Offsetting. There are Scope 1 and 2 emissions that cannot be reduced further at reasonable costs. To mitigate these, we will invest in Nature Based Solutions, like forest protection and reforestation. Underpinning those four pillars is a strong commitment to transparency.



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And finally, technology – we will start to see the introduction of CCS technology later this decade.

So - the path to net zero Scope 1 and 2 emissions by 2030 is clear. The tools and options to reduce emissions are known and available right now.

In line with our commitment to transparency, we will keep you and all our stakeholders informed as we make progress.

One measure of our progress is our recently updated Sustainalytics ESG rating which was upgraded to medium risk, and places WintershallDea 10th out of 274 in the oil and gas industry group.



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PAGE 8 – OUR ENERGY TRANSITION PATHWAY (Technology is key)

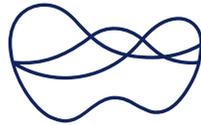
Beyond 2030, we plan to deliver reductions in Scope 3 emissions. Lowering the environmental impact not just of our operations, but of the products we sell.

Here, the key is technology. We are already investing in technologies like Carbon Capture and Storage and Hydrogen:

- Because we are confident, they will play a major role in decarbonisation
- Because our 125-year heritage in E&P means we have the core expertise to deliver them effectively
- And because we have relevant assets: depleted reservoirs in the North Sea, access to significant pipeline infrastructure.

We are already involved in multiple projects. The Greensand CCS Consortium in Denmark; a feasibility study for CCS at Brage in Norway; a methane pyrolysis research partnership with the Karlsruhe Institute of Technology.

Now, we will accelerate our activities in this area.



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Hydrogen and CCS will play the key role in our ambition to significantly reduce Scope 3 emission towards and after 2030.

Doing this will be good for the energy transition.

We believe it will also be good for our business in the long term: creating new business opportunities and securing our future.

That's our vision for Wintershall Dea as the energy transition progresses.

- A diverse and carbon-efficient mix.
- Built around clear ambitions.

We are determined and committed to deliver on our targets to support the energy transition. And therefore, they will of course be part of the targets that are relevant for the compensation of myself and my fellow Board Members.

Society rightly expects a contribution from our industry.

And Europe has decided on a transformation of its economy.

We at Wintershall Dea support this decision.

And that means our business must – and will – adapt.

Our clear plan sets out how.



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PAGE 10 – Macroeconomic backdrop

Let us now turn to the other updates of the quarter.

Following the unprecedented demand shock and the resulting dramatic price decline in Q2, oil prices have rebounded from their historic lows but are still around 30% lower compared to the same period last year, with Brent averaging around \$43 per barrel. European gas remained largely at the same level as in Q2, at around \$2.1/mcf, but has increased substantially from September onwards to well above \$4/mcf.

Primarily due to lower LNG supplies into Europe and the upcoming winter, there are signs that the gas market is also starting to rebalance, with gas having traded as high as \$5 /mscf some days ago. The impact of lockdowns, increased supplies from Libya and reduced economic activity, however, continue to weigh on oil.

In many countries confinement measures are being re-introduced and it remains to be seen how severe the effect of Lockdown 2 will have on the economic activity in the longer term. With conditions changing on a daily basis and effects that are difficult to predict, our focus remains on keeping all our colleagues and partners



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healthy and safe, ensuring Wintershall Dea's operational and financial stability and making our portfolio as resilient as possible for all phases of the cycle. We are taking this into account in our 5-year budget planning that is ongoing right now.

With that, let me hand over to Paul who will walk you through our financial highlights for the quarter and our outlook.



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PAGE 11: THIRD QUARTER OVERVIEW AND RECENT DEVELOPMENTS

Paul Smith – Chief Financial Officer

Thanks Mario and good morning everybody.

Let me now give you a quick overview of our 3Q performance and financial results which were released earlier today.

I'm happy to report that our near-term major development projects are progressing well.

A couple of weeks ago, we started production of the first phase in the Aerfugl development in Norway, a two-phase subsea tie-back to Skarv.

We expect two additional major projects – Raven in Egypt, and Dvalin in Norway – to come on-stream around the turn of the year, and hence expect to enter 2021 with a great deal of operational momentum.

In Russia, we have two significant development projects ongoing. Starting with the development of the Turonian layer of the Yuzhno-Russkoye field, the first well clusters of the full field



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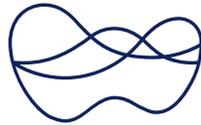
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development came on stream in 2020 and the acceleration of the development is ongoing into 2021. Production from this layer will offset the natural decline from the Cenomanian layer of Yuzhno-Russkoye field. Additionally, we expect the start-up of the Achimov Area 4A/5A in late Q1 of next year.

These developments are very important for us and will increase our overall production next year and the year after. On that and on more detailed guidance, we'll come back to in February of next year.

Our exploration team has had a very successful year, with exploration discoveries in 9 of the 11 wells drilled so far this year.

We expect to spend around €175 million on exploration for the entire year compared to our original guidance of €150-250 million.



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PAGE 12: DELIVERING ON PANDEMIC RELATED ACTIONS

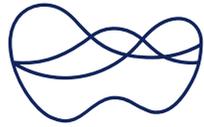
Let me now quickly review how we are delivering on our crisis actions.

Our top priorities since the start of the pandemic have been to protect our people, ensure business continuity and protect our balance sheet.

Our operations have been largely uninterrupted, and we managed to limit the impact of the pandemic on our finances by taking early decisive action.

However, two of our major projects in Norway – Njord and Nova – have been impacted by a slow-down in construction and offshore commissioning due to Covid restrictions, and we now expect both of these projects to come on-stream with a few months delay in at the end of 2021 and beginning of 2022.

We set ourselves ambitious targets to cut capex, expex and opex by 30, 20 and 10% respectively. With only weeks of the year remaining, I'm confident that we will be able to deliver these targets we laid out at the beginning of the pandemic, and crucially



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deliver a free cash flow positive 2020 despite the unforgiving external environment we have found ourselves in this year.



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PAGE 13: THIRD QUARTER PERFORMANCE

Our financial results were once again impacted by the external environment. We have seen a stabilisation of oil prices in 3Q at just over \$40/bbl, with gas prices remaining challenged in the quarter and flat on 2Q at just over \$2/mcf. However, as we head into winter in Europe and see some constructive signals around reduced LNG supply into Europe and rebalancing, with current forward prices for 2021 are around \$4.5 per mscf.

Let me summarize some of the 3rd quarter highlights:

1. On health and safety our overall performance was good, with Total Recordable Incidents Frequency rate continuing to trend down on 2019, while our LTIF went up slightly. Of course, HSEQ remains our top priority;
2. Production was stable at 606,000 barrels of oil equivalent and I'm delighted that despite all that has happened this year, we are on track to achieve our target production volume that we set before the pandemic began;
3. Production costs continue to be highly competitive at \$3.7/boe; an 18% reduction year on year;



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4. Our total capex of €247 million is about 40% lower year on year, and is on track to be within our guidance at around €1.2 billion for the year;
5. Our EBITDAX was €397 million, over 50% higher than in the previous quarter but still significantly lower compared to the same period last year;
6. Our free cash flow for the quarter was around €90 million and a lot higher than the negative €300 million in the previous quarter. As mentioned last quarter, we expect to end the year in a modest free cash flow positive position.

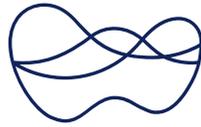
Mario, on that note, back over to you.

Mario Mehren

Thanks Paul.

It's been a long and difficult year, but I am pleased that we have weathered the volatility well.

We have progressed our merger and integration significantly and are in the last stages of the active integration process. We are seeing good performance in terms of synergies and look forward to updating you on that in February.



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Our operations are stable, people safe and finances in order.

We are progressing our strategy, following our cash prioritization framework diligently and now have focused and ambitious climate targets.

Allow me at this point to give a big thank you to our team! In a year like this, results as we can present them, are anything but a given.

In February, when we update you on our full year results, we will be in the position to update you on our development projects and how we plan on tackling our emissions in more detail.

No doubt, volatility will continue, but we are very well positioned to weather whatever our industry will face.

With that, let us now open up for questions. Michael and our press team are of course happy to answer any questions separately too.

Michael – over to you.