



Market Drivers of Methane Mitigation

CH₄ Connections

October 2024



Important Disclaimer

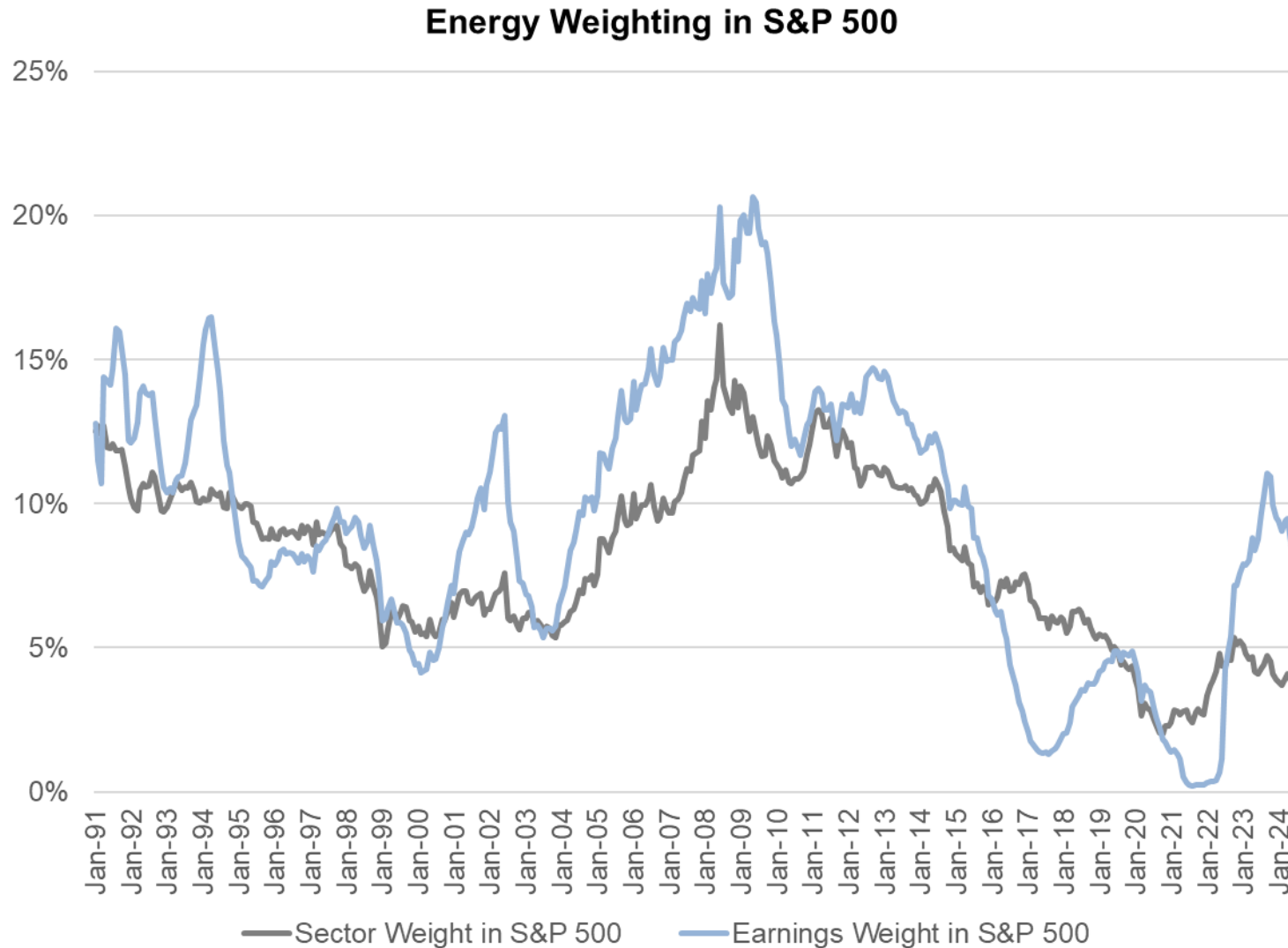
This presentation is confidential and is intended only for the person to whom it has been provided. Under no circumstances may a copy be shown, copied, transmitted, or otherwise given, in whole or in part, to any person other than the authorized recipient without the prior written consent of Veriten. The information contained herein is preliminary, is provided for discussion purposes only, is only a summary of key information, is not complete, and does not contain certain material information about Veriten or any of Veriten's affiliates and is subject to change without notice. The distribution of the information contained herein in certain jurisdictions may be restricted, and, accordingly, it is the responsibility of any prospective recipient of the document to satisfy itself as to compliance with relevant laws and regulations. None of the information contained herein has been filed with the U.S. Securities and Exchange Commission, any securities administrator under any securities law of any U.S. or non-U.S. jurisdiction, or any other U.S. or non-U.S. governmental or self-regulatory authority.

Veriten believes that the information contained in this material to be reliable but does not warrant its accuracy or completeness. Veriten undertakes no obligation to update any information contained herein after the date of distribution.

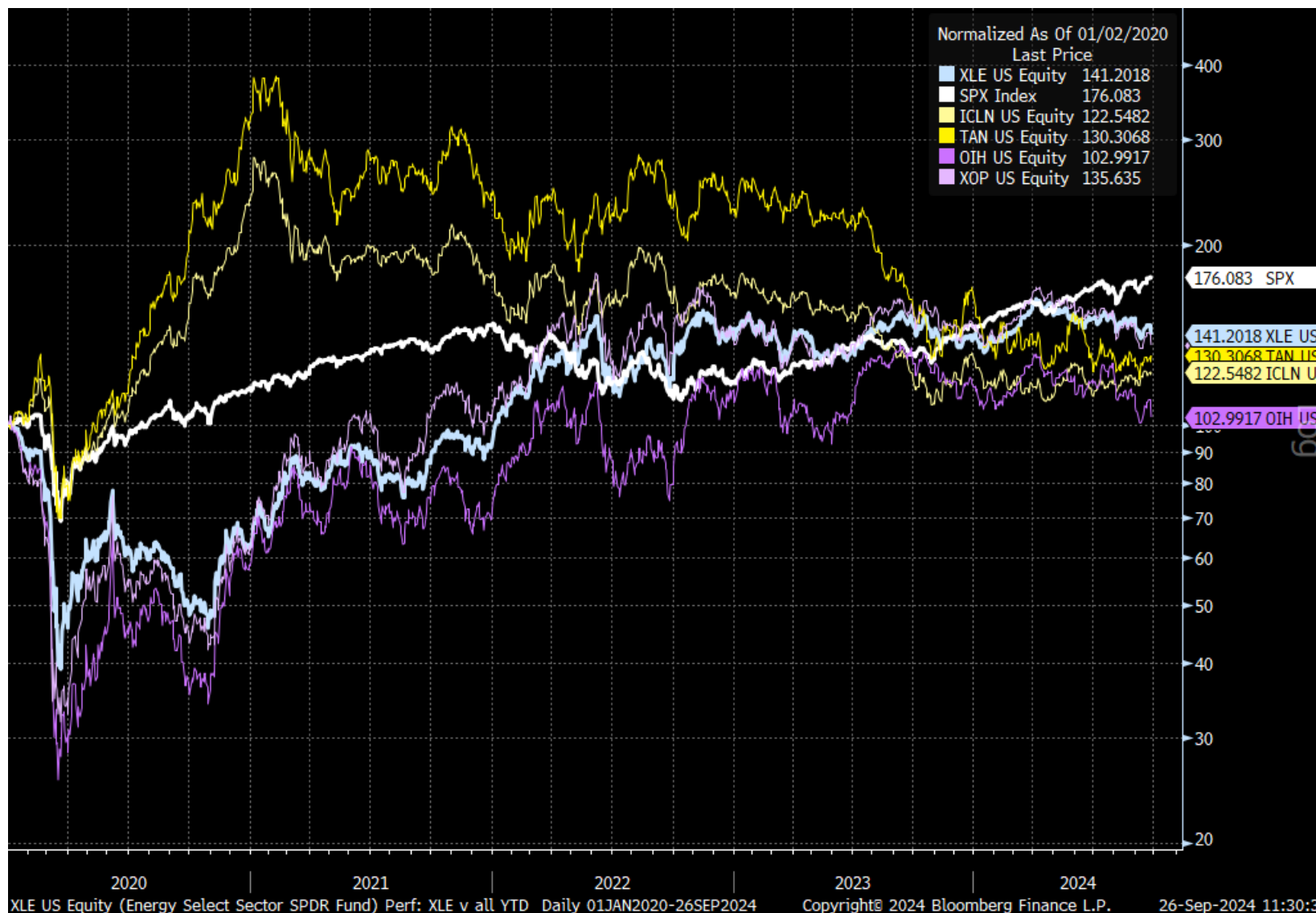
Healthier Energy Narratives Emerging

- **Fading “urgent energy transition”:** Energy is better viewed as a hierarchy of needs that prioritizes energy for all
- **Everyone should be energy rich:** The other 7 (soon to be 9) billion people on Earth are moving up economic and energy s-curves that The Lucky 1 Billion of Us take for granted
- **Power demand inflecting positively:** Big Tech reminding the developed world that we use energy to “better human lives”
- **Geopolitical security drives “new energies”:** Impetus to limit energy imports will drive new technologies
- **Energy is always in perpetual transition:** Areas of opportunity, business models, and strategies change faster than macro mix

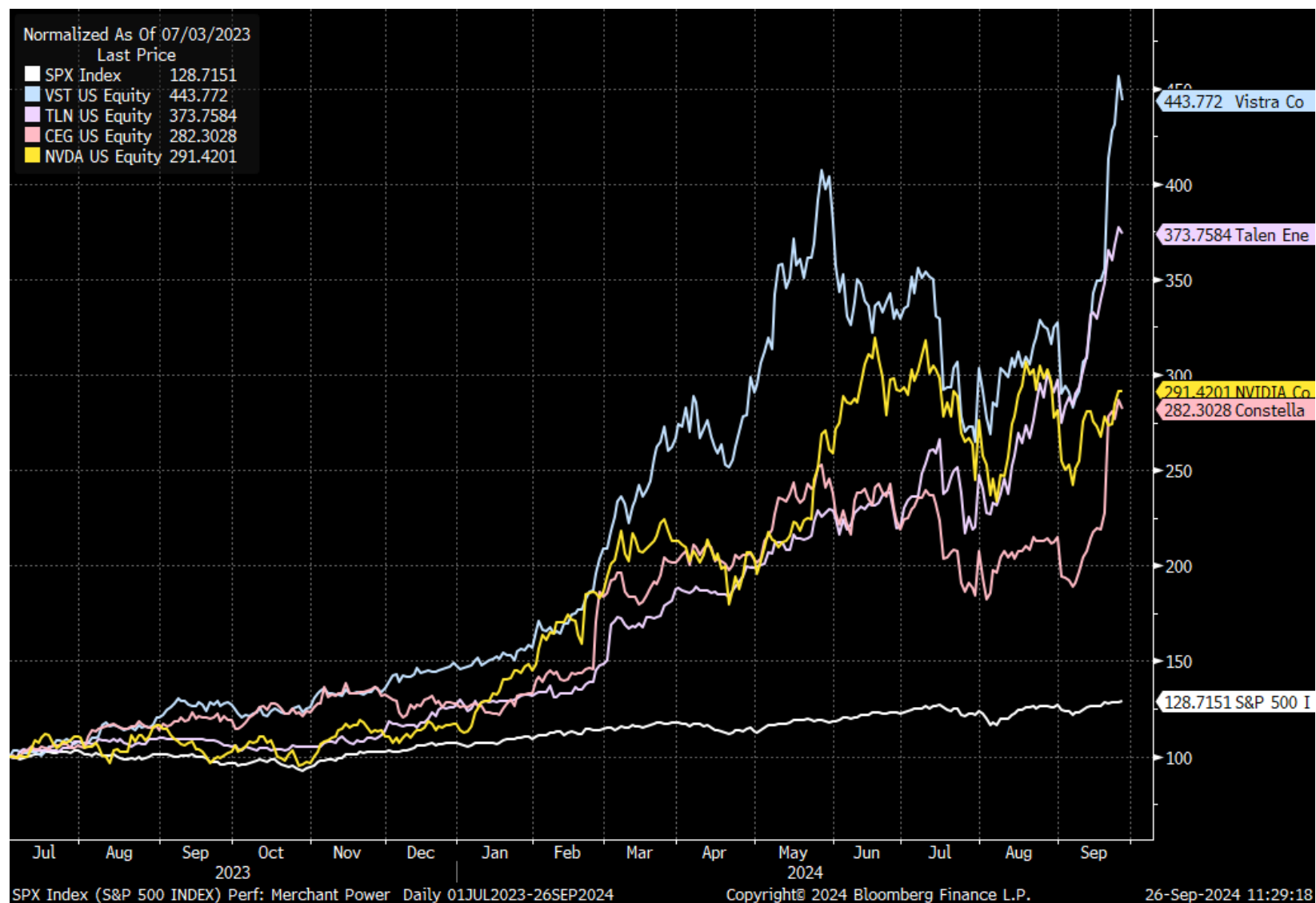
Outlook for Earnings Drives Energy Equities



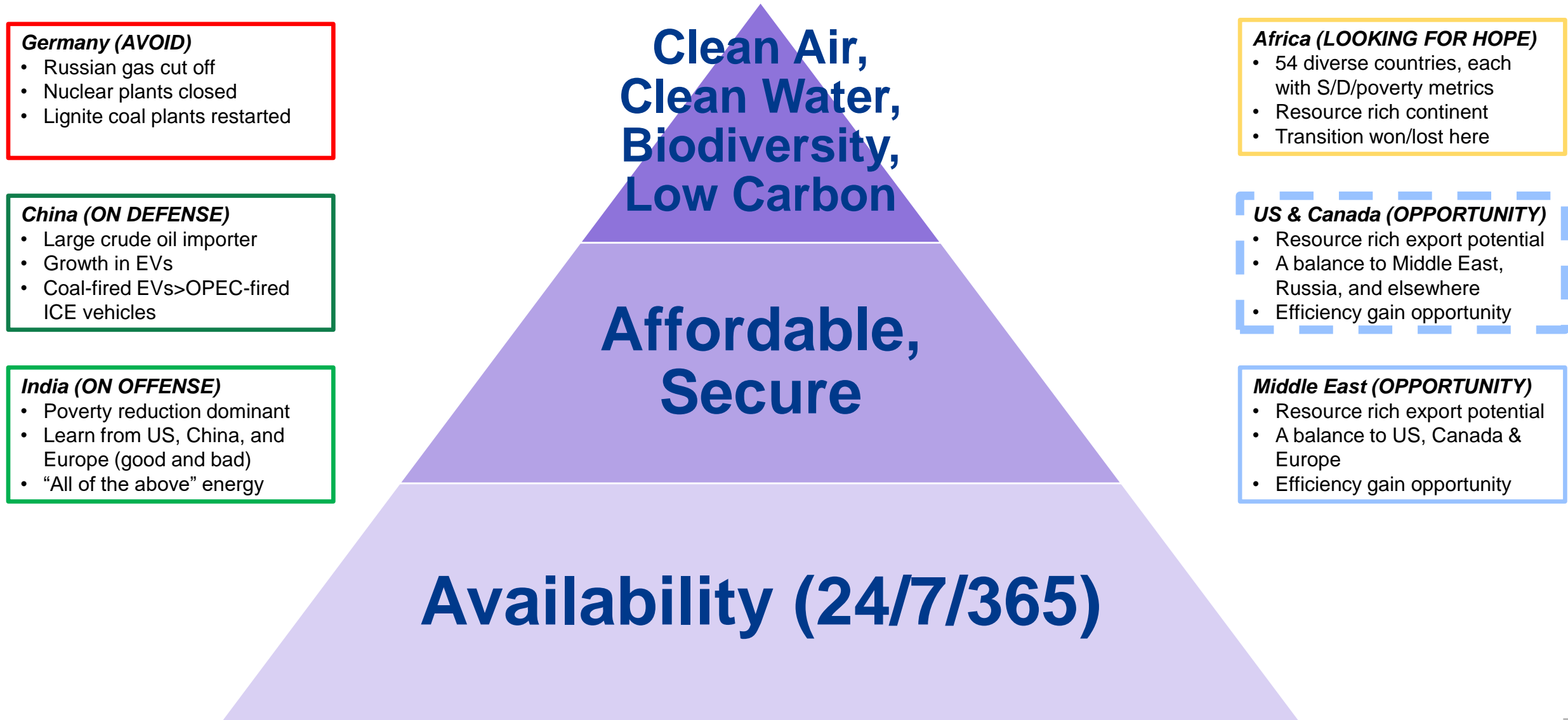
New and Traditional Energy Has Reconverged



Merchant Power As Hot As NVIDIA



Energy: A Hierarchy of Needs



Moving Up The Income And Oil Demand S-Curve

The Lucky 1 Billion People

(United States, Western Europe, Canada, Japan, Australia, New Zealand)

Oil Demand
(mn b/d)

41

Oil Demand
per Capita

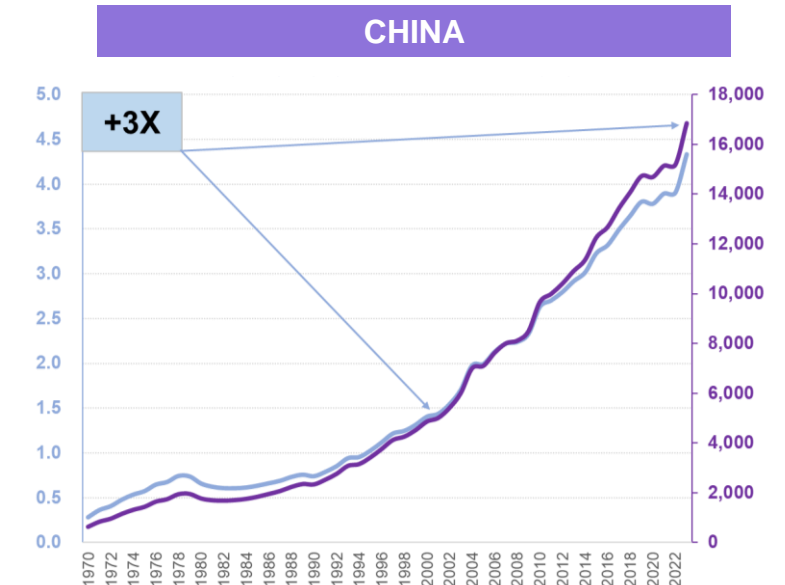
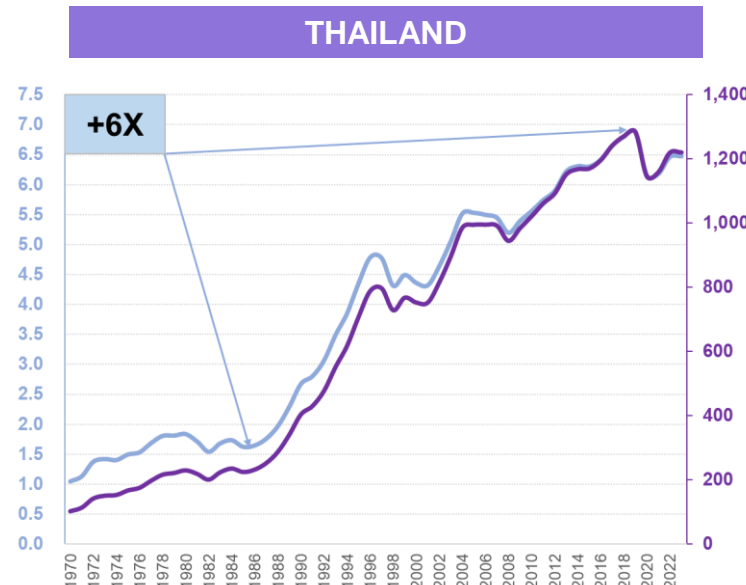
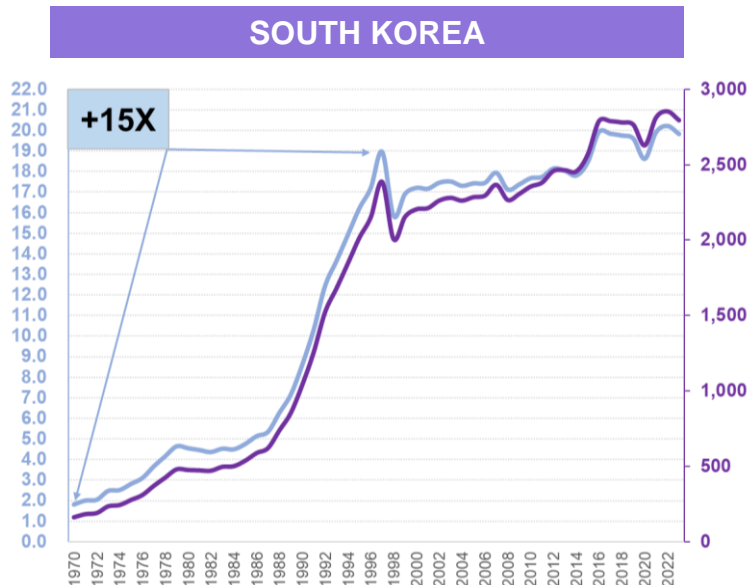
13.3

The Other 7 Billion People

59

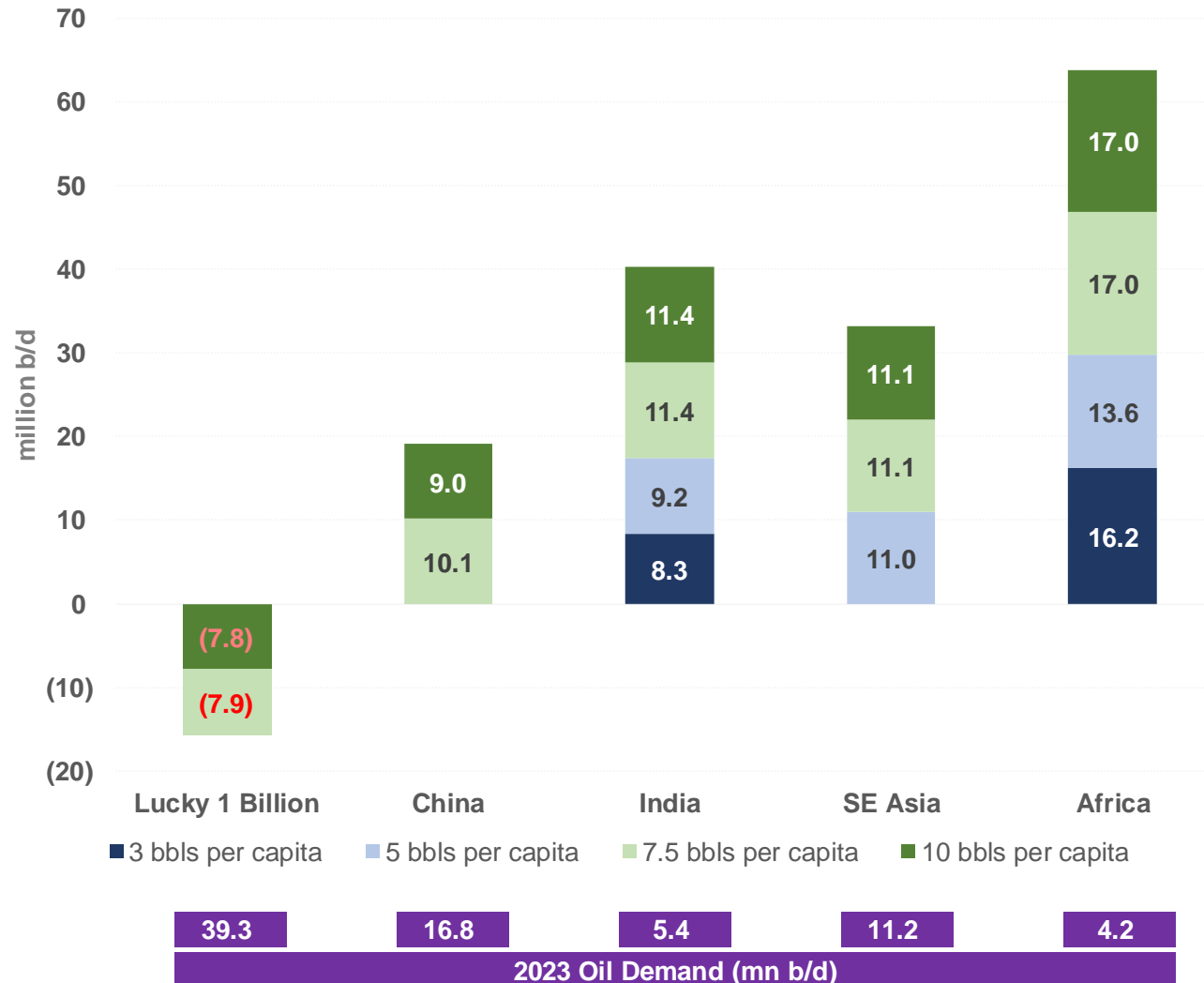
3.2

per capita (lhs), absolute, thousands b/d (rhs)



Total Addressable Market For Oil is 250 Million b/d

FUTURE GROWTH IN OIL DEMAND UNDER VARIOUS PER CAPITA SCENARIOS



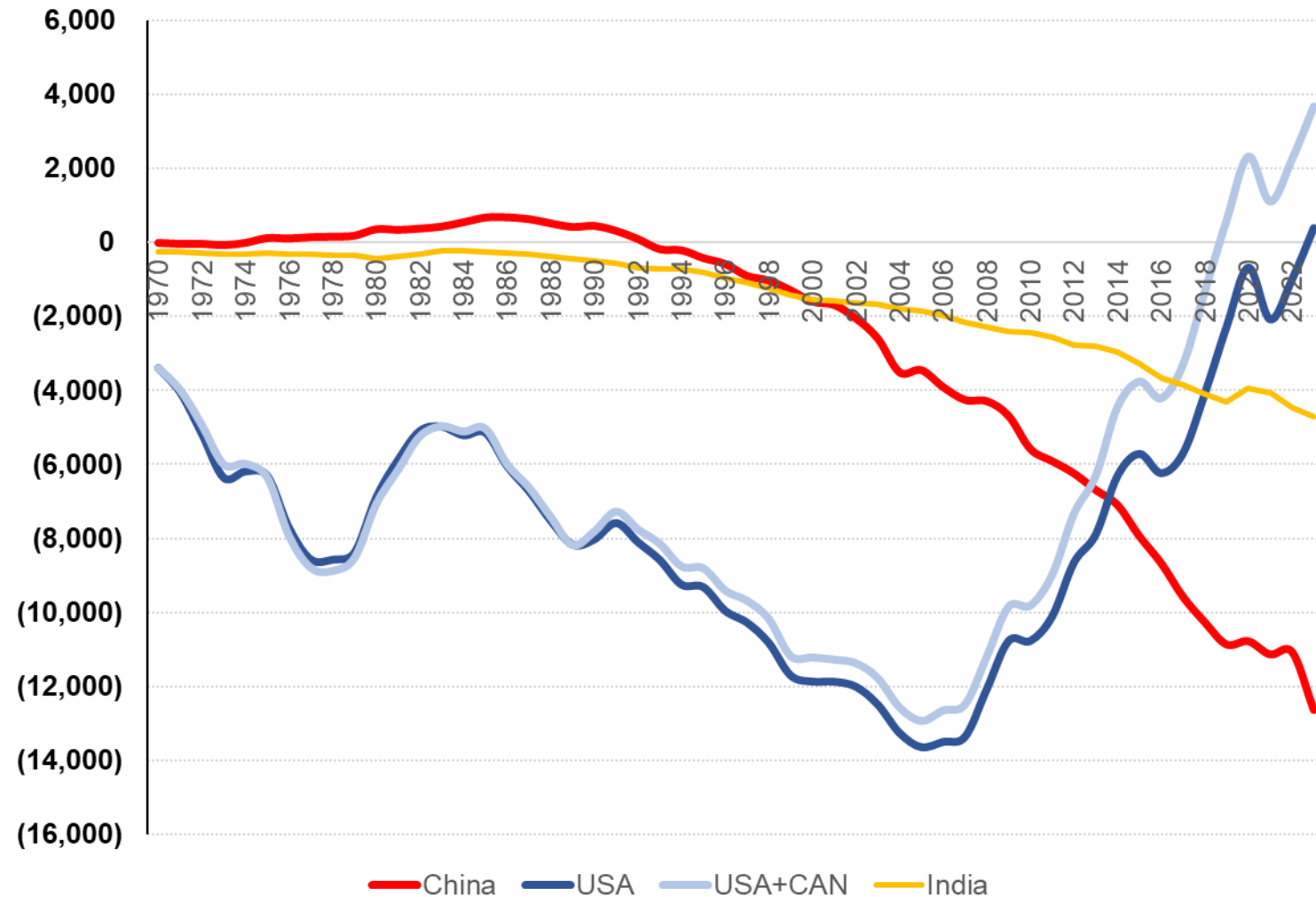
Geopolitics: Avoiding China's Oil Import Path

Availability + geopolitics drive energy choices

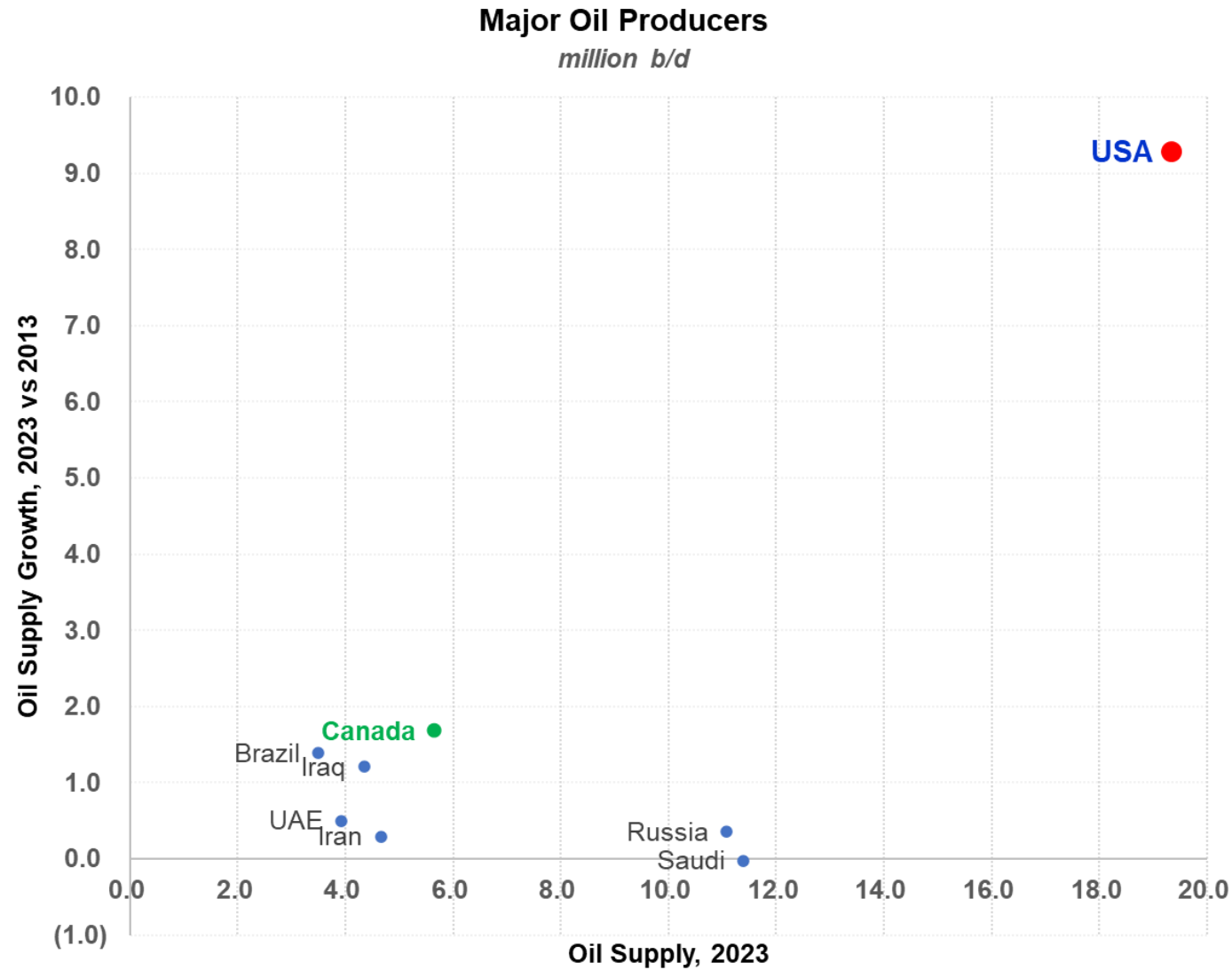
Key goal: Avoid energy import dependence

New energies are inevitably domestic

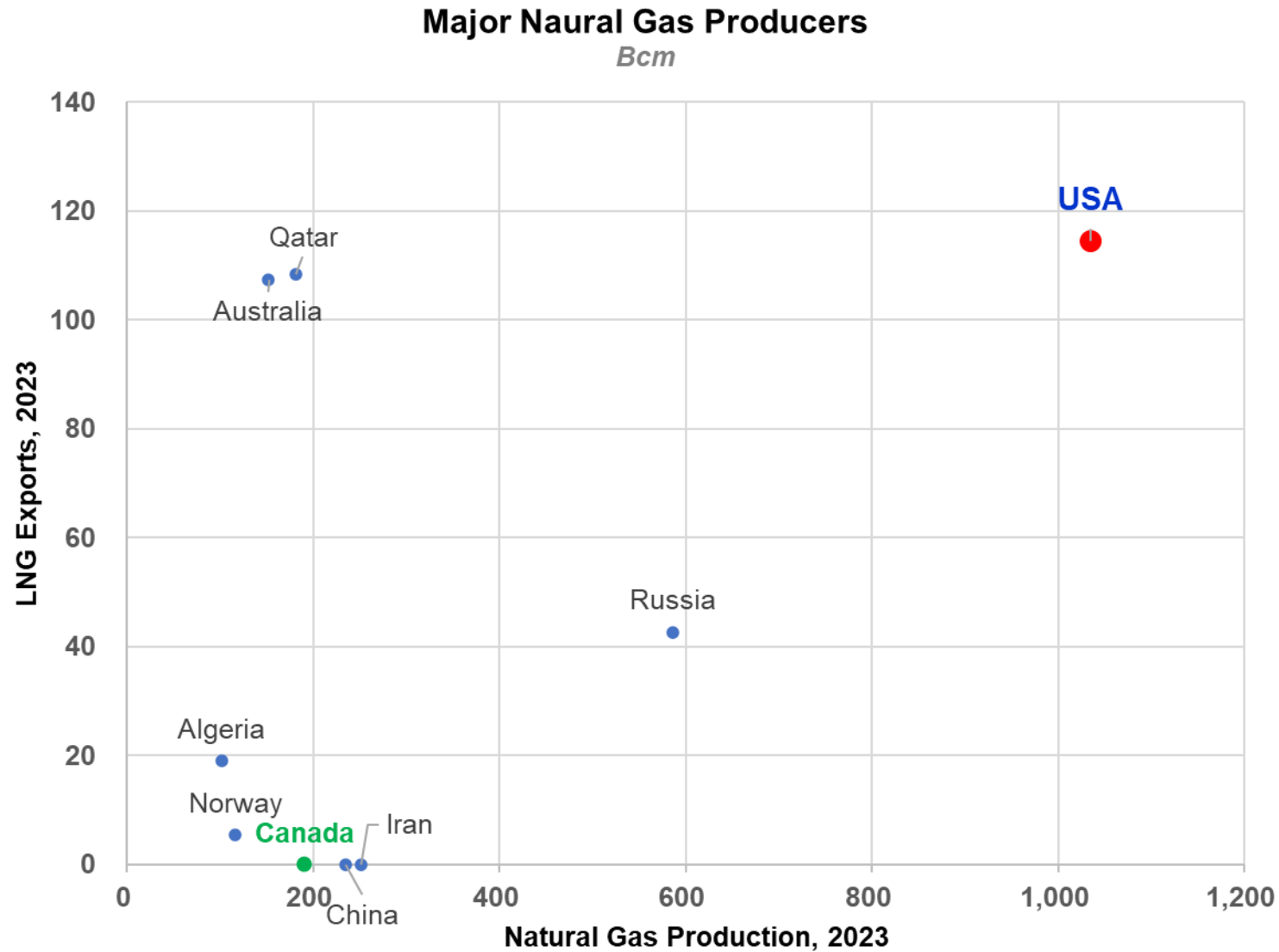
Net Oil Imports: **China**, **India** vs **USA+CAN**
thousands b/d, 1970-2023



Shale Oil Miracle: USA Dominant In Oil Markets



Shale Gas Miracle: USA Now Largest LNG Exporter



LNG / Global Gas Opportunities & Risks

- **Bullish long-term demand view of LNG/global gas:**
 - Significant future global power demand needs
 - Fuel diversification core to geopolitical and economic security
 - Balancing fuel for non-dispatchable solar & wind
- **Price-sensitive major buyers:** LNG will need to compete with domestic coal and other baseload energy sources (nuclear, geothermal?) on price and performance
- **Methane regulations will drive mitigation:** Demand-side rules will prove important to global methane abatement

Traditional Energy and “Energy Transition”

- **Help meeting growing energy demand:** Oil and natural gas expected to grow for the foreseeable future...western companies needed!
- **Competitive advantage:** There is no substitute for focusing on core competencies and areas of competitive advantage
- **Study and evaluate:** Studying new technologies and business lines is reasonable
- **Open mind about future:** Skip the ideology...stay open minded about how the future might evolve
- **Future ESG:** ESG not a substitute for policy, laws, or regulation