

Kårstø gas processing terminal

IR Gas Market Update

19 February 2021

Forward-looking statements

This presentation contains certain forward-looking statements that involve risks and uncertainties. In some cases, we use words such as "ambition", "continue", "could", "estimate", "intend", "expect", "believe", "likely", "may", "outlook", "plan", "strategy", "will", "guidance", "targets", and similar expressions to identify forward-looking statements. Forward-looking statements include all statements other than statements of historical fact, including, among others, statements regarding Equinor's plans, intentions, aims, ambitions and expectations, including with respect to the Covid-19 pandemic including its impacts, consequences and risks; Equinor's response to the Covid-19 pandemic, including measures to protect people, operations and value creation, operating costs and assumptions; the commitment to develop as a broad energy company; the ambition to be a net-zero energy company by 2050; future financial performance, including cash flow and liquidity; accounting policies; production cuts, including their impact on the level and timing of Equinor's production; plans to develop fields; the climate action plan announced by the Norwegian government; market outlook and future economic projections and assumptions, including commodity price assumptions; organic capital expenditures through 2022; intention to optimise and mature its portfolio; estimates regarding exploration activity levels; ambition to keep unit of production cost in the top quartile of its peer group; scheduled maintenance activity and the effects on equity production thereof; completion and results of acquisitions and disposals; expected amount and timing of dividend payments; and provisions and contingent liabilities. You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons.

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including levels of industry product supply, demand and pricing, in particular in light of recent significant oil price volatility triggered, among other things, by the changing dynamic among OPEC+ members and the uncertainty regarding demand created by the Covid-19 pandemic; the impact of Covid-19; levels and calculations of reserves and material differences from reserves estimates; unsuccessful drilling; operational problems; health, safety and environmental risks; natural disasters, adverse weather conditions, climate change, and other changes to business conditions; the effects of climate change; regulations on hydraulic fracturing; security breaches, including breaches of our digital infrastructure (cybersecurity); ineffectiveness of crisis management systems; the actions of counterparties and

competitors; the development and use of new technology, particularly in the renewable energy sector; inability to meet strategic objectives; the difficulties involving transportation infrastructure; political and social stability and economic growth in relevant areas of the world; an inability to attract and retain personnel; inadequate insurance coverage; changes or uncertainty in or non-compliance with laws and governmental regulations; the actions of the Norwegian state as majority shareholder; failure to meet our ethical and social standards; the political and economic policies of Norway and other oil-producing countries; non-compliance with international trade sanctions; the actions of field partners; adverse changes in tax regimes; exchange rate and interest rate fluctuations; factors relating to trading, supply and financial risk; general economic conditions; and other factors discussed elsewhere in this report. Additional information, including information on factors that may affect Equinor's business, is contained in Equinor's Annual Report on Form 20-F for the year ended December 31, 2019, filed with the U.S. Securities and Exchange Commission (including section 2.11 Risk review - Risk factors thereof). Equinor's 2019 Annual Report and Form 20-F is available at Equinor's website www.equinor.com. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assume responsibility for the accuracy and completeness of these forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, we undertake no obligation to update any of these statements after the date of this report, whether to make them either conform to actual results or changes in our expectations or otherwise.

We use certain terms in this document, such as "resource" and "resources" that the SEC's rules prohibit us from including in our filings with the SEC. U.S. investors are urged to closely consider the disclosures in our Form 20-F, SEC File No. 1-15200. This form is available on our website or by calling 1-800-SEC-0330 or logging on to www.sec.gov.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this report, either to make them conform to actual results or changes in our expectations.

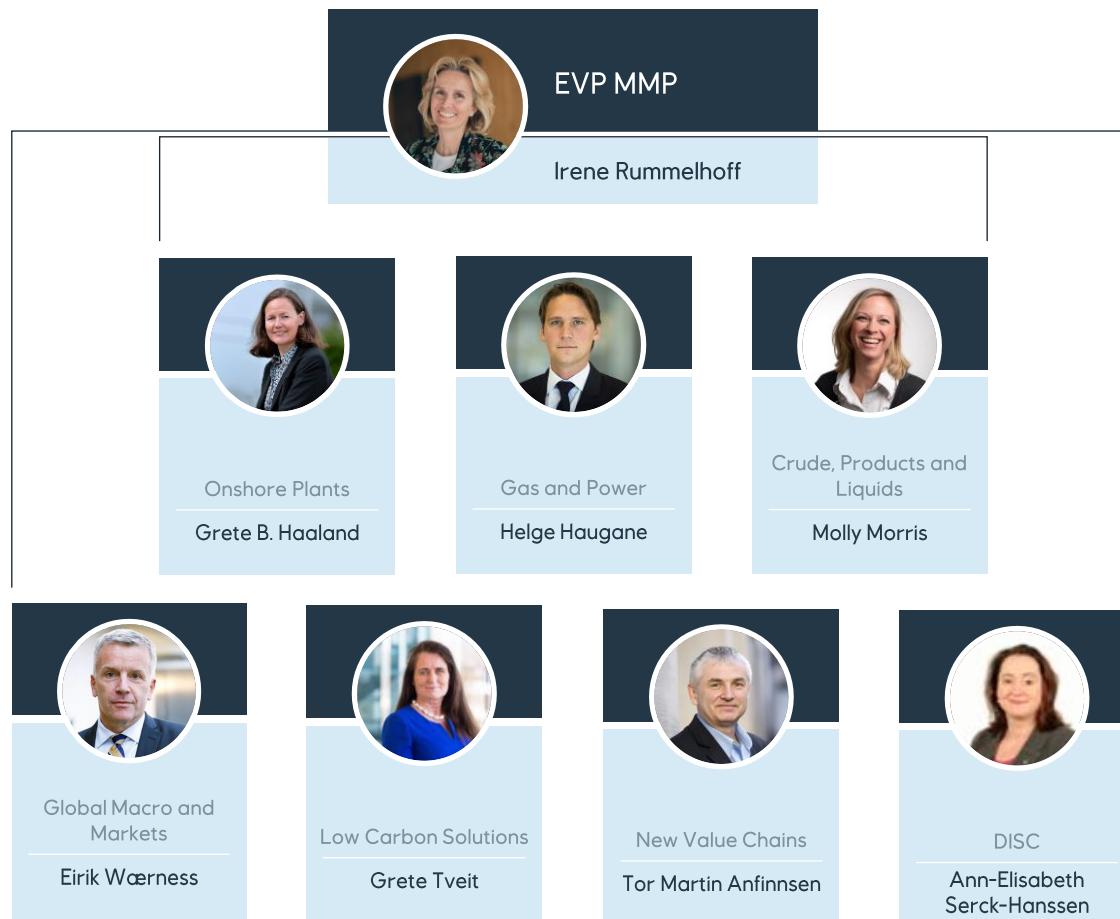


Marketing, Midstream and Processing

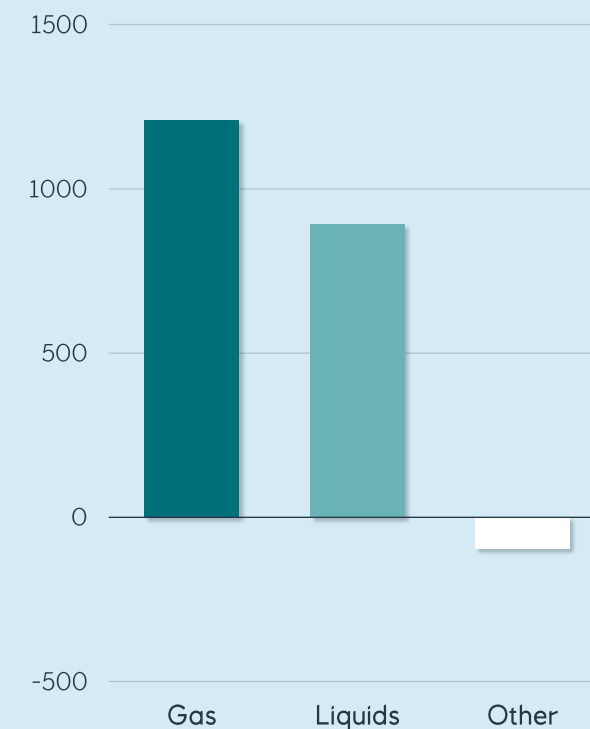
Helge Haugane

Senior Vice President, Gas and Power

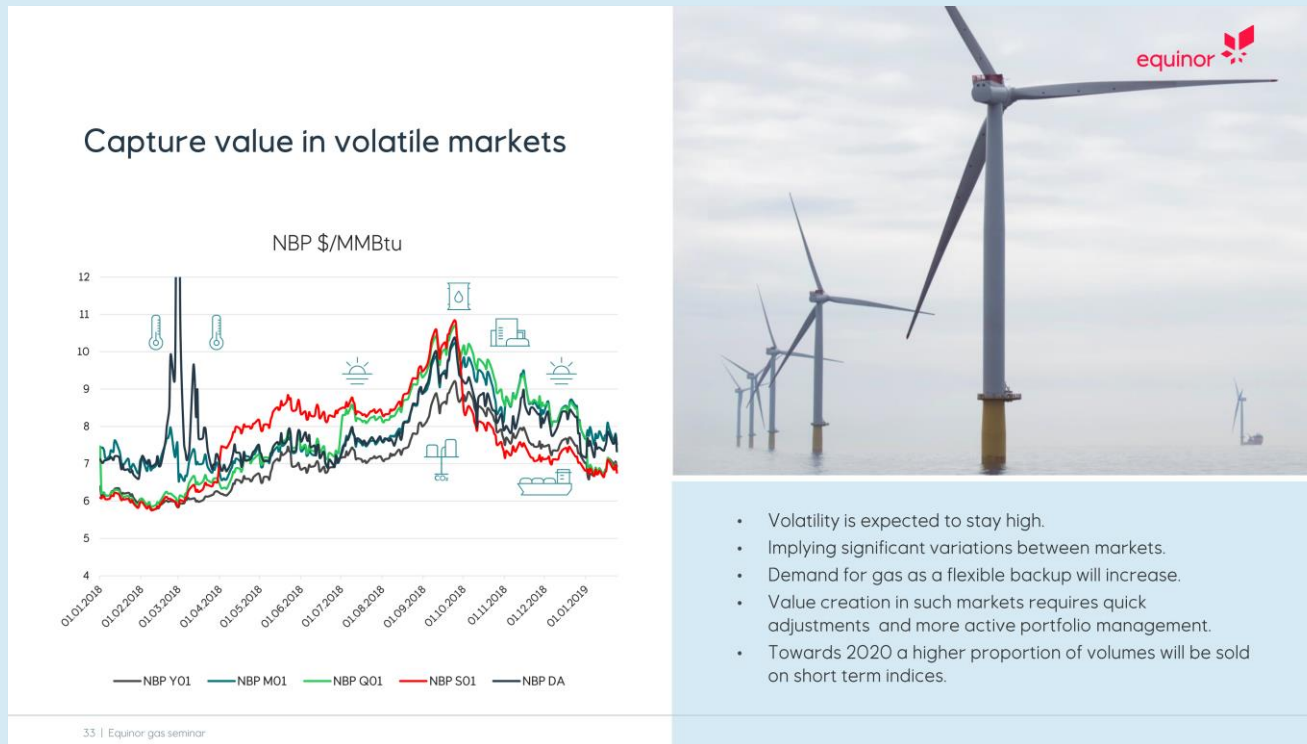
MMP organisation and 2020 full year result



MMP 2020 adjusted earnings
Million USD



We said at our last gas seminar volatility was expected to be high...



- Volatility is expected to stay high.
- Implying significant variations between markets.
- Demand for gas as a flexible backup will increase.
- Value creation in such markets requires quick adjustments and more active portfolio management.
- Towards 2020 a higher proportion of volumes will be sold on short term indices.

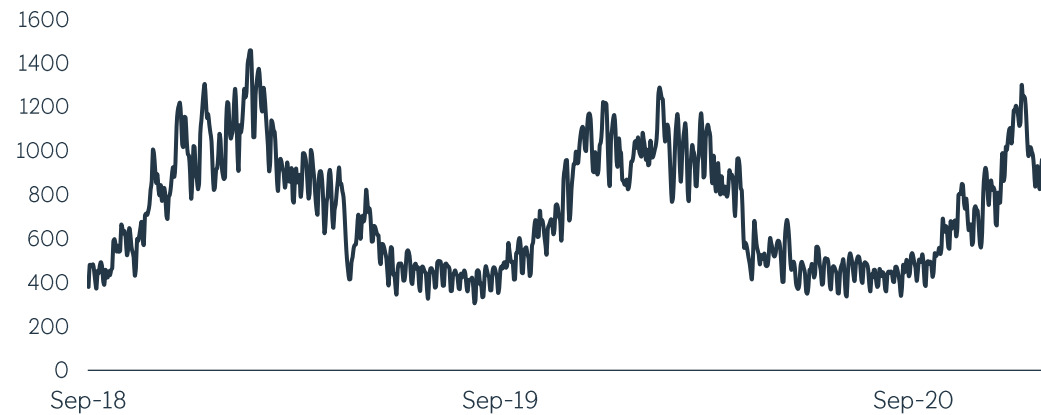
NBP
USD per MMBtu



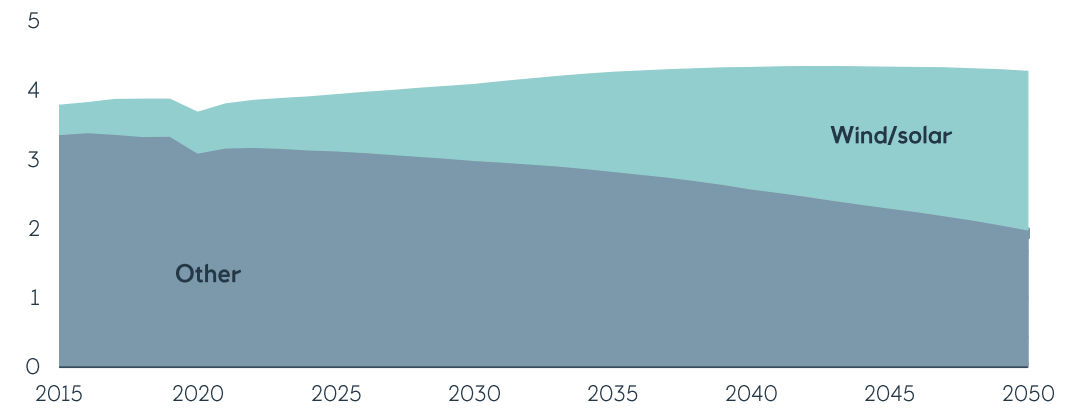
Sources: ICIS

Key drivers for future volatility in the gas market

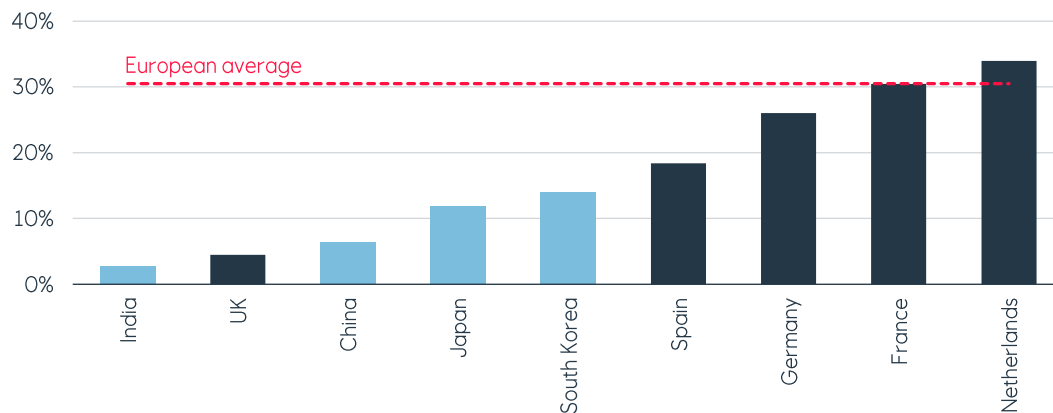
North West Europe gas demand
NWE gas demand mcm/d



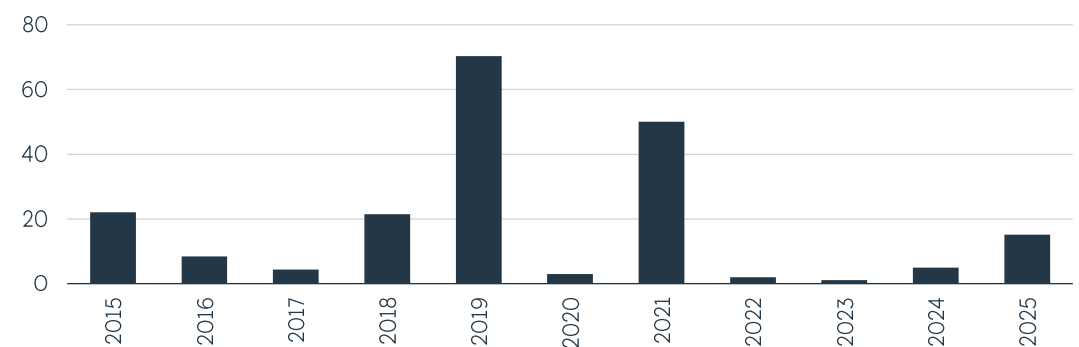
Renewable penetration in European power mix
European power generation Reform (TWh)



Storage capacity in growth markets
% gas storage capacity vrs total demand



Postponements of liquefaction FIDs
Liquefaction FIDs in BCM



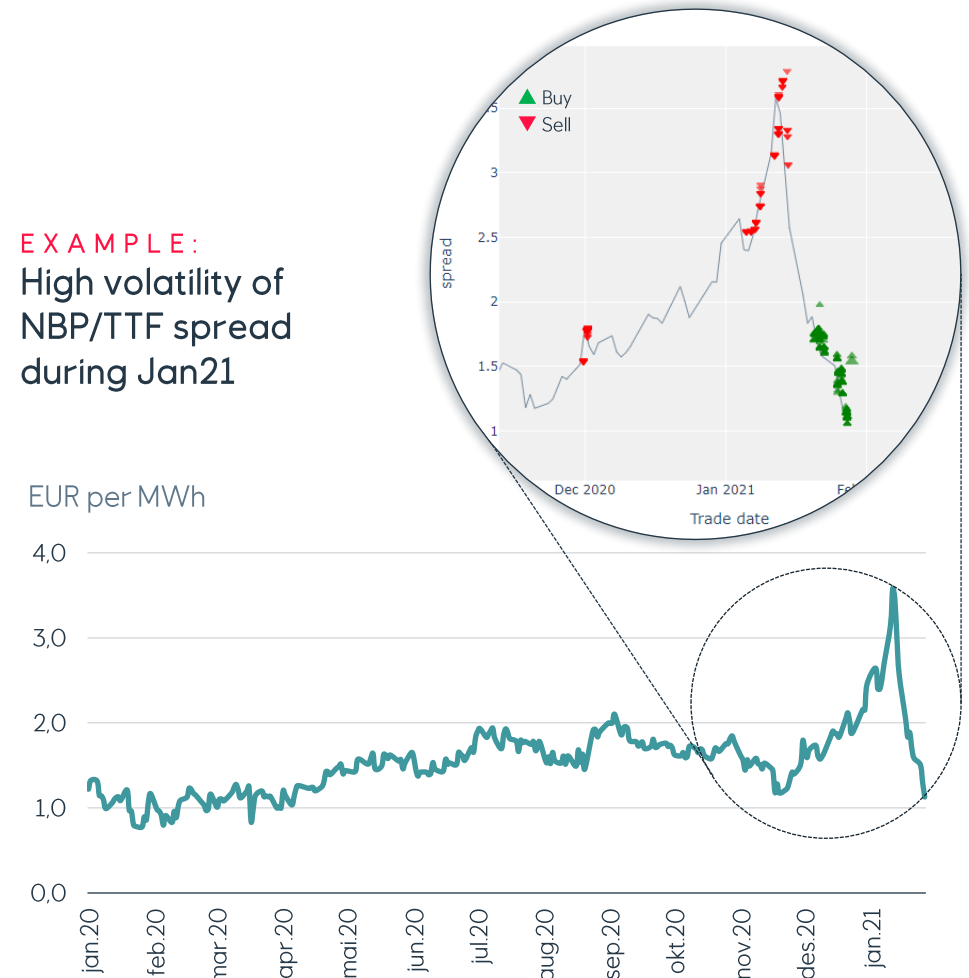
Sources: TSO's; Platts; IHS; EQNR MA

Volatility - a good thing for our gas trading!

The Asset Backed Trading strategy

 <p><i>We have</i></p> <p>OPTIONALITY in our gas system from Field to Hub</p>	 <p><i>We do</i></p> <p>OPTIMISATION of flows and bookings against markets</p> <p>HEDGING of opportunities on Forward spreads</p>	 <p><i>We keep doing</i></p> <p>RE-OPTIMISATION and CHURNING of forward Hedges when markets change</p>
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EXAMPLE:
High volatility of
NBP/TTF spread
during Jan21



There is no contradiction in believing
in massive renewable growth and
a good future for gas...

It is more likely a prerequisite to
believe in **both**...





Macro developments and long-term gas markets

Eirik Wærness

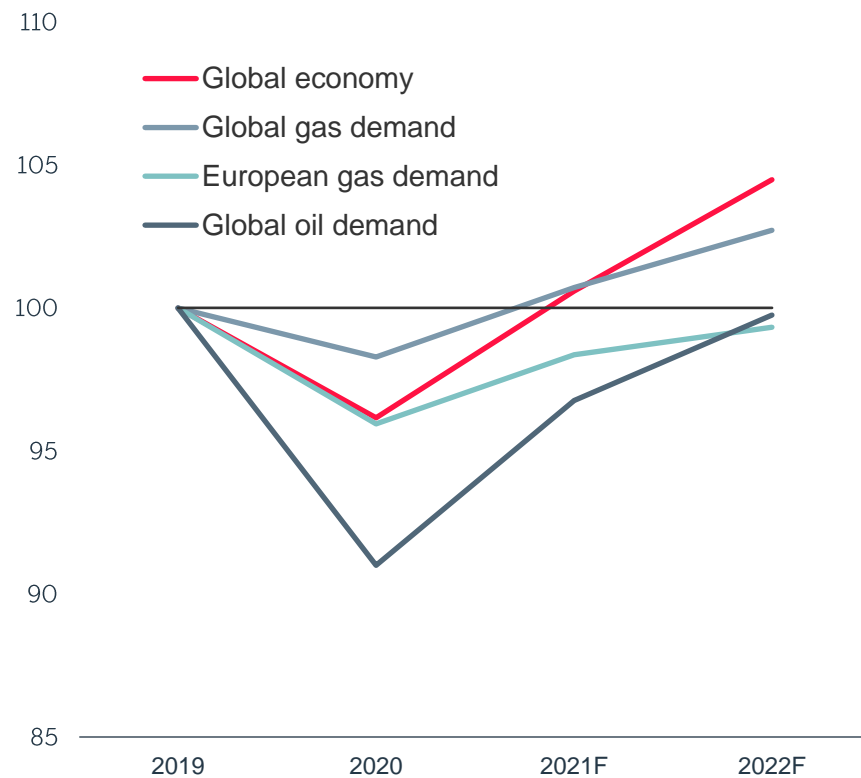
Senior Vice President, Global Macro and Markets

Health crisis and economic collapse take their toll on oil and gas markets

As the Covid-19 virus subsides, activity and demand will ramp up again

The global economy, oil and gas demand

Annual indices, 2019=100



- Largest global economic downturn since the 1930s
- Oil market has been hardest hit, also significant drop in gas demand
- Covid-19 still a drag on economies, however, given health improvements, a recovery is expected
- But: Unsynchronized and dependent upon policy support
- Oil demand expected to reach pre-crisis level late 2022
- Global gas demand recovers quicker, but Europe to lag
- Downside risks dominate; a possible worse Covid-19 development, prolonged lockdowns and financial stress
- Disciplined Opec+ supply management needed, gas markets more temperature driven

Source: Oxford Economics, IEA, PIRA, IHS Markit, Equinor (projections)

Global climate signals have become more visible throughout 2020



China: 2060 net-zero target

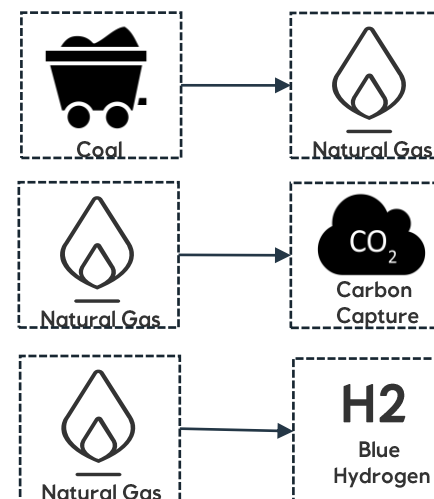
Japan and South Korea: 2050 net-zero targets

Canada: 2050 net-zero target

EU and UK: more ambitious emission reduction targets for 2030 (-55% and -68%, respectively)

US: re-entered the Paris Agreement early 2021

Dynamics supporting gas demand



Coal to gas switching

Carbon Capture, Storage and Utilization

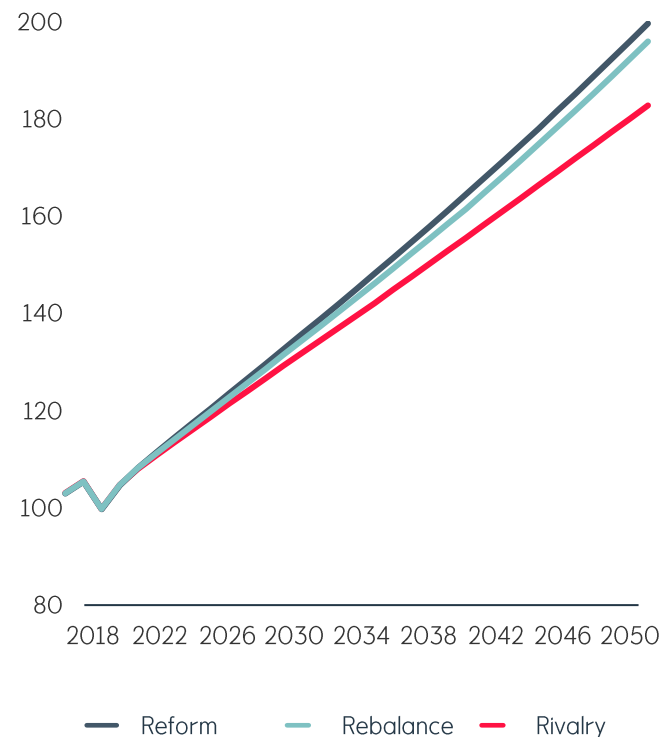
Blue Hydrogen

Multiple long-term outcomes – in term of growth, energy demand and mix

There is an energy transition in all scenarios, but only in Rebalance is it fast enough – decarbonized electrification is key to the development

Global GDP

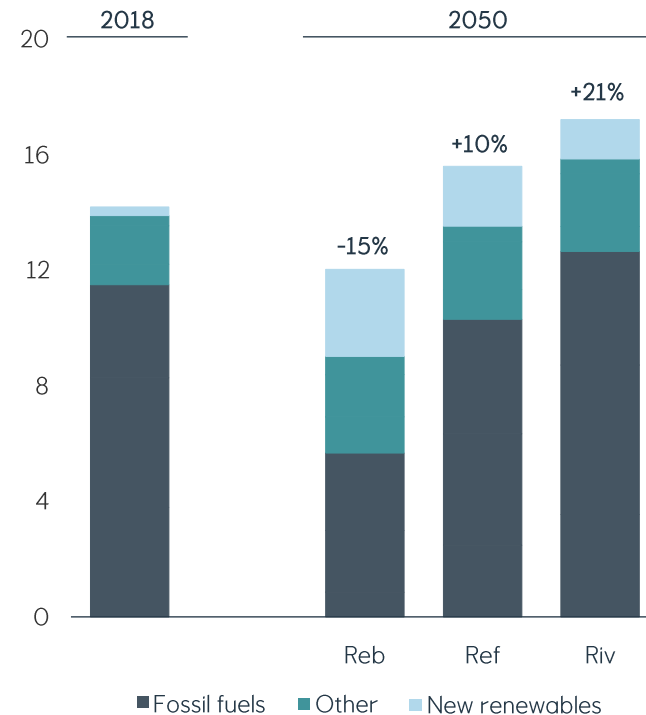
Indexed to 100 in 2018, constant USD



Source: IEA, Equinor

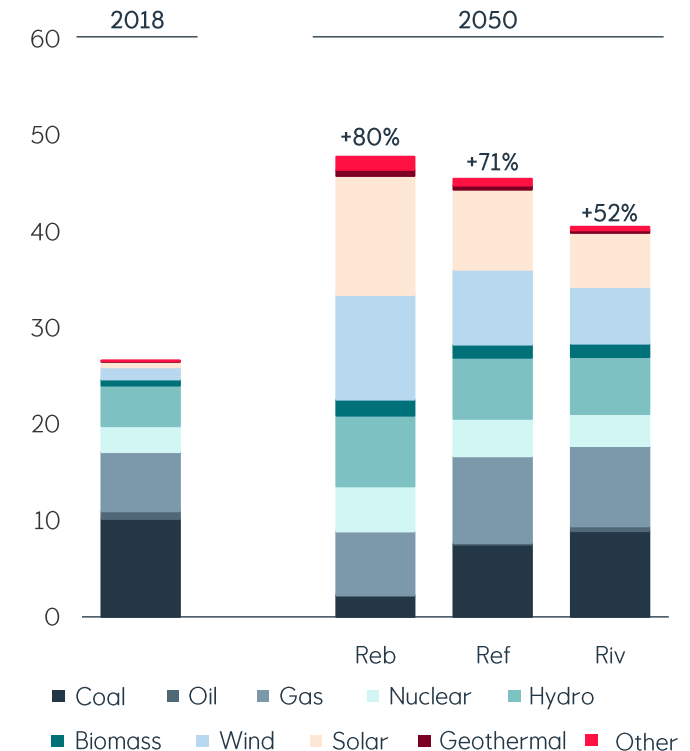
World primary energy demand

Billion toe



Electricity generation

Thousand TWh



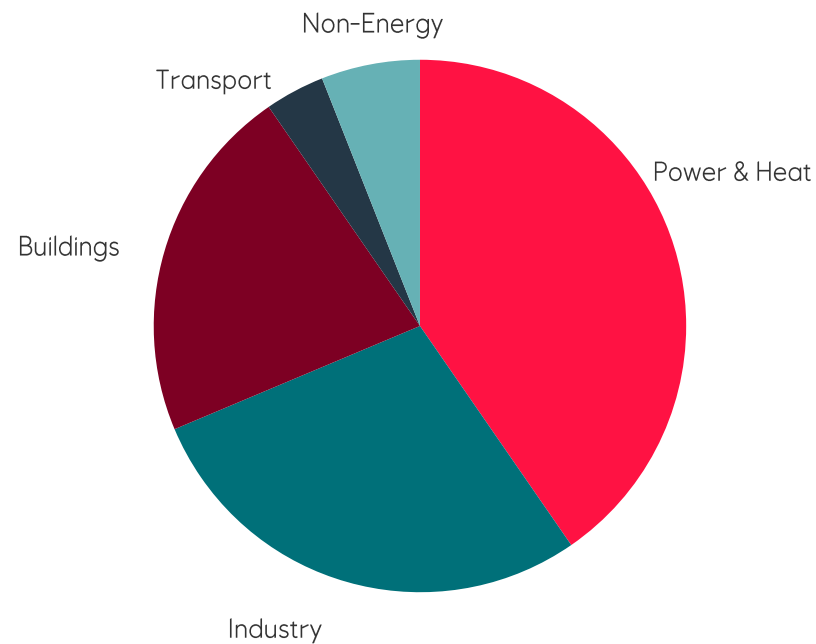
Gas is a flexible fuel used in different sectors, with tough competition

40% of gas demand from the power and heat sector. Replacing coal with gas in power and heat would increase gas demand by ~75%



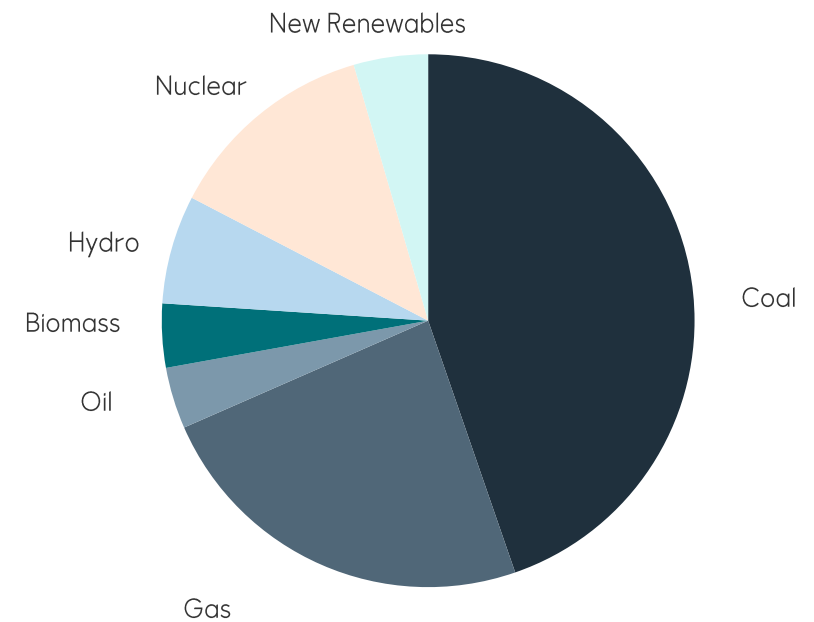
Gas demand in 2018

Gas demand was 3,900 bcm, with 1,600 bcm going to power & heat



Power & Heat fuel mix

Gas is 24% of the fuel supply for the power and heat sector



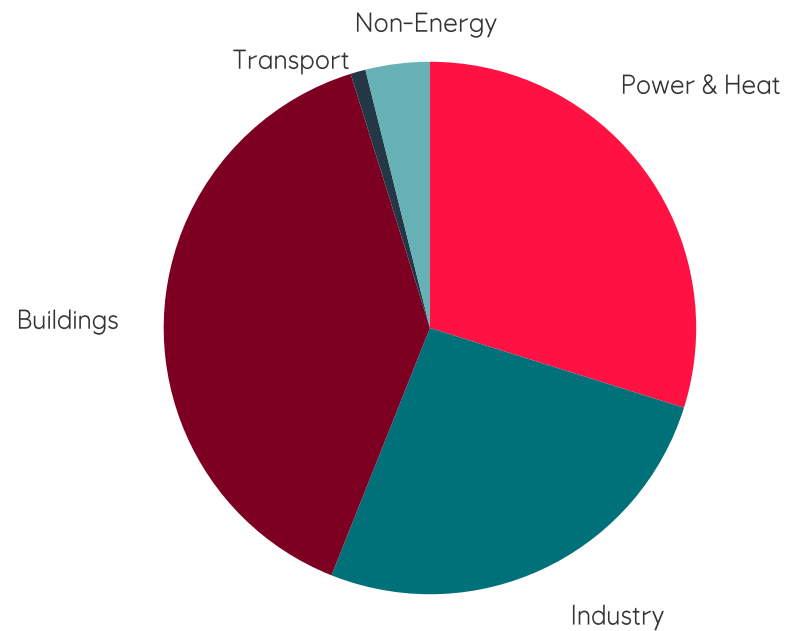
In EU28, gas is important both in buildings and in power & heat

30% of gas demand from the power and heat sector. Replacing coal with gas in power and heat would increase gas demand by ~10%



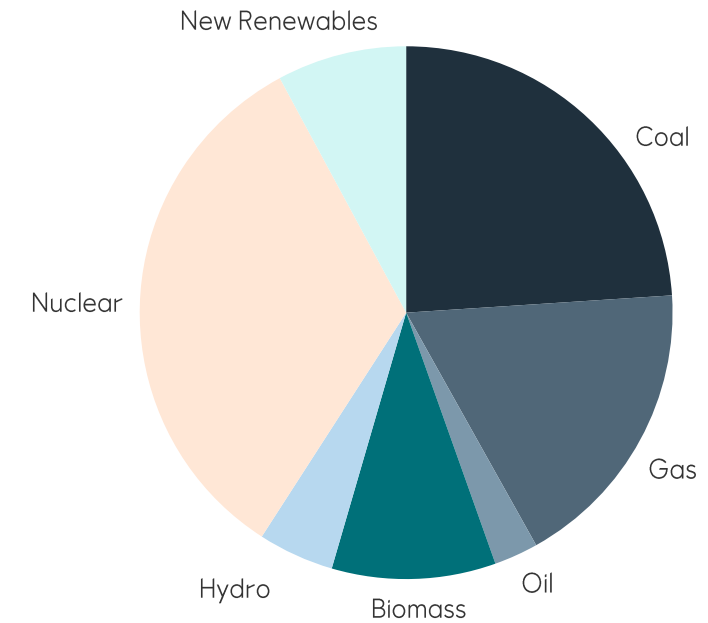
EU gas demand in 2018

Gas demand was 475 bcm, with 142 bcm going to power & heat



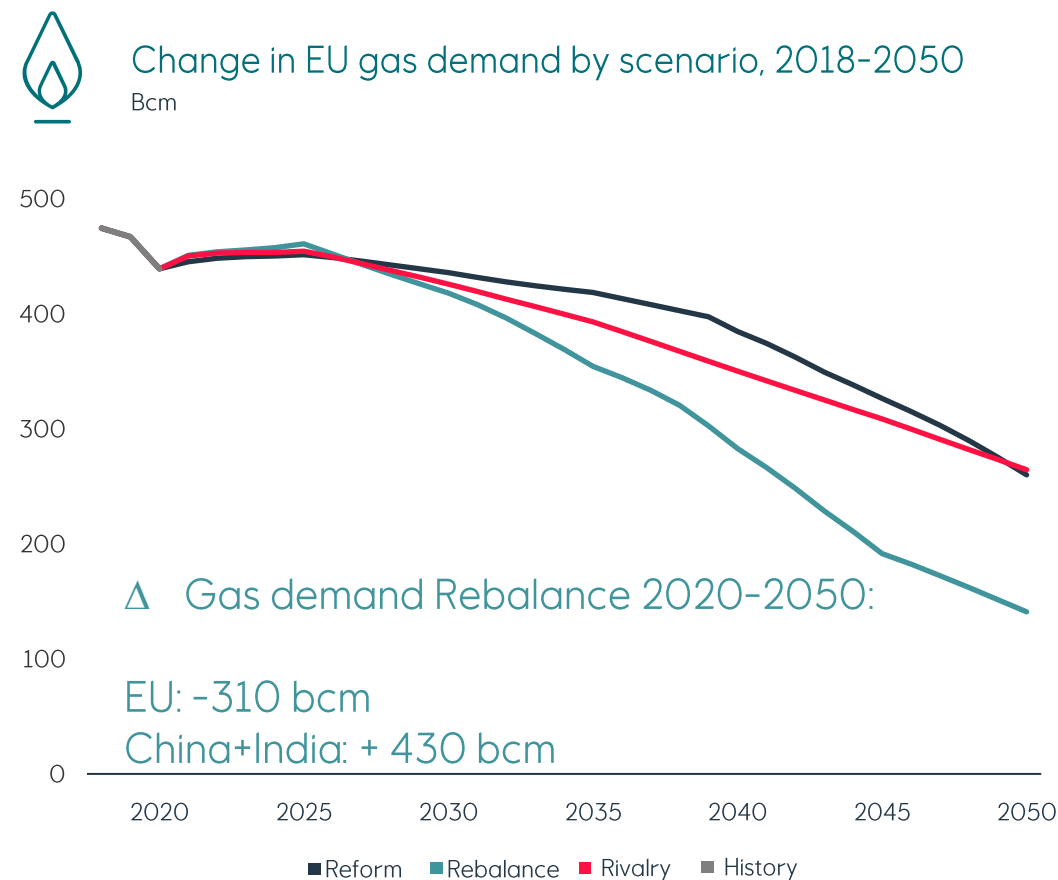
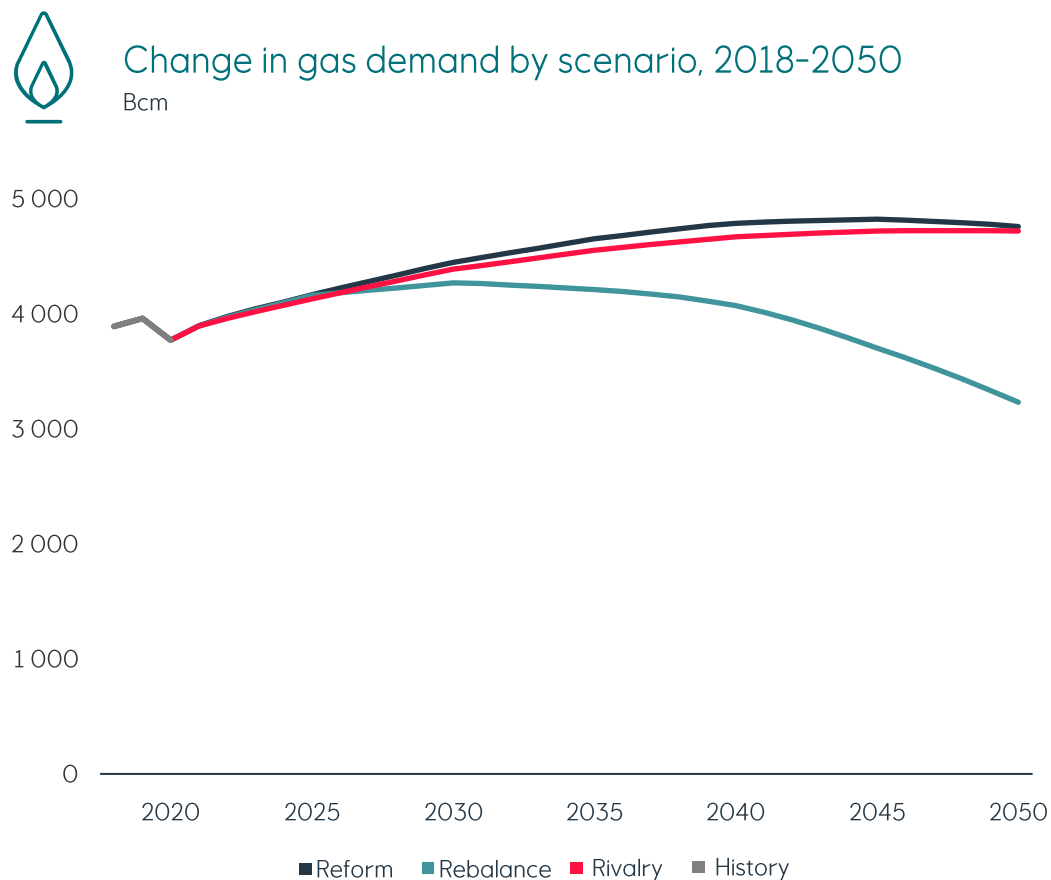
EU power & heat fuel mix

Gas is 18% of the fuel supply for the power and heat sector



Natural gas demand – divergence beyond the 2020s

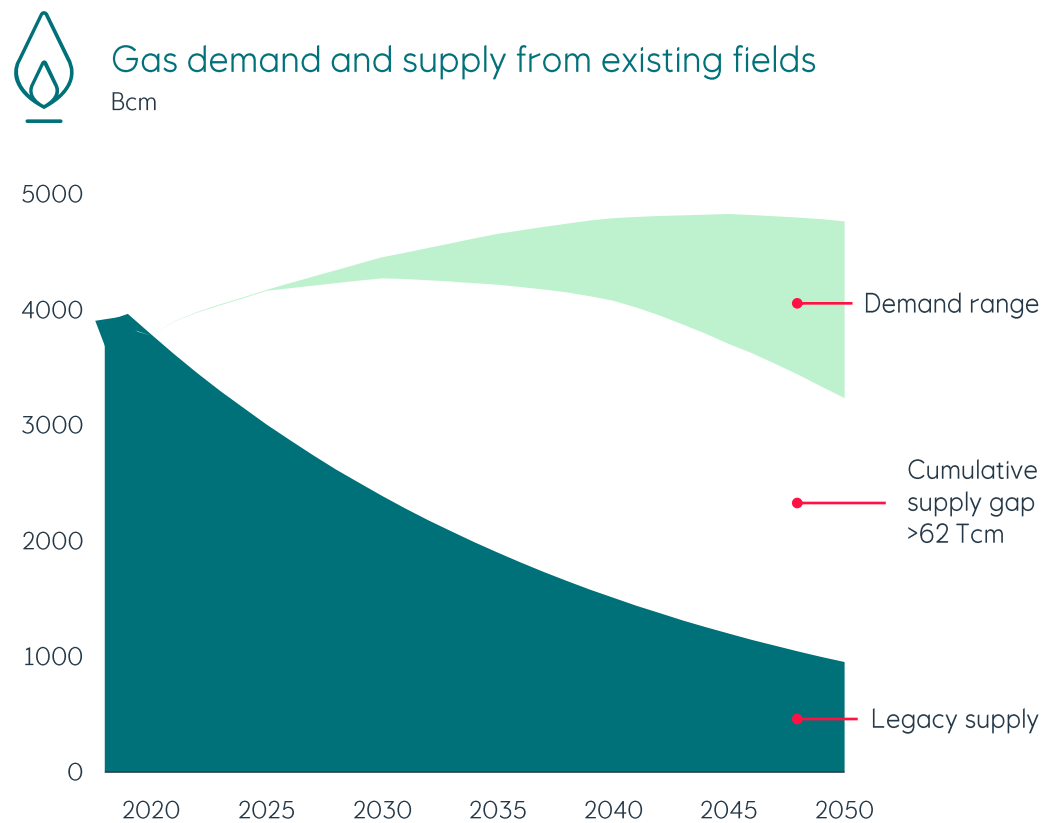
China and India key regions in Rebalance, balancing demand decline in industrialized countries – gas supports coal phase-out in electricity



Source: IEA, Equinor

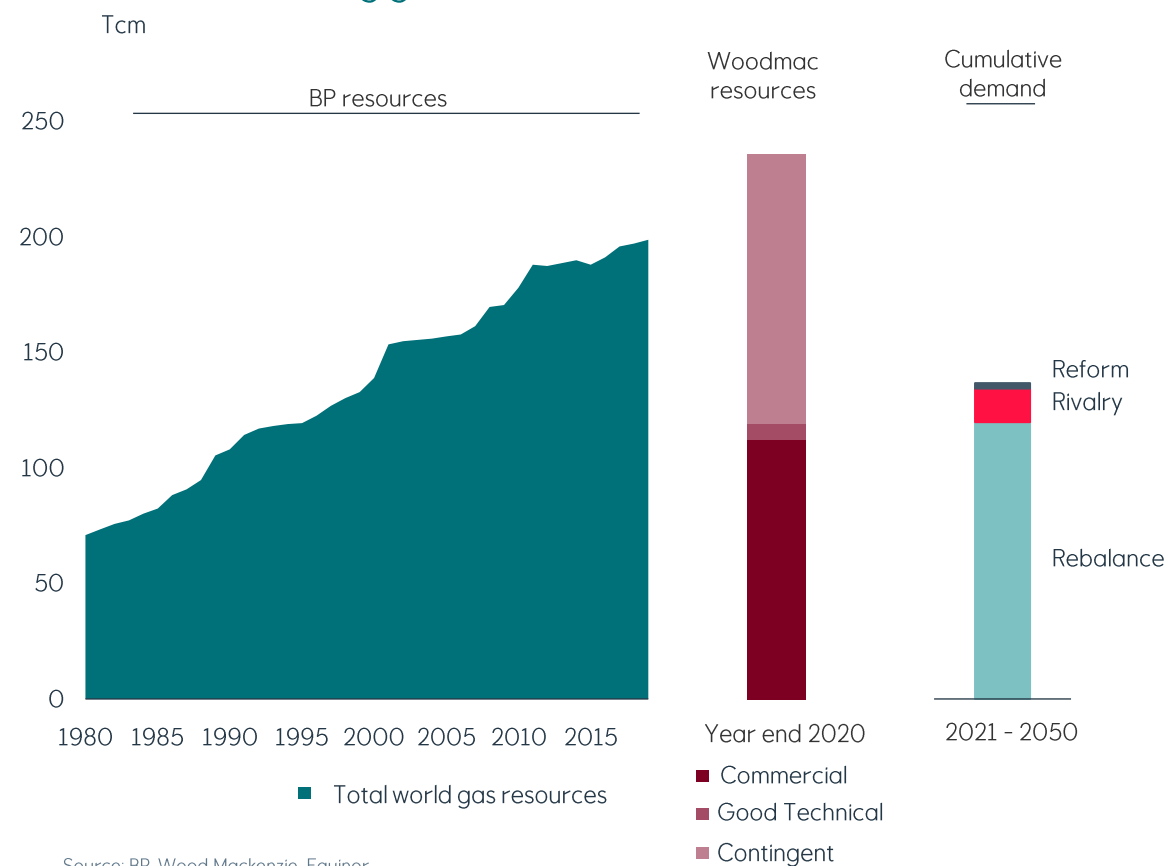
Is there a case for new gas resources?

Gas resources highly dependent on location and market accessibility – prices will impact development



Source: IEA, Equinor

Global remaining gas resources and total cumulative demand



Source: BP, Wood Mackenzie, Equinor



Short- and medium-term gas markets

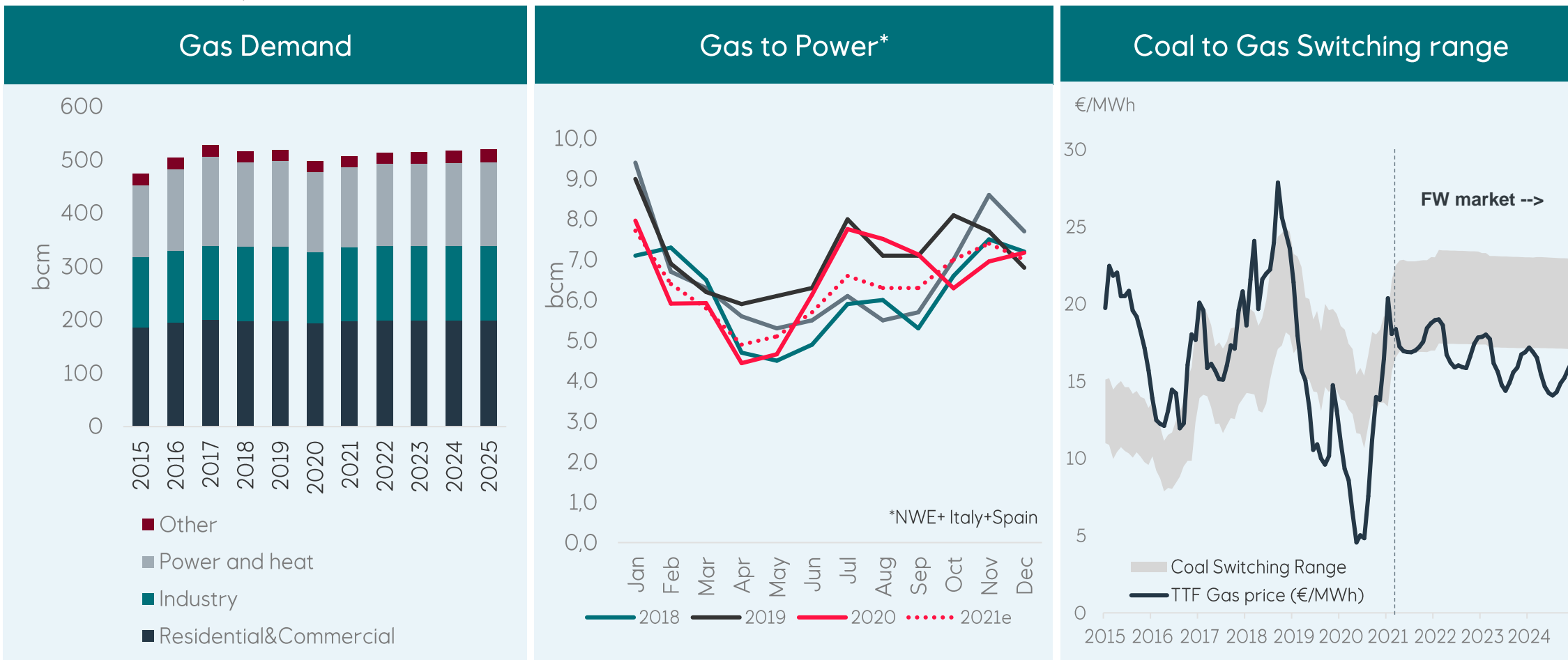
Anna Balina

Principal analyst, MMP

European gas demand dropped 4% in 2020

European gas demand expected to gradually recover during 2021

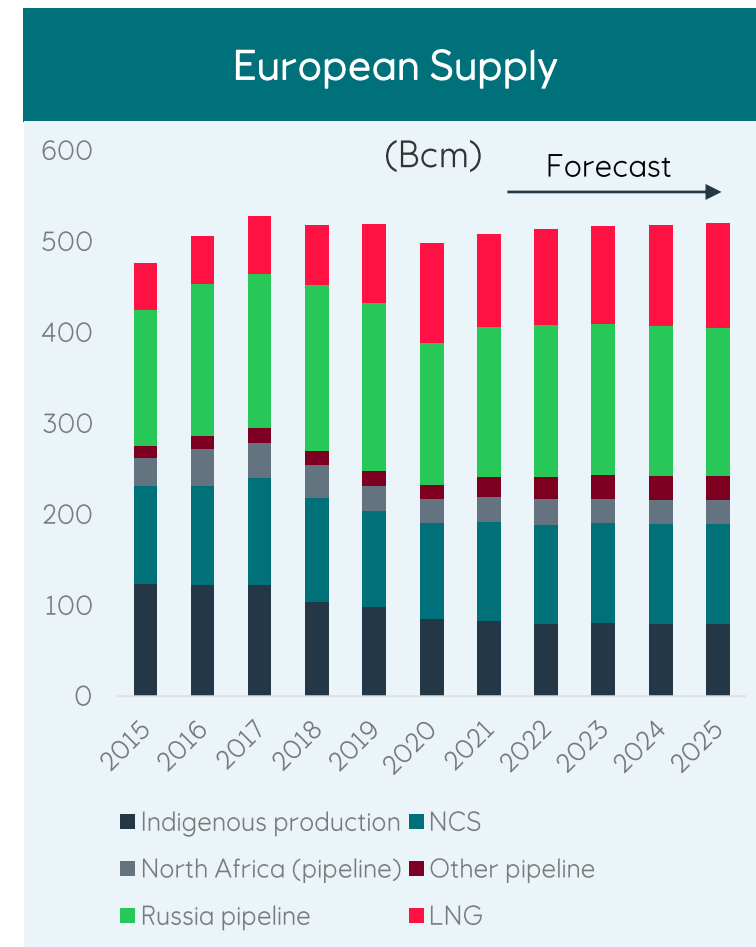
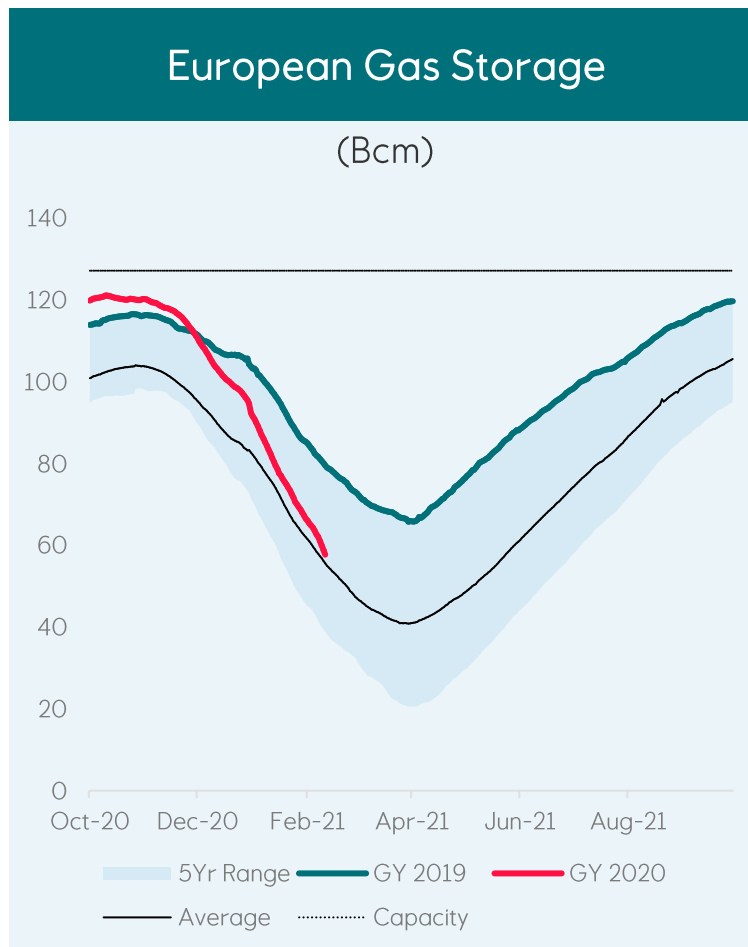
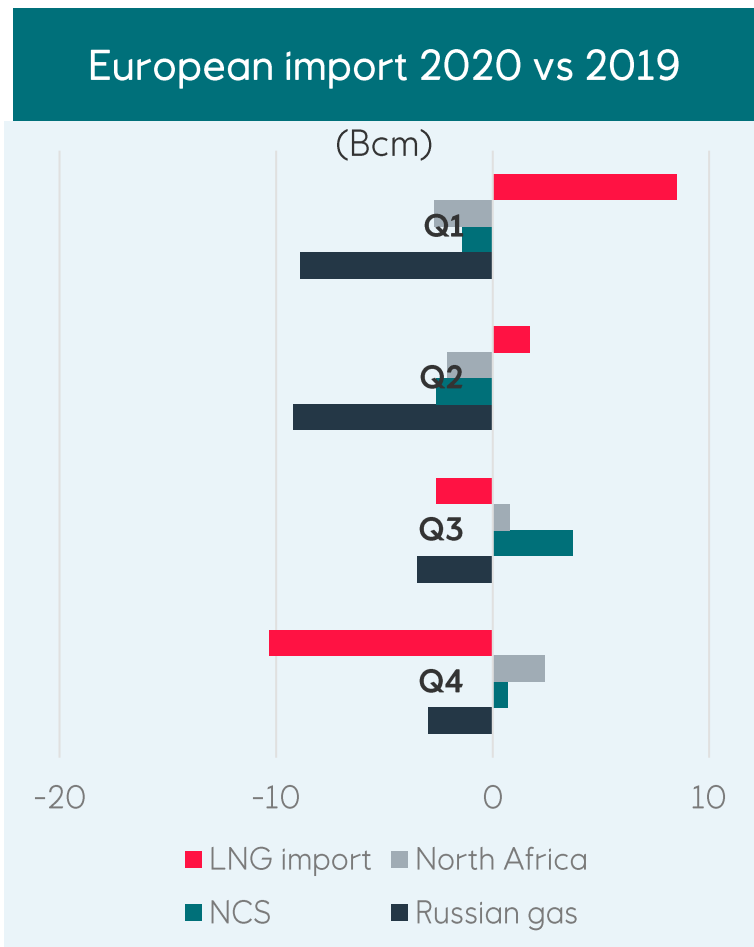
Source: EP20; TSO's; EQNR MA analysis



Europe played a crucial role in balancing the global gas market during 2020

Reduction of both pipeline and LNG import, however, they played differently throughout year

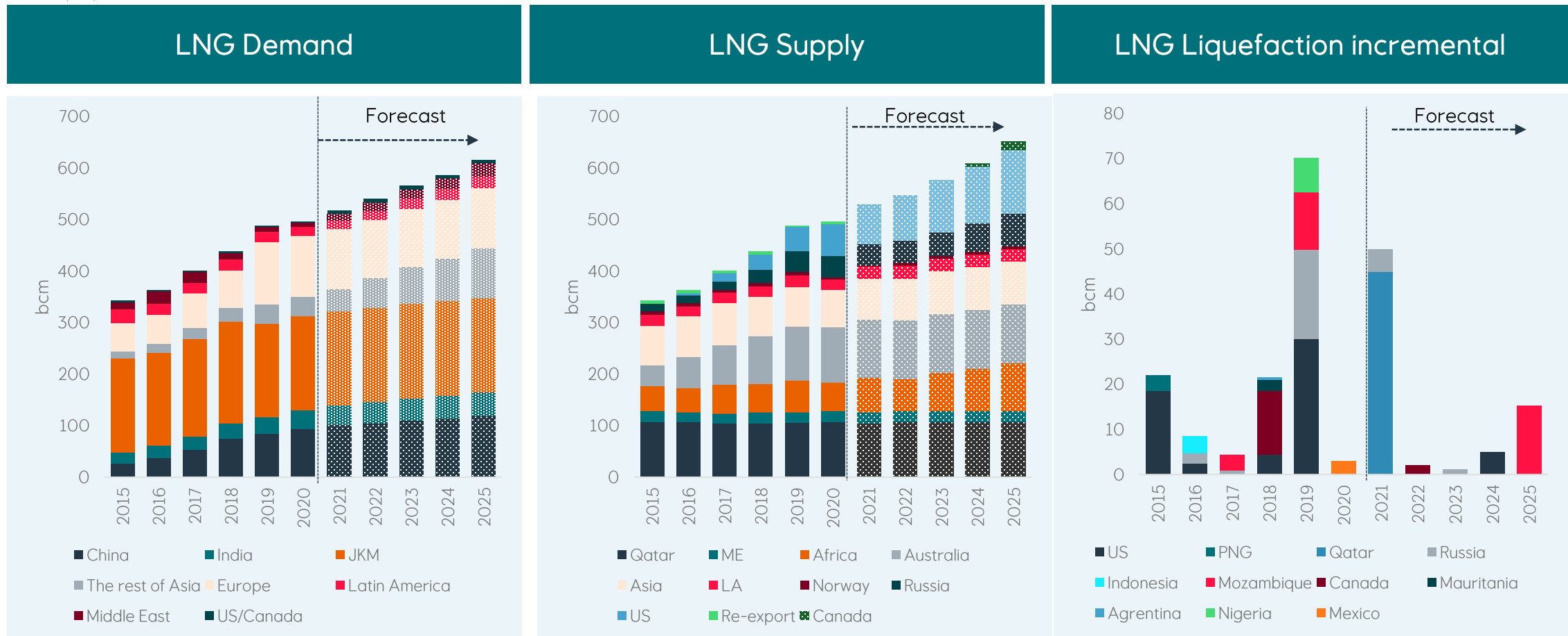
Source: IHS, Platts, EQNR MA



Asia in the driver`s seat when it comes to LNG import, US leads LNG export growth

Covid-related market uncertainty puts LNG supply investment on hold

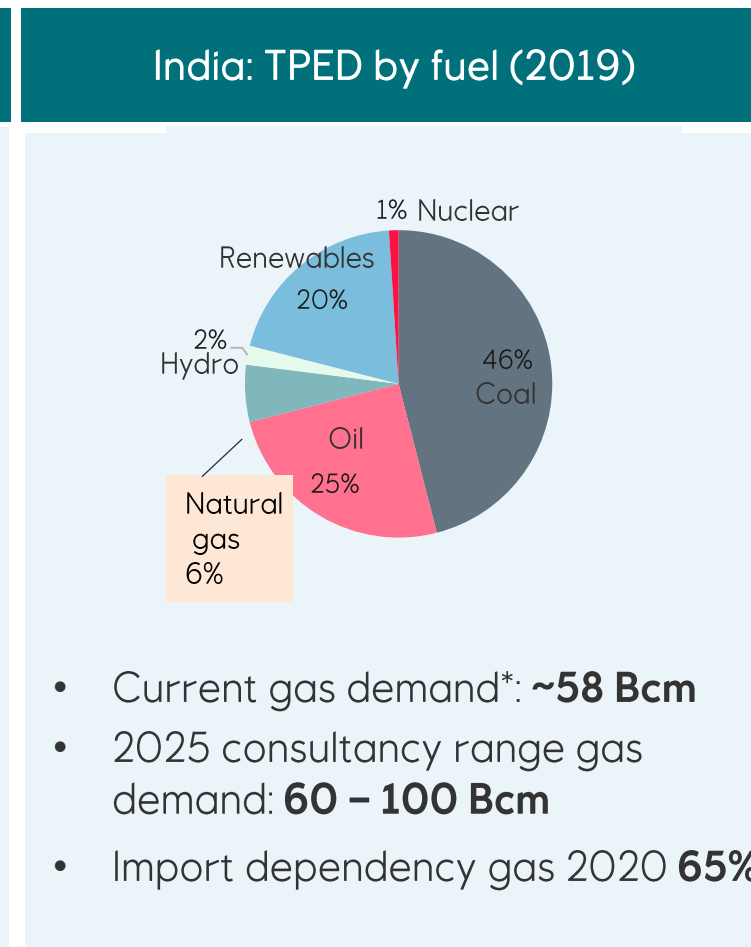
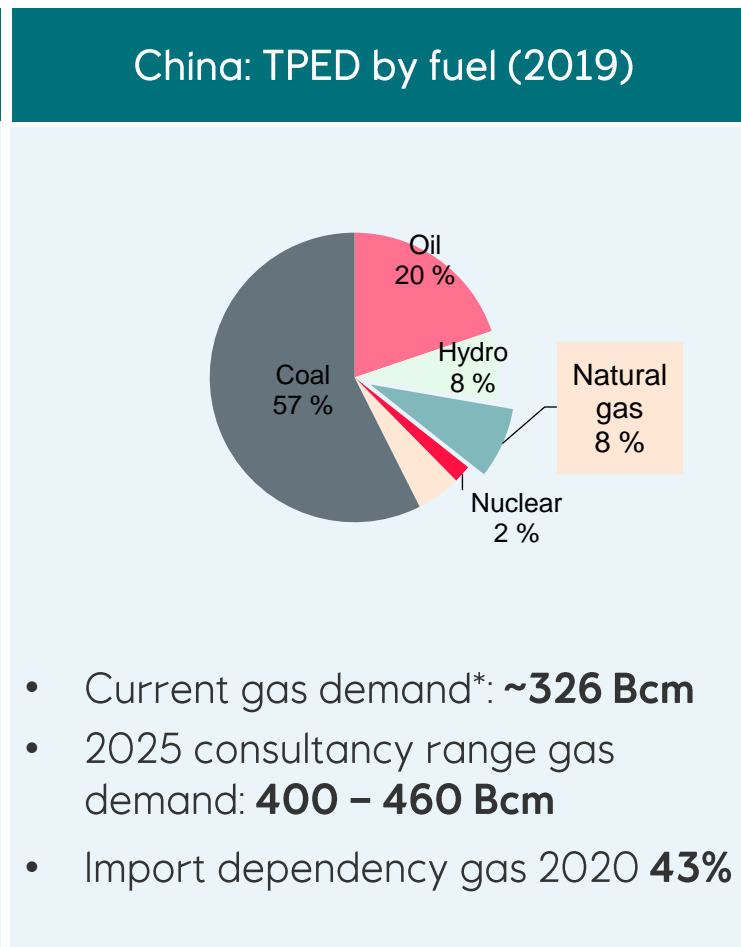
Source: IHS, EQNR MA



Gas demand in Asia projected to rebound and increase in 2021

China and India will lead gas demand growth

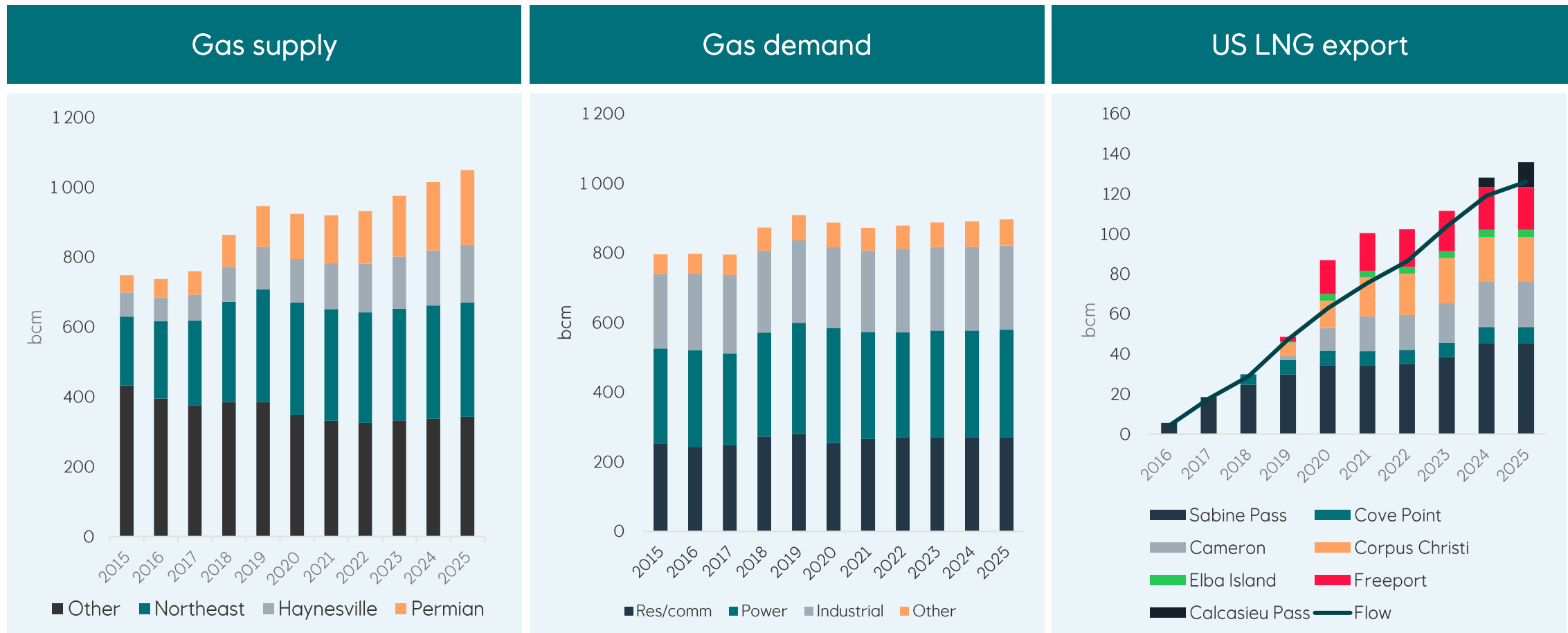
Source: IEA, IHS, EQNR MA



As prices continue to improve, US gas production return to growth in late 2021

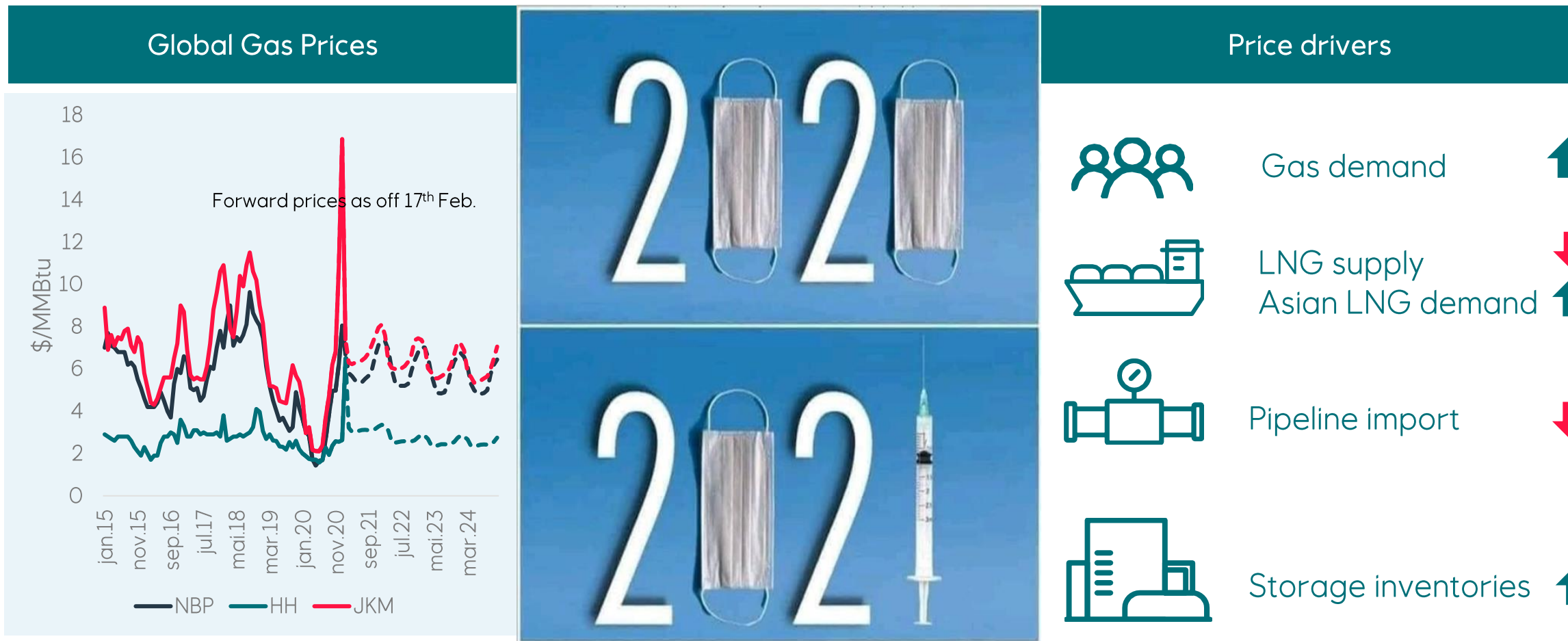
Incremental growth in supply will push LNG exports higher

Source: WoodMac, IHS., PIRA, EQNR MA



Global Gas Prices in 2020: historical lows, steep recovery and high volatility...

Gas prices expected to recover in 2021, but strong supply will continue to keep pressure on prices



Investor Relations in Equinor

E-mail: irpost@equinor.com

Investor Relations Europe

Peter Hutton	Senior Vice President	phutt@equinor.com	+44 788 191 8792
Lars Valdresbråten	IR Officer	lava@equinor.com	+47 40 28 17 89
Erik Gonder	IR Officer	ergon@equinor.com	+47 99 56 26 11
Fan Gao	IR Officer	fgao@equinor.com	+44 777 191 8026
Dennis Arthur	IR Officer	dear@equinor.com	+44 782 527 5429
Anne Sofie Dahle	Senior Consultant	asda@equinor.com	+47 90 88 75 54

Investor Relations USA & Canada

Helge Hove Haldorsen	Vice President	hehh@equinor.com	+1 281 224 0140
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