

Case 9 for Statoil ASA Annual General Meeting 11 May 2016

Proposal from shareholder regarding Statoil's strategy

A shareholder has proposed the following:

"As provided by Section 5-11 of the Public Limited Liability Companies Act I, as a shareholder, ask that the following matter be presented for discussion and vote at Statoil's annual general meeting on 11 May 2016:

2015 marked a paradigm shift for international oil and gas industry. The oil price dropped to a historical low, and at the UN climate change conference in Paris the nations of the world agreed on a target limiting global warming to 1.5 degrees Celsius.

Statoil is one of the 40 companies directly or indirectly accountable for almost one-third of the world's greenhouse gas emissions. Statoil alone is accountable for almost 300 million tonnes of greenhouse gases, or five times as much as the total Norwegian greenhouse gas emissions. Statoil must therefore take its part of the responsibility for a reduction of the national and global greenhouse gas emissions. The establishment of the New Energy Solutions business area and the Energy Ventures investment fund to develop a commercial renewable energy venture is a positive step in the right direction, but not enough. Statoil should also minimise the emissions of CO₂ from producing fields and processing facilities as far as possible. An important part of this would be to withdraw from highly polluting, unprofitable ventures abroad.

Proposal for resolution:

"The board presents a revised strategy reflecting the company's joint responsibility for helping meet the current energy demand within the framework of national and international climate targets.

The board should in this context consider the opportunities and consequences of the following relevant sub-strategies:

- 1. Withdraw the company from polluting and unprofitable ventures, such as tar sand in Canada and fracking in the USA.*
- 2. Terminate exploration for new oil and gas sources nationally and globally, including New Zealand.*
- 3. Increase the focus on New Energy Solutions with a triplication of planned investments in renewable energy from 1.7 to NOK 5.1 billion by 2024.*

The result of the strategy work to be presented in the annual reports for 2016/17."

The Board's response to item 9 "Proposal from shareholder regarding Statoil's strategy" raised to Statoil ASA's annual general meeting on 11 May 2016

Exploration, production, transportation, refining and marketing of petroleum is defined as the company's primary objective pursuant to article 1 of the articles of association.

Climate change represents one of the greatest challenges of our time, and Statoil fully recognises the need for the oil and gas industry's contributions with actions and emission reductions to limit global warming.

The company's ambition is to remain one of the world's most carbon efficient oil and gas producers. In parallel, we further develop a profitable position within renewable energy. This will enable us to continue to create value for our shareholders in a sustainable way.

In the past year Statoil has established new reduction targets for Statoil's emissions in the company's operations and value chain. Statoil is also involved in technology development and industrial cooperation aimed at helping reduce both carbon and methane emissions.

During 2015 Statoil has established a separate business area responsible for renewable energy. We have increased our commitment through continued development of offshore wind power, increased technology and research activity within new energy systems and established a new venture fund.

Changing the world's energy system in order to meet the growing global energy demand in a more sustainable way is a massive challenge. Significant renewable energy investments are required. At the same time the most respected forecasters expect that even in a low-carbon society, there will be a substantial need for oil and gas in order to meet the global energy demand for several decades. Statoil finds it important that this is done in a sustainable way, including gas replacing coal, and energy consumption and carbon emissions being minimised in the production processes.

Furthermore the board stresses the importance of complying with the principles of good corporate governance, which state that the company's strategy is to be determined by the board.

Based on the above, the board of directors recommends the annual general meeting to vote against the proposal.