

# 2014

Statement on remuneration  
for Statoil's Corporate  
Executive Committee



Statoil

## Statement on remuneration and other employment terms for Statoil's Corporate Executive Committee

### Chair introduction

*Statoil's remuneration policy and terms are aligned with the company's overall values, people policy and performance-oriented framework. Our rewards and recognition for executives are designed to attract and retain the right people; people who perform, change and learn. It remains a key role for the board to ensure that executive compensation is competitive in all the markets we operate. Executive compensation should also be seen as fair and aligned with overall compensation levels in the company, and with shareholders' interests. The board must strike this balance. It is our responsibility.*

*In this context, shareholder guidance is both relevant and welcome. Shareholder guidance should encourage the board to carefully consider both compensation incentives and levels, but avoid increasing details and complexity. Statoil's board is guided by clear goals relating to executive compensation: Transparent. Fair. Competitive, but not market-leading.*

*It is the board's firm belief that the remuneration systems and practices are transparent and that deviations are explained in accordance with prevailing guidelines and good corporate governance.*



**Svein Rennemo**

*Chair of the board and member of the board's compensation and executive development committee*

Oslo, 10 March 2015  
Svein Rennemo

Pursuant to the Norwegian Public Limited Liability Companies Act, section 6-16 a, the board will present the following statement regarding remuneration of Statoil's Corporate Executive Committee to the 2015 Annual General Meeting.

## 1. Remuneration policy and concept for the accounting year 2015

### 1.1. Policy and principles

In general the company's established remuneration principles and concepts will be continued in the accounting year 2015. As described in section 1.2 the general pension scheme in the parent company has been changed. The changes will be implemented in 2015.

The remuneration concept is an integrated part of our values based performance framework. It has been designed to:

- reflect our global competitive market strategy and local market conditions
- strengthen the common interests of employees in the Statoil group and its shareholders
- be in accordance with statutory regulations and good corporate governance
- be fair, transparent and non-discriminatory
- reward and recognise delivery and behaviour equally
- differentiate on the basis of responsibilities and performance
- reward both short- and long-term contributions and results

### 1.2. The remuneration concept for the corporate executive committee

Statoil's remuneration concept for the Corporate Executive Committee consists of the following main elements:

- Fixed remuneration (base salary and Long-Term Incentive, LTI)
- Variable pay
- Benefits (primarily pension, insurance and share savings plan)

Fixed remuneration consists of base salary and an LTI programme. Statoil will continue the established LTI system in the form of fixed compensation with an obligation to invest in Statoil shares for a limited number of senior executives and key professional positions. The purpose of the LTI scheme is alignment with shareholder interests and retention. Members of the corporate executive committee are included in the scheme.

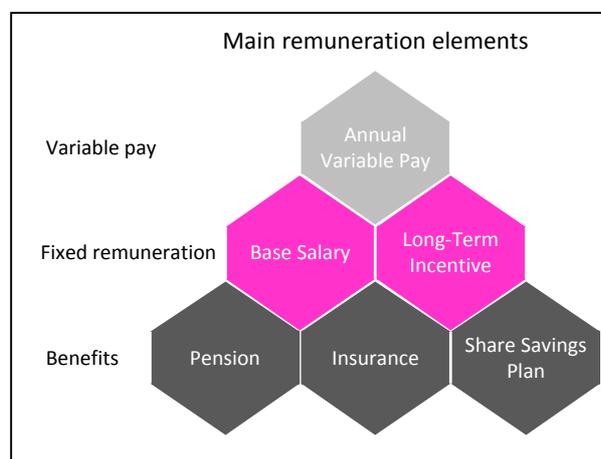


Figure 1: Statoil's main remuneration elements for the corporate executive committee

The only variable pay element for parent company executives is the annual variable pay scheme which has a maximum potential of 50% of the fixed remuneration. The company's performance based variable pay concept will be continued in 2015.

The main benefit programmes applicable to senior executives are the general pension scheme, the insurance scheme and the employee share savings plan. Statoil has decided to implement a defined contribution scheme as the new general pension scheme.

With the exception of employees who are 15 years or less from regular retirement age or who have the defined benefit scheme included in their individual agreements, all employees will be transferred to the new scheme. The employees exempted from transfer will retain the defined benefit scheme.

Deviations from the general principles outlined below pertaining to two members of the corporate executive committee, implemented with effect as of 1 January 2011, are described in section 3.1 below. These deviations have also been described in previous Statements on remuneration and other employment terms for Statoil's corporate executive committee.

The main elements of Statoil's executive remuneration are described in more detail in the table below.

#### Main Elements - Statoil Executive Remuneration

Remuneration Element	Objective	Award level	Performance criteria
<b>Base Salary</b>	Attract and retain the right high-performing individuals providing competitive but not market-leading terms.	We offer base salary levels which are aligned with the individual's responsibility and performance at a level which is competitive in the markets in which we operate.	The evaluation of performance is based on the fulfilment of pre-defined goals; see "Annual Variable Pay" below. The base salary is normally subject to annual review.
<b>Long-Term Incentive (LTI)</b>	Strengthen the alignment of top management and shareholder interests and retention of key employees.	The LTI system is a fixed, monetary compensation calculated as a portion of the participant's base salary; ranging from 20 – 30 per cent depending on the individual's position. On behalf of the participant, the company acquires shares equivalent to the net annual amount. The grant is subject to a three year lock-in period and then released for the participant's disposal. Deviations applicable for executive vice presidents employed outside the parent company are described in section 3.1 below.	In Statoil ASA, LTI is a fixed remuneration element. Participation in the LTI scheme and the size of the annual LTI element are reflective of the level and impact of the position and not directly linked to the incumbent's performance.
<b>Annual Variable Pay</b>	Drive and reward individuals for annual achievement of business objectives and behaviour goals.	The chief executive officer is entitled to an annual variable pay ranging from 0 – 50 % of his fixed remuneration. Target <sup>1</sup> value is 25%.  Correspondingly, the executive vice presidents have an annual variable pay scheme with a pay-out in the range of 0 – 40%. Target value is 20%.  Deviations applicable for executive vice presidents employed outside the parent company are described in section 3.1 below. The deviations will also apply in 2015.	Achievement of annual performance goals (delivery and behaviour), in order to create long-term and sustainable shareholder value. A balanced scorecard covering goals related to our five strategic objectives (People and organisation, Health, safety and environment, Operations, Market and Finance) are measured and assessed along with individual behaviour goals.  Developments to the performance management system in Statoil will be implemented for the chief executive officer and executive vice presidents in 2015. Further details in section 2.1 below.
<b>Pension &amp; Insurance Schemes</b>	Provide competitive postemployment and other benefits.	The new general occupational pension plan is a defined contribution scheme with a contribution level of 7% /22% below/above 7,1 G. The defined benefit scheme will be retained by a grandfathered group of employees. The benefit scheme has a pension level amounting to 66 per cent of the pensionable salary conditional on a minimum of 30 years of service. Pension from the national insurance scheme is taken into account when estimating the pension. In order to draw a full pension from Statoil's defined benefit scheme the employment with the company needs to be maintained until the pensionable age.	N/A
<b>Employee Share Savings Plan</b>	Align and strengthen employee and shareholder interests and remunerate for long term commitment and value creation.	Offer to purchase Statoil shares in the market limited to 5% of annual base salary.	If shares are kept for two calendar years of continued employment, the participants will be allocated bonus shares proportionate to their purchase.

### 1.3. Remuneration mix

The graphs below illustrate the chief executive officer's remuneration mix for 2015 and a typical remuneration mix for executive vice presidents. The chief executive officer's total remuneration package includes an additional fixed remuneration element compared to the executive vice presidents; please see further details of the chief executive officer's terms and conditions in section 1.7.

<sup>1</sup> Target value reflects fully satisfactory goal achievement

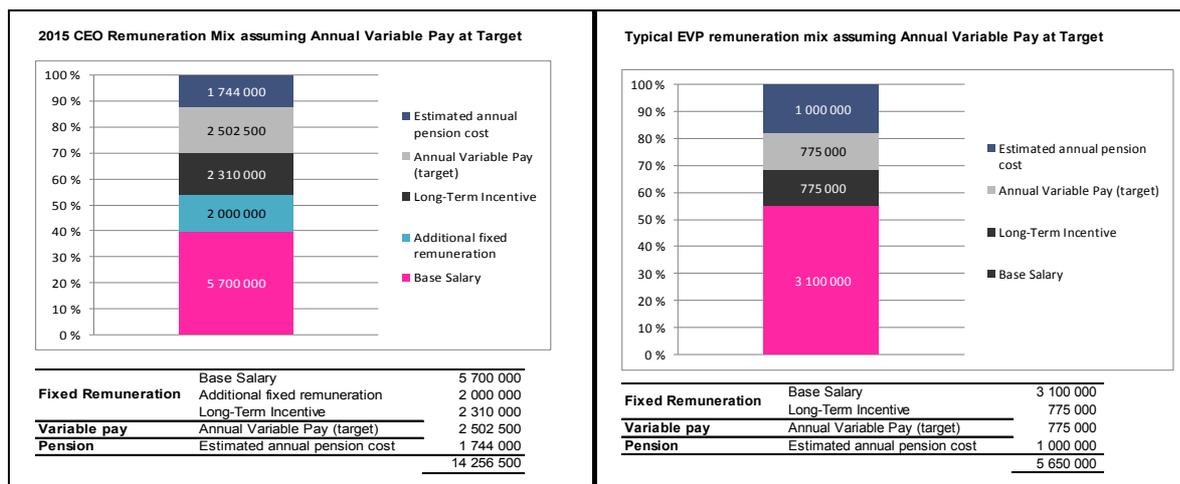


Figure 2: Illustrates chief executive officer remuneration mix for 2015 and an example of a typical remuneration mix for an executive vice president in Statoil.

#### 1.4. Pension and insurance schemes

The pension schemes for members of the corporate executive committee, including the chief executive officer, constitute supplementary individual agreements to the company's general pension plans.

The chief executive officer and one of the executive vice presidents have individual pension terms according to a previous standard arrangement implemented in October 2006. Subject to specific terms those executives are entitled to a pension amounting to 66 per cent of pensionable salary and a retirement age of 62. When calculating the number of years of membership in Statoil's general pension plan, these agreements grant the right to an extra contribution time corresponding to half a year of extra membership for each year the individual has served as executive vice president.

In addition, two members of the corporate executive committee have individually agreed retirement age of 65 and an early retirement pension level amounting to 66 % of pensionable salary.

The individual pension terms for executive vice presidents outlined above are results of commitments according to previous established agreements.

Following a board decision 7 February 2012, the company's standard pension arrangements for executive vice presidents deviating from Statoil ASA's general pension plan have been discontinued and have not been applied for new appointments to the corporate executive committee.

Pension accruals for pensionable salary above 12 times the national insurance basic amount (G) are recognised as an unfunded defined benefit pension plan, i.e. not funded in a separate legal entity.

In addition to the pension benefits outlined above, the executive vice presidents in the parent company are offered disability and dependents' benefits in accordance with Statoil's general pension plan. Members of the corporate executive committee are covered by the general insurance schemes applicable within Statoil.

One of the executive vice presidents employed outside the parent company has a defined contribution scheme with 16 % in contribution in accordance with the framework established in the local employment company. The pension contribution is paid into a separate legal entity.

### **1.5. Severance pay arrangements**

The chief executive officer and the executive vice presidents are entitled to a severance payment equivalent to six months' salary, commencing at the time of expiry of a six months' notice period, when the resignation is at the request from the company. The same amount of severance payment is also payable if the parties agree that the employment should be discontinued and the executive vice president gives notice pursuant to a written agreement with the company. Any other payment earned by the executive vice president during the period of severance payment will be fully deducted. This relates to earnings from any employment or business activity where the executive vice president has active ownership.

The entitlement to severance payment is conditional on the chief executive officer or the executive vice president not being guilty of gross misconduct, gross negligence, disloyalty or other material breach of his/her duties.

As a general rule, the chief executive officer's / executive vice president's own notice will not instigate any severance payment.

### **1.6. Other benefits**

Statoil has a share savings plan available to all employees including members of the corporate executive committee. The share savings plan entails an offer to purchase Statoil shares in the market limited to five per cent of annual gross salary. If the shares are kept for two full calendar years of continued employment the employees will be allocated bonus shares proportionate to their purchase. Shares to be used for sale and transfer to employees are acquired by Statoil in the market, in accordance with the authorisation from the annual general meeting.

The members of the corporate executive committee have benefits in kind such as company car and electronic communication.

### **1.7. Terms and conditions for new President and Chief Executive Officer Eldar Sætre**

Effective 4 February 2015 Statoil's board of directors appointed Eldar Sætre as new President and Chief Executive Officer of Statoil, following an acting period since October 15 2014. The chief executive officer's annual base salary compensation is NOK 5,700,000 and an additional fixed remuneration element of NOK 2,000,000. Only the base salary is included in the pensionable income. The chief executive officer will participate in an annual variable pay scheme with a target level of 25%, and participation to the Company's 2015 LTI scheme with a value of 30% (gross) of base salary. The pension terms remain unchanged according to previously established pension agreement, as described in section 1.4 above.

## **2. Performance management, assessment and results essential for variable pay for 2014**

Individual salary and annual variable pay reviews are based on the performance evaluation in our performance management system.

Performance is evaluated in two dimensions; business delivery and behaviour. Behaviour goals are based on our core values and leadership principles and address the behaviour required and expected in order to achieve our delivery goals. Business delivery is defined through the company's performance framework "Ambition to Action", which addresses strategic objectives, KPIs and actions across the five perspectives; People and Organisation, HSE, Operations, Market and Finance. Generally, Statoil believes in setting ambitious targets to inspire and drive strong performance.

In 2014, the main objectives and KPIs for each perspective were as outlined below. Each perspective was in addition supported by comprehensive plans and actions.

<b>Strategic objectives</b>		<b>2014 result assessment</b>
<b>People and organisation</b>	The strategic objectives and actions address global capabilities.	Statoil's organisational efficiency programme portfolio delivered efficiency gains in 2014.
<b>HSE</b>	The strategic objectives and actions address safety, security and sustainability.	The positive trend for the serious incident frequency continued and is at its lowest level ever. There were no serious well incidents, whereas the number of oil and gas leakages is still too high. The Security improvement programme is being implemented according to plan. Total CO2 reduction was better than the set targets.
<b>Operations</b>	The strategic objectives and actions address reliable and cost-efficient operations, and value-driven technology development.	Production regularity improved significantly and production came in above target. Unit production cost remained in the targeted first quartile set against an industry peer group. Unit finding cost increased and ended above target.
<b>Market</b>	The strategic objectives and actions address stakeholder trust, value chain optimisation and an exploration driven resource strategy.	Exploration results were lower than in the record year 2013 and below the target. The company added 540 million barrels of oil equivalents from exploration and the organic reserve replacement ratio (RRR) was around 1. Downstream results ended well above targets.
<b>Finance</b>	The strategic objectives address shareholder return, financial robustness and cost & capital discipline.	Total Shareholder Return (TSR) ended in the fourth quartile, while RoACE was in the second quartile. Both KPI's are measured against an industry peer group. The efficiency improvement programmes launched to improve performance are on track.

#### **Board assessment of the chief executive officer's performance**

In its assessment of the chief executive officer's performance, and consequently his merit adjustment and annual variable pay for 2014, the board has put emphasis on the improvements within HSE, a solid delivery on production efficiency and progress on the improvement programmes. However, both the relative TSR and RoAce were below target in 2014 and have affected the board's evaluation of the performance. Eldar Sætre is assessed for his performance as chief executive officer in the fourth quarter of 2014, whilst as executive vice president Marketing, Processing and Renewable energy (MPR) for the first three quarters of 2014.

Before final conclusions of the performance assessments are drawn, sound judgement and hindsight information are applied. Measured KPI results are reviewed against their strategic contribution, sustainability and significant changes in assumptions.

This balanced approach, which involves a broad set of goals defined in relation to both the delivery and behaviour dimensions and an overall performance evaluation, is viewed to significantly reduce the likelihood that remuneration policies may stimulate excessive risk-taking or have other material adverse effects.

#### **2.1. Developments to the Performance Management model**

To increase the focus on key deliveries in Statoil's performance management system, and further strengthen the link between company results and individual reward, developments to the concept will be implemented for the Corporate Executive Committee in 2015.

The *Business Delivery* part of the performance management model will be adjusted to give a stronger emphasis on actual end results and output oriented parameters. This adjustment will have direct impact on remuneration for the

executives, as achievement on these parameters will be linked directly to their variable reward. However, the principle of weighting delivery and behaviour equally (50/50) is still maintained.

### **3. Execution of the remuneration policy and principles in 2014**

#### **3.1. Deviations from the governmental guidelines on variable compensation 2014**

Two members of the executive committee had variable pay schemes deviating from the description in section 1.2 above. The individuals in question are employed by Statoil Gulf Services LLC in Houston and Statoil Global Employment Company Ltd. in London. These schemes entail a framework for variable pay of 75-100% of the base salary for each of the elements (annual variable pay and LTI) is performance based. The contracts also include a provision for severance payment of 12 months' base salary.

The board's overall assessment is that the extended framework implemented with effect from 1 January 2011 for the variable pay schemes for these executives is in alignment with the market, but not market leading for positions at this level at the respective locations.

#### **3.2. Changes to the Corporate Executive Committee in 2014**

Effective 1 January 2014 Arne Sigve Nylund assumed responsibilities as executive vice president for Development and Production Norway, succeeding Øystein Michelsen. Following Statoil president and chief executive officer Helge Lund's resignation, the board appointed Eldar Sætre as acting chief executive officer effective 15 October 2014. Tor Martin Anfinnsen was appointed acting executive vice president for MPR, succeeding Eldar Sætre.

#### **3.3. Changes to individual terms in 2014**

The pension terms for one of the executive vice presidents employed outside the parent company was changed effective 1 January 2014. In lieu of participating in the subsidiary's at any time prevailing defined contribution pension scheme, the executive vice president will be paid a monthly cash supplement. The monthly cash supplement will be calculated on the basis of 20% of the Executive Vice President's base salary (being the contribution the subsidiary would have made to the defined contribution pension scheme) less the at any time prevailing Employer National Insurance Contribution.

Following president and chief executive officer Helge Lund's resignation a termination agreement was entered into. Helge Lund's termination date was 9 February 2015. Helge Lund received base salary and benefits compensation up until this date, and did not receive variable pay for the performance year 2014. The LTI scheme and Share Saving Plan was closed in accordance with the company policy. The company issued a paid-up policy and pension right letters for his pension accruals, in accordance with his individual pension agreement.

The individual terms for Eldar Sætre as acting in the position as President and chief executive officer of Statoil ASA (in the period from 15 October 2014 to 3 February 2015), involved an annual base salary compensation of NOK 5,700,000.

Furthermore it included participation in an annual variable pay scheme with a target level of 25%, and participation to the company's 2015 LTI scheme with a value of 30% (gross) of base salary. Other terms and conditions were unchanged.

#### **3.4. Impact of the revised Government Guidelines of 13 February 2015 for executive remuneration**

In general, the revisions to the Guidelines will further limit the company's flexibility in offering competitive executive terms and conditions. In 2015 we will execute an assessment to address the implications of the revised guidelines with due regard to the "comply or explain" principle

## 4. The decision-making process

The decision-making process for implementing or changing remuneration policies and concepts, and the determination of salaries and other remuneration for corporate executive committee, are in accordance with the provisions of the Norwegian public limited liability companies act sections 5-6 and 6-16 a and the board's rules of procedure. The board's rules of procedure are available at [www.statoil.com/board](http://www.statoil.com/board).

The board of directors has appointed a designated compensation and executive development committee. The compensation and executive development committee is a preparatory body for the board. The committee's main objective is to assist the board of directors in its work relating to the terms of employment for Statoil's chief executive officer and the main principles and strategy for the remuneration and leadership development of our senior executives. The board of directors determines the chief executive officer's salary and other terms of employment.

The compensation and executive development committee answers to the board of Statoil ASA for the performance of its duties. The work of the committee in no way alters the responsibilities of the board of directors or the individual board members.

For further details about the roles and responsibilities of the compensation and executive development committee, please refer to the committee's instructions available at [www.statoil.com/compensationcommittee](http://www.statoil.com/compensationcommittee).

## 5. Remuneration to members of the Corporate Executive Committee in 2014 (in NOK thousand)

CEC 2014	Position:	CEC period:	Employment Company:	Resident in:
Lund Helge	Chief Executive Officer	Until 14 October 2014	Statoil ASA	Norway
Sætre Eldar	Acting Chief Executive Officer	From 15 October 2014	Statoil ASA	Norway
Sætre Eldar	Executive vice president Marketing, Processing & Renewable Energy	Until 14 October 2014	Statoil ASA	Norway
Anfinnsen Tor Martin	Acting executive vice president Marketing, Processing & Renewable Energy	From 15 October 2014	Statoil ASA	Norway
Reitan Torgrim	Chief Financial Officer	Full year	Statoil ASA	Norway
Bacher Lars Christian	Executive vice president Development & Production International	Full year	Statoil ASA	Norway
Dodson Timothy	Executive vice president Exploration	Full year	Statoil ASA	Norway
Øvrum Margareth	Executive vice president Technology, Projects & Drilling	Full year	Statoil ASA	Norway
Nylund Arne Sigve	Executive vice president Development & Production Norway	Full year	Statoil ASA	Norway
Maloney William	Executive vice president Development & Production North America	Full year	Statoil Gulf Services	USA
Knight John	Executive vice president Global Strategy & Business Development	Full year	Statoil Global Employment Company	UK

### Management remuneration in 2014 (in NOK thousand) 1)

Members of corporate executive committee	Fixed remuneration		Annual variable pay 7)	Taxable benefits in kind	Taxable compensation	Non-taxable benefits in kind	Estimated pension cost 8)	Estimated present value of pension obligation 4), 9), 10)
	Fixed pay 3)	LTI 4), 6)						
Lund Helge 4), 5), 9)	5 640	2 165	0	249	8 054	199	6 008	73 944
Reitan Torgrim 9)	3 283	761	1 066	126	5 237	0	879	16 339
Bacher Lars Christian 9)	3 256	739	1 034	363	5 393	428	685	15 879
Dodson Timothy	3 496	803	1 124	175	5 597	313	1 343	32 689
Øvrum Margareth	3 779	867	1 457	250	6 352	98	1 349	48 701
Nylund Arne Sigve 5)	2 984	725	1 421	108	5 239	0	773	26 646
Sætre Eldar - CEO 5)	1 370	0	689	35	2 094	0	989	46 769
Sætre Eldar - MPR	2 685	858	901	143	4 588	0	0	0
Anfinnsen Tor Martin 5)	817	0	239	90	1 147	0	234	22 196
Maloney William 2), 8)	4 333	2 167	2 167	960	9 627	166	713	0
Knight John 2), 3)	7 132	2 845	2 845	1 133	13 955	0	0	0

Helge Lund has received salary and benefits that amounts to NOK 1 810 in 2014 after his resignation as chief executive officer.

- 1) All figures in the table for 2014 and 2013 are presented on accrual basis, in compliance with the statement presented by The Financial Supervisory Authority of Norway in December 2014. This is a change in reporting of the remuneration figures from previous years.
- 2) William Maloney and John Knight's remuneration is in local currency US Dollar and British Pound, respectively. The figures in the table are presented in NOK, using average currency rates in 2014. The change in currency rates during the year, such as strengthening of USD and GBP versus NOK, impacts the development from 2013 to 2014.
- 3) Fixed pay consists of base salary, holiday allowance and any other administrative benefits. The figures are presented on accrual basis. John Knight's fixed pay also includes a cash supplement that replaces his defined contribution pension plan in 2014.
- 4) Helge Lund resigned from his position as CEO of Statoil 15 October 2014. The pension liability listed in the table above represents the estimated present value of his pension obligation as of 31 December 2014. The increase to the estimated present value of pension obligation is mainly due to changes in actuarial assumptions. In line with the company's LTI policy, resignation during the lock-in period is regarded as a non-fulfilment of the LTI obligations. Following his resignation Helge Lund is obliged to pay back to Statoil a total of NOK 5.1 million, calculated based on the value of the locked shares acquired under the LTI program.
- 5) Following Helge Lund's resignation, Eldar Sætre resumed role as acting CEO with immediate effect on 15 October 2014, and Tor Martin Anfinsen replaced Eldar Sætre as acting executive vice president for MPR. Arne Sigve Nylund replaced Øystein Michelsen from January 2014.
- 6) The fixed long-term incentive (LTI) element implies an obligation to invest the net amount in Statoil shares. A lock-in period of 3 years applies for the investment. The LTI element is presented the year it is granted for the members of the corporate executive committee employed by Statoil ASA. Members of the corporate executive committee employed by non-Norwegian subsidiaries have an LTI scheme deviating from the model used in the parent company. A net amount equivalent to the annual variable pay is used for purchasing Statoil shares, and the figures are presented on accrual basis.
- 7) Annual variable pay includes holiday allowance, and is presented on accrual basis.
- 8) Estimated pension cost is calculated based on actuarial assumptions and pensionable salary (mainly base salary) at 31 December 2013 and is recognised as pension cost in the Statement of income for 2014. Payroll tax is not included. William Maloney is employed by a non-Norwegian entity and his pension cost reflects the payment under the entity's defined contribution plan made in 2014.
- 9) Torgrim Reitan and Lars Christian Bacher will be transferred to a defined contribution plan from 1 April 2015, and the estimated present value of pension obligation per 31 December 2014 reflects this change. Estimated present value of pension obligation related to Helge Lund, Torgrim Reitan and Lars Christian Bacher, are based on the estimated value of paid-up policies and rights letters to be issued in 2015, related to Helge Lund's resignation and the termination of Torgrim Reitan and Lars Christian Bacher's defined benefit pension plan. Estimated present value of pension obligation for the rest of the members of the corporate executive committee employed by Statoil ASA, are presented with a defined benefit obligation.
- 10) The increases in estimated present value of pension obligation for the CEC members not mentioned in foot note 9), are due to changes to the actuarial assumptions.

#### Management remuneration in 2013 (in NOK thousand) 1)

Members of the corporate executive committee	Fixed remuneration		Annual Variable Pay 6)	Taxable benefits in kind	Taxable compensation	Non-taxable benefits in kind	Estimated pension cost 4), 7)	Estimated present value of pension obligation 4)
	Fixed pay 3)	LTI 5)						
Lund Helge 4)	7 234	2 112	3 677	669	13 692	503	5 413	56 362
Reitan Torgrim	3 012	689	1 255	133	5 090	-	627	16 257
Sjøblom Tove Stuhr 8)	194	-	-	16	210	16	684	18 870
Bacher Lars Christian	3 188	671	1 015	366	5 240	427	711	15 425
Dodson Timothy	3 321	750	1 553	139	5 763	318	972	24 792
Øvrum Margareth	3 627	840	1 448	194	6 110	108	1 103	43 166
Michelsen Øystein	3 419	838	-	334	4 591	191	834	35 993
Sætre Eldar	3 422	838	1 195	367	5 823	-	1 003	42 360
Maloney William 2)	4 101	2 352	2 352	786	9 590	159	627	-
Knight John 2)	5 170	3 065	3 065	753	12 053	-	1 034	-

- 1) All figures in the table for 2014 and 2013 are presented on accrual basis, in compliance with the statement presented by The Financial Supervisory Authority of Norway in December 2014. This is a change in reporting of the remuneration figures from previous years, and the figures may differ from previous reporting.
- 2) William Maloney and John Knight's remuneration is based in local currency US Dollar and British Pound, respectively. The figures in the table are presented in NOK value, using average currency rates in 2013.
- 3) Fixed pay consists of base salary, holiday allowance and any other administrative benefits. The figures are presented on accrual basis and differ from previous reporting.
- 4) The Estimated pension cost and Estimated present value of pension obligation related to Helge Lund have been adjusted compared to previous year's estimates, based on an updated accounting assessment related to the profile of his existing pension plan.
- 5) The fixed long-term incentive (LTI) element implies an obligation to invest the net amount in Statoil shares. A lock-in period of 3 years applies for the investment. The LTI element is presented the year it is granted for the members of the Corporate Executive Committee employed by Statoil ASA. Members of the Corporate Executive Committee employed by non-Norwegian subsidiaries have an LTI scheme deviating from the model used in the parent company. A net amount equivalent to the annual variable pay is used for purchasing Statoil shares, and the figures are presented on accrual basis and differ from previous reporting.
- 6) The figures related to Annual variable pay for 2013 are presented on accrual basis including holiday allowance and differ from previous reporting.
- 7) Estimated Pension cost is calculated based on actuarial assumptions and pensionable salary (mainly base salary) at 31 December 2012 and is recognised as pension cost in the Statement of income for 2013. Payroll tax is not included. Members of the corporate executive committee employed by non-Norwegian subsidiaries have a defined contribution plan.
- 8) Tove Stuhr Sjøblom left Statoil's corporate executive committee 1 February 2013



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