

Case 8 for Statoil ASA Annual General Meeting 19 May 2015

Proposal from shareholders regarding Statoil's reporting

Two shareholders have proposed the following:

"Statoil has a diverse portfolio of operational and in-reserve assets, with increasing activities in high-risk, carbon intensive projects. A report commissioned by HSBC¹ revealed that as much as 15% of Statoil's reserves would be stranded assets in a future where the global warming is kept below two degree Celsius. As a shareholder, it is in our interest to assess the company's adaptability to regulations and changes in demand expected in a low-carbon society. We find that Statoil's current reporting on its strategy for future scenarios insufficient to make such an assessment.

"In order to address the long-term viability of Statoil' strategic direction, given the recognised risks and opportunities associated with climate change, we direct the following:

We ask that Statoil's project within the portfolio should be assessed for its resilience against IPCC's AR5 scenarios². Within the assessment, we request explicit focus on:

- a. High-risk assets such as unconventional fossil fuel investments, including Arctic-, tar sands-, extreme deep water- and all new projects in the portfolio.*
- b. Assets that can help mitigate this risk, such as renewable energy research and development and investment strategies.*

The assessment should be outlined to investors in routine reporting from 2016. We further request that if these assessments reveal that the portfolio leaves the company with inadequate adaptability in a low-carbon scenario, Statoil should also present a strategy to readjust the portfolio by pulling out the implicated projects."

¹ HSBC (2013) Oil & carbon revisited – Value at risk from unburnable reserves

² IPCC AR5 scenarios refers to RCP2.6, RCP4.6, RCP6.0, RCP8.0 in "Fifth Assessment Report" (AR5) by Intergovernmental Panel on Climate Change (IPCC)