



Shareholder Resolution Equinor 2020

Resolution at 2020 AGM of Equinor ASA (“the company”)
Coordinated by Follow This

Climate Targets Resolution

Shareholders support Equinor to set and publish targets that are aligned with the goal of the Paris Climate Agreement to limit global warming to well below 2°C above pre-industrial levels.

We support Equinor’s ambition to reduce the net carbon intensity (CO₂ per unit of energy) – and therefore the greenhouse gas (GHG) emissions – of its operations and the use of its energy products (Scope 1, 2 and 3).

We support the company to advance this ambition to short-, medium-, and long-term targets that are aligned with a well-below-2°C-pathway, and to review these regularly in accordance with the best available science.

Shareholders request that annual reporting include information about plans and progress to achieve these targets (at reasonable cost and omitting proprietary information).

You have our support.

Supporting statement

Equinor’s climate ambition

On February 6, 2020, Equinor set the ambition to reduce the net carbon intensity, and therefore GHG emissions, from initial production to final consumption, of energy produced (covering Scope 1, 2, and 3). We thank the investors that voted for a similar climate resolution that supported such a step in 2019.

Scope 3

Reducing absolute emissions from the use of energy products (Scope 3) is crucial to achieving the goal of the Paris Climate Agreement, and we therefore support you to include these in your targets. This climate targets resolution reflects our belief that we need targets for all emissions (Scope 1, 2, and 3) that are truly aligned with a well-below-2°C pathway across the whole energy sector.

Therefore, we especially welcome Equinor’s groundbreaking step to include the emissions of its products (Scope 3) in its new ambition.

Moreover, we welcome Equinor’s belief that “The ambition is expected to be met primarily through significant growth in renewables and changes in the scale and composition of the oil and gas portfolio.” and Equinor’s aim “to reach carbon neutral global operations by 2030” (Equinor’s climate roadmap, February 6, 2020).

The oil and gas industry can make or break the goal of the Paris Climate Agreement. Therefore, oil and gas companies need the support of their shareholders to change course: (1) to set targets for all emissions, including Scope 3, (2) to align these targets with the goal



of the Paris Climate Agreement, and (3) to invest accordingly in the energy transition to a net-zero emissions energy system.

Fiduciary duty

We, the shareholders, understand this support to be part of our fiduciary duty. A growing international consensus has emerged among financial institutions that climate-related risks are a source of financial risk, and therefore achieving the goals of Paris is essential to risk management and responsible stewardship of the economy. Institutional investors foresee that they cannot make a decent return on capital in a world economy disrupted by devastating climate change.

Emissions reductions

The goal of the Paris Climate Agreement is to limit global warming to well below 2°C above pre-industrial levels, to aim for a global net-zero emissions energy system, and to pursue efforts to limit the temperature increase to 1.5°C.

To reach that goal, the *IPCC special report Global Warming of 1.5°C (2018)* indicates that absolute net energy-related emissions should be reduced by approximately 70% * (2°C) to 100% ** (1.5°C) by 2050 relative to 2016.

* 2°C: the median pathway of the IPCC Lower-2°C pathway group (54 pathways limiting peak warming to below 2°C during the entire 21st century with greater than 66% likelihood) indicates an absolute emissions reduction of CO₂ from fossil fuels and industry (net) of approximately 70% by 2050, relative to 2016 (*IPCC special report Global Warming of 1.5°C, 2018*).

** 1.5°C: the IPCC emphasized that climate-related risks are significantly higher at 2°C than at 1.5°C, and that limiting warming to 1.5°C would require CO₂ emissions to reach net zero by 2050 (*IPCC special report Global Warming of 1.5°C, 2018*)

Equinor's ambition

Equinor's ambition is to reduce the net carbon intensity by at least 50% by 2050. However, halving the carbon intensity in a growing energy system will not lead to a level of absolute emissions reduction necessary to actually achieve the goal of the Paris Climate Agreement, and is therefore not on a well-below-2°C pathway.

With an expected growth of energy demand of around 40%, the net carbon intensity of energy products (CO₂ per unit of energy) should be reduced by approximately 80% (2°C) to 100% (1.5°C) by 2050.

With this climate resolution, shareholders support Equinor's first crucial step to include the reduction of the emissions of its products (Scope 3) in its ambition and support Equinor to take the next steps: advance this ambition to short-, medium-, and long-term targets that are aligned with a well-below-2°C-pathway, and invest accordingly.

We believe that the company could lead and thrive in the energy transition. We therefore encourage you to set targets that are inspirational for society, employees, shareholders, and the energy sector, allowing the company to meet an increasing demand for energy while



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reducing GHG emissions to levels compatible with the global intergovernmental consensus specified by the Paris Climate Agreement.

You have our support.