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# PRE-DECLARATION: EQUINOR – SHAREHOLDER RESOLUTION

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AGM date: 14 May 2024

<b>Background</b>	<p>Equinor is a material holding in the Quantitative Equities portfolio. As part of Climate Action 100+, Railpen are co-leads for the company, and have been engaging with Equinor alongside peer investors through that initiative.</p> <p>Given Equinor’s primary activities and exposure, it is also a key focus company for Railpen under the Net Zero Engagement Plan which lays out a priority list of companies for engagement over the course of each year.</p> <p>Equinor is majority owned by the Norwegian Government, who are a signatory to – and vocal supporter of – the Paris Agreement.</p> <p>We have had constructive dialogue with both the company and the Norwegian Government in respect of Equinor’s activities, targets and commitments. However, we feel that the current strategic direction and capital expenditure (capex) planning falls short of what is needed to meet Equinor’s commitment to support the Paris Agreement.</p> <p>Our intention, through pre-declaring our vote in support of the shareholder resolution outlined below, is to signal to the company the seriousness with which we take this matter, and our determination as a shareholder to support the company with realising their Paris Agreement pledge.</p>
<b>Summary of resolution(s) and our voting intention</b>	Item 15 – Update the Company Strategy and Capital Expenditure Plan According to the Commitment to the Goals of the Paris Agreement – FOR
<b>Rationale for our voting decision</b>	<p>The climate transition is a thematic priority for Railpen, not least in the context of our own Net Zero commitment, and accompanying Net Zero Engagement Plan. We have identified Equinor as a priority company for engagement, due to a combination of the following – our holdings size and the company’s primary activities, emissions footprint, and risk profile.</p> <p>In our engagement with Equinor, we have highlighted the importance of science-based target setting, supported by a strategic plan and corresponding capex budgeting. We recognise and applaud Equinor’s sectoral leadership in many aspects, including in relation to its scope 1 and 2 emissions performance. However, we believe that the company’s current strategy and capex plans do not align to its overarching commitment to the goals of the Paris Agreement. In particular, we are disappointed to note Equinor’s plan to maintain stable fossil fuel production to 2035 and to continue new reserve exploration and development plans, especially its unsanctioned international projects. Therefore, we are supporting the resolution ask for Equinor to set</p>

appropriate science-based targets for scope 1, 2 and 3 greenhouse gas emissions by 2030, aligned with a 1.5°C degree pathway, as well as specifying how its capital expenditure plans for new oil and gas reserve development are consistent with the Paris Agreement.

We believe that Equinor is an important company within its sector that benefits from a strong shareholder base with clear support for attaining the goals of the Paris Agreement. We also believe that Equinor's current strategy and capital expenditure plans pose significant risks to capital for investors such as Railpen. In turn, therefore, we believe this is an important resolution which is looking to help support the company in realising its long-term commitments.

We greatly appreciate the engagement we have had to date with Equinor, and would welcome that continuing.