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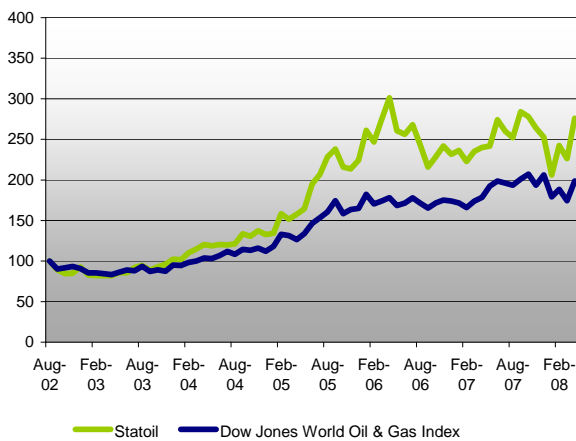
Company Report – Statoil

Company Description

Statoil is the leading oil and natural gas producer and perator on the Norwegian continental shelf where the company accounts for around 60% of total hydrocarbon production. Statoil operates in 33 countries outside Norway, employing more than 25,000 people on a global basis. Statoil is one of the world's largest offshore operators, and the company has developed a global offshore technology lead in technologies and experience. In particular, Statoil has world class expertise in operations in deepwater basins throughout the world where Statoil is at the forefront in deepwater technology development. Statoil's international operations will over the next years make up the lions share of the group's growth. One of the world's largest sellers of crude oil and a substantial supplier of natural gas to the European market.

Performance of Statoil

Since Inclusion in the DJSI September 2002



Source: Bloomberg

Sustainability Performance

Statoil remains the global sustainability leader among the oil and gas producers. The company integrates sustainability as a core element of future value creation. A focus on advanced deepwater technology, as well as stringent project management and accessibility to assets, should provide the company with a platform to grow by 6% over the next 5 years - putting it at the top end of its peer group. Statoil is increasing its stake within natural gas along the entire value chain and is thereby continuously shifting its revenues to less carbon intensive petroleum products. Rising natural gas reserves and production as well as growth in liquefied natural gas (LNG) capacities are cases in point for that. Statoil is a leader in developing carbon capturing and storage technologies, and is at the forefront in adapting

these techniques in innovative projects. The company also stands out on social issues, in particular in human capital development. In an industry struggling with severe scarcity of human resources, a key competitive advantage is to be a leader in attracting, retaining and developing skilled human resources. Statoil takes a lead in this respect.

Industry Driving Forces

Oil and gas companies are today experiencing substantial growth. Moving forward, the ability to sustain long term value creation will depend in particular on access to next generation assets. Faced by rising finding and development costs from smaller reserves with complex geology in deeper waters, rising taxes outside low risk OECD regions, and increasing costs of oil services and manpower, keeping down the cost base will be crucial in the industry. Scarcity of human resources is a further challenge. In addition, as exploration moves to remote and environmentally sensitive locations, environmental, health and safety excellence coupled with progressive management of social issues such as community engagement will remain important issues of energy companies' long-term profitability. As for environmental issues, the carbon challenge will remain on top of the agenda. Active corporate strategies that seek business opportunities in that regard and mitigate carbon risks will be a driving force in securing competitiveness into the future.

Company Performance for selected Criteria

