

## Sustainability Statement



### ENVIRONMENTALLY FRIENDLY ENERGY

Installed capacity*	Unit of measurement	2009	2008**	2007
Installed capacity	MW	15 806	15 478	12 355
Of which hydropower	MW	12 774	12 546	10 573
Of which small-scale hydropower***	MW	63	-	-
Of which wind power	MW	305	245	245
Of which gas power****	MW	2 160	2 130	1 210
Of which solar power	MW	3	-	-
Of which biofuel	MW	16	16	-
Of which district heating	MW	548	541	327
Geographical distribution				
Norway	MW	11 337	11 070	10 998
Other Nordic	MW	1 547	1 544	358
Other European	MW	2 273	2 247	1 000
Rest of the world	MW	649	621	-

\* Includes Statkraft's shareholdings in subsidiaries where Statkraft has a majority interest.

\*\* Includes power plants and district heating plants covered by the E.ON transaction and the consolidation of SN Power, and is applicable from January 2009.

\*\*\* Installed capacity <10 MW.

\*\*\*\* Includes the jointly controlled Herdecke (Germany) and Kårstø (Norway) power plants.

Power generation and district heating production*	Unit of measurement	2009	2008	2007
Power production, actual	TWh	56.9	53.4	44.9
Of which hydropower	TWh	50.1	47.4	42.7
Of which small-scale hydropower	TWh	0.1	-	-
Of which wind power	TWh	0.6	0.6	0.7
Of which gas power**	TWh	6.1	5.4	1.5
Of which biofuel	TWh	0.1	-	-
District heating	TWh	0.9	0.5	0.5
Percentage of renewable power production***	%	89.1	89.7	96.4

\* Includes Statkraft's shareholdings in subsidiaries where Statkraft has a majority interest.

\*\* Includes the jointly controlled Herdecke (Germany) and Kårstø (Norway) power plants.

\*\*\* Non-renewable production covers gas power and district heating based on fossil fuel.



### CLIMATE

Greenhouse gas emissions	Unit of measurement	2009	2008	2007
Emissions of CO <sub>2</sub> equivalents	Tonnes	1 600 100	1 604 700	291 600
Of which from gas power	Tonnes	1 516 500	1 541 300	229 900
Of which from district heating plants (fossil)	Tonnes	74 200	56 400	55 700
Of which from SF <sub>6</sub> emissions	Tonnes	2 400	2 000	2 000
Of which from halon emissions	Tonnes	1 300	150	1 200
Of which from fuel consumption*	Tonnes	1 500**	3 200	2 800
Of which from business travel***	Tonnes	4 200****	1 600*****	-
SF <sub>6</sub> emissions	kg	105	89	86
Halon emissions	kg	183	20	303

\* CO<sub>2</sub> from fuel consumption from the Group's own equipment and machinery.

\*\* SN Power and Skagerak Energi is not included.

\*\*\* Comprises air travel and mileage reimbursements for private vehicle use in the Norwegian operations.

\*\*\*\* SN Power is not included.

\*\*\*\*\* Skagerak Energi and air travel in Trondheim Energi is not included.

The GHG protocol (from the World Business Council for Sustainable Development and World Resources Institute) divides greenhouse gas emissions into three types. Type 1 emissions are direct emissions from own activities. Type 2 emissions are indirect emissions from purchased electricity and district heating, while Type 3 emissions are other indirect emissions. All the emissions in the table above are Type 1 emissions, except for business travel, which falls under Type 3. The electricity consumption in Statkraft is guaranteed renewable, resulting in zero Type 2 emissions. For 2009, the Group's Type 1 emissions totalled 1 595 900 tonnes, while the Type 3 emissions totalled 4200 tonnes.

Relative greenhouse gas emission (fossil)	Unit of measurement	2009	2008	2007
CO <sub>2</sub> -equivalent emissions per production unit, total	kg/MWh	29	-	-
CO <sub>2</sub> -equivalent emissions per production unit, gas power	kg/MWh	396	-	-
CO <sub>2</sub> -equivalent emissions per production unit, district heating	kg/MWh	82	-	-

Inventories of greenhouse gases	Unit of measurement	2009	2008	2007
SF <sub>6</sub>	kg	26 301*	30 200	23 600
Halon	kg	1 226	1 600	2 200

\* SN Power is not included.

Statkraft has been temporarily exempted from the requirement to phase out halon as an explosion suppression medium in transformer rooms. Statkraft Energi AS is currently undertaking tests in order to replace halon with FE-36. A new plan for phasing out the use of halon will subsequently be developed.

CO <sub>2</sub> -quotas	Unit of measurement	2009	2008	2007
Allocated carbon quotas	Tonnes	1 541 300	1 840 000	-
Of which gas power	Tonnes	1 522 000	1 840 000	-
Of which district heating	Tonnes	19 300	-	-

## → INTERVENTIONS IN NATURE AND BIOLOGICAL DIVERSITY

Impact* on watercourses	Unit of measurement	2009	2008	2007
Affected river courses with anadromous fish	Number	38	806**	806**
Impact, national salmon rivers	Number	12	12***	12***
Impact, protected rivers	Number	14	32***	32***

\* Impact entails changing waterflow.

\*\* The unit is km for the years 2007-2008

\*\*\* Attendance was measured for 2007-2008.

Fish management (Norway and Sweden)	Unit of measurement	2009	2008	2007
Restocking of fish and smolt*	Number	957 000**	732 000	593 000
Egg planting	Number	1 981 000**	1 775 000***	1 164 000

\* Includes salmon, sea trout, inland trout and char.

\*\* Large increase due to two new plants in Sweden.

\*\*\* Large increase due to the reestablishment of salmon stocks in Ranaelva and Røssåga.

Distribution grid and cables	Unit of measurement	2009	2008	2007
Overhead lines				
High voltage (more than 1 kV)	km	4 600	3 500	7 500*
Low voltage (up to 1 kV)	km	4 600	4 600	-
Underground and undersea cables	km	14 100	14 000	-
District heating grid	km	274	170	-

\* Total high voltage and low voltage lines.

## → ENERGY AND RESOURCE CONSUMPTION

Consumption	Unit of measurement	2009	2008	2007
Electricity (not including energy losses at transformer stations and power lines)	GWh	1 359*	828	843
Of which pumped-storage power	GWh	856	595	598
Of which electric boilers for district heating plants	GWh	52	118	107
Of which other operations	GWh	451	115	-
Of which certified renewable (RECS)	%	100	100	100
Fossil fuels				
Natural gas, gas-fired power plants	Million Nm <sup>3</sup>	741.2	767.4	116.1
Fuel gas, district heating plants	Tonnes	7 582	5 100	5 500
Fuel oil	Tonnes	5 248	800	2 200
Engine oil**	Tonnes	465***	1 000	900
Other fuel				
Waste for district heating plants	Tonnes	174 500	163 800	138 500
Biofuel	Tonnes	143 100	5 700	5 200
Energy loss				
Transformer stations and power lines	GWh	1 033*	638****	-

\* SN Power is not included.

\*\* Includes consumption of fuel for own equipment and machinery.

\*\*\* SN Power and Skagerak Energi is not included.

\*\*\*\* Does not include Trondheim Energi.

Inventories	Unit of measurement	2009	2008	2007
Transformer, lubricating and hydraulic oils	m <sup>3</sup>	9 318*	5 250	-
PCB in transformer oils and capacitors	kg	25*	-	-

\* SN Power is not included.

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## → POLLUTION

Emissions to air	Unit of measurement	2009	2008	2007
SO <sub>2</sub> from district heating plants	Tonnes	18	16	15
NO <sub>x</sub>	Tonnes	1 132	1 225	152
Of which from gas power	Tonnes	824	1 009	-*
Of which from district heating plants	Tonnes	308	216	152

\* Data unavailable for the running-in period of the Knapsack gas-fired power plant.

Other emissions and discharges	Unit of measurement	2009	2008	2007
Transformer, lubricating and hydraulic oils*	Tonnes	8	4	6

\* Measured only in the Production business area.

## → WASTE MANAGEMENT

Waste	Unit of measurement	2009	2008	2007
Hazardous waste	Tonnes	39 663*	34 287	26 765
Of which from waste incineration**	Tonnes	39 355	33 811	26 393
Of which other hazardous waste	Tonnes	308	476	372
Other waste	Tonnes	4 598*	1 640	1 268
Percentage of other waste recycled	%	88*	81***	86***
Of which material recycling	%	85*	67***	-
Of which energy recovery	%	3*	14***	-

\* SN Power and the regions Sweden and Germany in the Production business are not included.

\*\* Consists of slag, filter dust and filter cake.

\*\*\* Only includes the Generation and Markets segment.

## → ENVIRONMENTAL NON-COMPLIANCES

Environmental incidents and issues	Unit of measurement	2009	2008*	2007*
Serious environmental incidents	Number	0**	1	-
Less serious environmental incidents	Number	118**	21	-
Undesirable environmental conditions	Number	22**	10	-

\* The definitions for environmental incidents and issues were changed in 2008. Results for 2008 include July-December only.

\*\* SN Power and the Customers business are not included.

**Definitions:****Serious environmental incidents:** One environmental incident which had a substantial negative environmental impact.**Less serious environmental incidents:** One environmental incident which did not have a substantial negative environmental impact.**Undesirable environmental conditions:** Recorded undesirable environmental conditions (which have not resulted in incidents) with high or low environmental risk and/or reputational risk.

Most of the less serious environmental incidents concern short-term breaches of the river management regulations and minor oil spills with little or no environmental impact.

Fines	Unit of measurement	2009	2008	2007
Fines for breaches of environmental legislation				
Number	Number	0	0	1
Total	NOK million	0	0	1.5*

\* The fine was due to a generator failure at Trollheim power station in 2005. Profits of NOK 2 million were also confiscated.

## → CONTRIBUTION TO SOCIETY

Value creation	Unit of measurement	2009	2008	2007
Gross operating revenues	NOK million	25 675	25 061	17 619
Unrealised changes in the value of energy contracts	NOK million	-2 813	4 282	-739
Paid to suppliers for goods and services *	NOK million	9 409	8 242	5 412
Gross value added	NOK million	13 453	21 101	11 468
Depreciation and amortisation	NOK million	2 743	1 553	1 639
Net value added	NOK million	10 710	19 548	9 829
Financial income	NOK million	2 060	26 435**	400
Unrealised changes in value currency and interest rates	NOK million	5 977	-3 102	227
Share of profit from associates	NOK million	1 179	935	2 631
Minority interests	NOK million	184	250	166
Values for distribution	NOK million	19 743	43 566	12 903

\* Includes energy purchases, transmission costs and other operating expenses.

\*\* NOK 25 591 million of this is related to the E.ON swap trade.

Distribution of value created	Unit of measurement	2009	2008	2007
Employees				
Gross salaries and benefits	NOK million	2 253	1 594	1 419
Lenders/owners				
Interest	NOK million	3 756	3 066	1 717
Dividend*	NOK million	3 740	10 000	6 837
Taxes**	NOK million	6 202	5 524	3 301
The company				
Change in equity	NOK million	3 792	23 282	-371
Total wealth distributed	NOK million	19 743	43 566	12 903

\* Includes dividend and Group contribution from Statkraft AS to Statkraft SF, and minority interests.

\*\* Includes taxes, property tax, licence fees and employers' contribution.

Taxes*	Unit of measurement	2009	2008	2007
Total	NOK million	2 372	-	-
Of which Norway	NOK million	2 215	-	-
Of which in other Nordic countries	NOK million	139	-	-
Of which in other European countries	NOK million	18	-	-
Of which in the rest of the world	NOK million	0	-	-

\* Taxes payable in the balance sheet.

Tax contribution to Norwegian municipalities	Unit of measurement	2009	2008	2007
Total	NOK million	1 393.4	1 407.7	1 361.0
Total, the ten municipalities in Norway which receive the most in tax contribution	NOK million	664.3	652.6	630.4
Vinje	NOK million	96.5	91.0	91.8
Hemnes	NOK million	90.7	84.8	84.4
Suldal	NOK million	85.9	81.4	75.8
Rana	NOK million	78.4	75.2	73.1
Eidfjord	NOK million	56.2	52.2	49.8
Tokke	NOK million	55.7	51.4	50.1
Meløy	NOK million	55.4	52.4	46.3
Sirdal	NOK million	52.6	60.9	60.2
Luster	NOK million	47.0	45.6	43.9
Nore og Uvdal	NOK million	46.0	57.7	55.0

The above figures include property tax, natural resource tax and licence fees paid directly to the local authorities.

Industrial and concessionary power contracts	Unit of measurement	2009	2008	2007
Statutory-priced industrial contracts				
Volume sold	TWh	8.8	8.3	10.3
Value lost	NOK million	-981	-1 438	-587
Concessionary fixed-price contracts				
Volume sold	TWh	2.7	2.6	2.9
Value lost	NOK million	-581	-706	-395

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The value lost on statutory-priced and concessionary fixed-price contracts is defined as the estimated loss on politically determined contracts compared with the spot price.

Support schemes	Unit of measurement	2009	2008	2007
Sponsorships	NOK million	26.62	18.75	14.65
Donations to associations and organisations	NOK million	6.16	7.00	5.34
The Statkraft Fund	NOK million	5.0	5.0	2.0

In 2009, the Statkraft Fund was awarded to the Ny-Ålesund Symposium on Svalbard (NOK 2.0 million), Ungt Entreprenørskap (young entrepreneurship) (NOK 1.5 million), CARE (NOK 1.0 million) and Norwegian Church Aid (NOK 0.5 million).

Procurements	Unit of measurement	2009	2008	2007
Suppliers*	Number	7 900	7 500	-
Procurements*	NOK million	4 800	3 900**	3 000**

\* Includes both goods and services.

\*\* Does not include Fjordkraft.

Customers	Unit of measurement	2009	2008	2007
Retail customers	Number	397 000	399 000	401 000
Distribution grid customers	Number	275 000	273 000	271 000
District heating customers	Number	10 000	7 000	-



## BRANDS

Reputation Statkraft	Unit of measurement	Target	2009	2008	2007
General public*	%	55	63	47	45
Professionals**	%	75	91	80	84

\* Percentage of people who have a very good or fairly good overall impression of the company. Source: Synovate

\*\* Professionals include local authority chairmen and councillors, national politicians, employees in public administration, finance and specialist environments and the media.

Customer satisfaction	Unit of measurement	2009	2008	2007
Trondheim Energi Kraftsalg*	Scale 1-100	66	64	64
Fjordkraft*	Scale 1-100	64	64	62
Skagerak Energi**	%	84	89	87

\* Satisfaction score in the Norwegian Customer Barometer survey. Source: BI Norwegian School of Management.

\*\* Satisfaction with customer service centre.



## ETHICS

Ethical behaviour	Unit of measurement	2009	2008	2007
Reported incidents of possible breaches of the Group's ethical guidelines*	Number	0	1	-
Cases processed by courts of law	Number	0	-	-

Fines and sanctions	Unit of measurement	2009	2008	2007
Number of fines and sanctions*	Number	0	-	-
Total	NOK million	0	-	-

\* Fines and sanctions imposed for breaches of laws and regulations related to accountancy, discrimination, corruption, price cooperation, etc.



## EMPLOYEES

Employees	Unit of measurement	2009	2008	2007
Full-time equivalents 31.12.	Number	3 378	2 633*	2 287
Of which in Norway	Number	2 441	2 236	-
Of which in other Nordic regions	Number	99	44	-
Of which in other European countries	Number	409	163	-
Of which in the rest of the world	Number	429	7	-
Percentage of full-time employees 31.12.	%	96	95	93
Staff turnover rate**	%	2.3	4.0	5.0
Average service time	Years	12	14	15
Apprentices employed 31.12.	Number	93	48	49
Trainees employed 31.12.	Number	29	35	23

\* Including new employees transferred on 31 December 2008 as per the E.ON agreement, totalling 183 full-time equivalents.

\*\* Excluding retirements.

Gender equality	Unit of measurement	2009	2008	2007
Percentage of women				
Total	%	22	24	24
In Norway	%	31	24	-
In other Nordic regions	%	19	14	-
In other European countries	%	18	21	-
In the rest of the world	%	15	-	-
In management positions	%	23*	21	22
In Group management	%	0	17	29
On the board of directors	%	44	44	44
New employees	%	30*	26	27
New managers	%	23*	32	33
Full-time employees	%	22*	21	21
Part-time employees	%	64*	64	74
Equal salaries**				
Total		0.94	0.93	0.95***
Managers		0.92	0.97	1***

\* SN Power is not included.

\*\* Average salary for women in relation to average salary for men.

\*\*\* Does not include Trondheim Energi, Skagerak Energi and Fjordkraft.

Age	Unit of measurement	2009	2008	2007
Age				
<30	%	9	9	7
30-39	%	25	23	21
40-49	%	31	33	33
50-59	%	27	28	31
>59	%	7	8	8
Average age	Years	45	45	46

Education	Unit of measurement	2009	2008	2007
Competence level				
Secondary school	%	11	12	14
Technician/master craftsman	%	25	31	36
College (1- 3 years)	%	14	18	21
University (>3 years)	%	25	20	20
Undisclosed*	%	26	22	9
Employees on management development programme	Number	236	55	75
Of which the Group's manager development program	Number	116	55	-
Of which other manager development programs	Number	120	-	-
Employees on project management programme	Number	55	301	-
Employees who have participated in the annual appraisal interview	%	89	87	69

\* Education statistics for employees at Knapsack, SMC, Graning and Fjordkraft have not been recorded.

Statkraft as employer	Unit of measurement	Target	2009	2008	2007
Organisation and leadership evaluation					
Result	Scale of 1 to 5, where 5 is best	4.0	4.1*	4.1	4.1
Response rate	%	-	91*	87	88
Ranking among					
Business students	Ranking**	-	25	43	53
Technology students	Ranking**	-	5	15	28

\* Does not include Fjordkraft.

\*\* Ranking as preferred employer among final-year students. Source: Universum Graduate Survey.

Variable salary scheme	Unit of measurement	2009	2008	2007
Collective variable salaries*	NOK million	43.7	-	-
Individual variable salaries**	NOK million	19.5	21.9	13.4

\* Variable schemes in the various companies.

\*\* An individual variable salary scheme has been established in the parent company's Norwegian activities, in SN Power and in Trondheim Energi.

## → HEALTH AND SAFETY

<b>Fatalities</b>	Unit of measurement	2009	2008	2007
<b>Consolidated operations</b>				
Employees	Number	0	0	0
Contractors	Number	1	0	0
Third party	Number	1	0	0
<b>Associates*</b>	Number	6	9	5

\* Including contractors and third parties.

Two people died in accidents in the consolidated operations, one contractor employee in Turkey and a person from the local community in Peru. Six contractor employees died in accidents in projects involving associates (four in India and two in Laos). Four of deceased worked at SN Power's project Allain Duhangan (India), where SN Power owns 43%. A contractor employee died at Yesil Enerji's project in Cakit in Turkey, where Statkraft has an ownership interest of 95 per cent. A person from the local community drowned in a duct in Arcata power plant in Peru, which is wholly owned by SN Power. Two contractor employees died in accidents in Theun Hinboun Power Company (Laos), in which Statkraft owns 20%.

<b>Injuries</b>	Unit of measurement	Target	2009	2008	2007
<b>Employees</b>					
Lost-time injuries*	Number	0	24	20	25
LTI	Lost-time injuries per million hours worked	0	3.8	4.6	5.9
Injuries**	Number	0	53	53	70
TRI	Total recordable injuries per million hours worked	0	8.4	12.1	16.5
Lost-days***	Number	0	229	241	191
Lost-days rate	Lost days per million hours worked	0	36	55	45
<b>Contractors</b>					
Lost-time injuries*	Number		19	5	15
<b>Third parties</b>					
Serious injuries****	Number		0	1	-

\* Work-related injuries which have resulted in absence in addition to the day of the accident.

\*\* Work-related injuries, with and without absence. Includes injuries which resulted in absence, medical treatment or need for alternative work assignments.

\*\*\* Number of days of recorded absence due to injuries.

\*\*\*\* Recorded injuries requiring treatment by a doctor.

<b>Fines for breach of health and safety legislation</b>	Unit of measurement	2009	2008	2007
Number	Number	0	1*	-
Total	NOK	0	100 000	-

\* Accident in the workplace at Smøla in 2006, where an apprentice received an electric shock.

<b>Sickness absence</b>	Unit of measurement	2009	2008	2007
Sickness absence, total	%	3.3	3.9	3.9
Of which short-term absence (16 days or less)	%	1.6	1.8	1.9
Of which long-term absence (more than 16 days)	%	1.7	2.1	2

<b>Hazardous conditions and near-misses*</b>	Unit of measurement	2009	2008	2007
Hazardous conditions** and near-misses***	Number	5 597	4 524	2 275

\* Fjordkraft is not included.

\*\* Recorded conditions with risk of personal injury. 2007 and 2008 also include conditions without risk of personal injury.

\*\*\* Recorded incidents which could have resulted in personal injury.

## Auditors statement

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### Independent Auditor's Report on the Statkraft Sustainability Report 2009

#### To the management of Statkraft AS

We have reviewed certain aspects of Statkraft Sustainability Report 2009 ("the Report") and related management systems and procedures. The Report is part of the Statkraft Annual Report and Sustainability Report 2009 on the Internet ([www.annualreport2009.statkraft.com](http://www.annualreport2009.statkraft.com)). The Report includes the Sustainability Statement published also in the printed Statkraft Annual Report and Sustainability Report 2009. The Report is the responsibility of and has been approved by the management of Statkraft AS ("the Company"). Our responsibility is to draw a conclusion based on our review.

We have based our work on emerging best practice and standards for independent assurance on sustainability reporting, including ISAE 3000, issued by the International Auditing and Assurance Standards Board as well as on the principles of AA1000 Assurance Standard issued by AccountAbility. The objective and scope of the engagement were agreed with the management of the Company and included those subject matters on which we have concluded below.

Based on an assessment of materiality and risks, our work included analytical procedures and interviews as well as a review on a sample basis of evidence supporting the subject matters. We have performed interviews with management responsible for sustainability aspects at corporate and at selected reporting units represented by the Emden gas power plant, the Kungsbacka district heating plant, and the head office of the Company's subsidiary SN Power.

We believe that our work provides an appropriate basis for us to conclude with a limited level of assurance on the subject matters. In such an engagement, less assurance is obtained than if an audit-level engagement had been performed. Separate from, and not impacting, our conclusions stated below we have provided "Auditor's commentary and recommendations".

#### Conclusions

In conclusion, in all material respects, nothing has come to our attention causing us not to believe that:

- Statkraft has established systems to identify, manage and to involve stakeholders on material aspects related to sustainable value creation, as described in the Report, in accordance with the principles of AA1000 Accountability Principles Standard.
- Statkraft applies procedures to identify, collect, compile and validate data and information for 2009 to be included in the Report, as described in the Report. Data presented for 2009 is consistent with data accumulated as a result of these procedures and appropriately presented in the Report.
- The management systems referred to above have been implemented and locally adopted as necessary at the reporting units that we have visited, as specified above. Data for 2009 from these units has been reported according to the procedures noted above and is consistent with source documentation presented to us.
- Statkraft applies a reporting practice for its sustainability reporting aligned with the GRI reporting principles. The GRI Index presented in the Report appropriately reflects where information on each of the elements and indicators of the GRI Sustainability Reporting Guidelines is to be found within in the Statkraft Annual Report and Sustainability Report 2009 on the Internet ([www.annualreport2009.statkraft.com](http://www.annualreport2009.statkraft.com)).

Oslo, Norway, 17 March 2010  
Deloitte AS



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