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ADNOC to Engage in Non-Speculative Trading to Optimize Crude and Product Flows Across Value Chain and Support Downstream International Growth

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Move aimed at maximizing value from every barrel of oil produced as ADNOC delivers on 2030 growth strategy

Trading will support ADNOC's focus on value chain optimization as it pivots to become a global downstream player

Abu Dhabi, UAE – April 23, 2018: The Abu Dhabi National Oil Company (ADNOC) announced, today, it is establishing a new trading unit within its Marketing, Sales and Trading Directorate. The unit will introduce and manage non-speculative trading to further maximize value from every barrel of crude oil and refined product that is produced and marketed by the company.

As ADNOC accelerates delivery of its 2030 strategy, the trading unit will capitalize on the size and scale of the company's crude oil and refined products portfolio, the flexibility within ADNOC's refining system, and will leverage synergies and integration opportunities across its downstream value chain.

H.E. Dr Sultan Ahmed Al Jaber, UAE Minister of State and ADNOC Group CEO said, "As ADNOC grows and expands its Upstream and Downstream businesses, we will produce more products, and, in turn, our Marketing, Sales and Trading function will play an even more critical role. Engaging in non-speculative trading will allow us to maximize value from our domestic and, over time, international downstream operations.

"By utilizing the flexibility in our downstream production facilities, accessing market opportunities and optimizing our supply chain, particularly to key growth markets, we aim to capture more value further along the value chain," Al-Jaber said. "Proactively managing our crude oil and refined product flows across key geographies, combined with the optionality provided by our first-class assets and geographic location, will allow us to constantly optimize our operations, capture market opportunities, and secure the highest value."

ADNOC will set out the roadmap for its downstream growth strategy when it hosts its Downstream Investment Forum, in Abu Dhabi next month, at which it will also provide details of co-investment opportunities across its downstream value chain for new and existing partners.

"Looking out over the next two decades, we anticipate the sharpest growth within the energy sector will be petrochemicals, with demand forecast to climb 150 per cent by 2040" Al-Jaber continued. "To capitalize on this opportunity and make ADNOC more resilient against possible price volatility, our goal is to become a major global

downstream player, creating a strong pull for our products, combined with the flexibility to respond quickly to shifting market needs."

Today's announcement was made on the side-lines of The Middle East Petroleum and Gas Conference (MPGC), currently being held in Abu Dhabi, at Jumeirah at Etihad Towers until April 24. The 26th annual event has gathered the global oil markets' leading players to discuss global and Middle East upstream and downstream oil and gas challenges, opportunities and trends.