



Report on Payments to Governments

2023



Report on payments to governments

To provide for enhanced transparency on payments made to governments, BW Energy Limited ('BW Energy' or 'the Company') has prepared a report as required by the Norwegian Securities Trading Act §5-5, following the requirements set out in the Norwegian Accounting Act §3-3d where entities which are active in extractive industries are required to disclose material payments made to governments in the countries in which they operate in a separate report. The report is made on an annual basis at field and country level including additional contextual information, consisting of certain legal, monetary, numerical, and production volume information.

This report provides the above-mentioned information for BW Energy's activities in the financial year 2023. The regulation requires the Company to prepare a consolidated report on direct payments to governments, including payments made by subsidiaries, joint operations, and joint ventures, or on behalf of such entities involved in extractive activities.

BW Energy currently holds majority interests in multiple hydro-carbon licences. These are in Gabon, Brazil, and Namibia and are held through subsidiaries established for licence ownership. The Company is the operator of all licences. Payments may be made to governments in the country of operation as well as to governments in the country where the subsidiary resides.

This report encompasses direct financial contributions made by BW Energy to governmental bodies and government-controlled entities, including taxes, royalties, and other payments related to operations. The report details the full payment made on behalf of the joint operations and joint ventures (100%) where applicable.

Payments made to host governments in the form of production entitlements are also included in the report. In Gabon, BW Energy is party to a Production Sharing Contract (PSC) under which tax is paid in kind by virtue of the contractual Profit Oil allocation for the State of Gabon's participation in the licence. The size of such entitlements may in some cases constitute the most significant payments to governments.

Payments to governments are reported in the year that the actual cash payment was made (cash principle). Amounts included as contextual information are reported in the year the transaction relates to (accrual principle), regardless of when the cash flows occurred, except for Income tax paid (cash principle). Amounts are subject to rounding. Rounding differences may occur in summary tables. Payments constitute a single payment, or a series of related payments that equal or exceed USD 100,000 during the year. Payments below the threshold in a given country will not be included in the overview of payments. Payments to governments in foreign currencies (other than USD) are converted to USD using the average annual 2023 exchange rate.

The consolidated overview below discloses BW Energy's payments to governments in each country, according to the payment type. The overview is based on the location of the receiving government.

Report on Payments to Governments – USD million

Countries	Production Entitlements ¹	Royalties ²	Taxes	Bonuses	Fees	Other	Total
Brazil							
Petróleo Brasileiro S.A. ³						19.8	19.8
Agência Nacional do Petróleo (ANP)		11.1					11.1
Tax Administrations			4.5				4.5
Gabon							
Direction Générale des Hydrocarbures (DGH)	62.2	26.7		2.0	4.8		95.6
Gabon Oil Company (GOC)	40.3						40.3
Tax Administrations			9.6				9.6
Namibia							
Ministry of Mines and Energy		0.8					0.8
Petroleum Training and Education Fund (PETROFUND)					0.1		0.1
Tax Administrations			0.4				0.4
TOTAL	102.5	38.6	14.5	2.0	4.8	19.8	182.1

¹ Represent 763KBBLs and 494KBBLs for payment in kind based on production to the Republic of Gabon and GOC as a joint venture partner, valued at market price.

² Royalties include annual surface royalties/rentals

³ Payments for acquisition of Golfinho and Camarupim Clusters, and Gas Import Contract

Contextual information at country level

The contextual information on investments, revenues, cost, and equity production volumes is disclosed for each country and relates only to BW Energy's entities engaged in extractive activities, covering the exploration, development, and extraction of oil and natural gas.

Contextual Information per Country – USD million

Countries	Investments	Revenues	Cost	Equity production volume (mmbœ)
Brazil	101.8	76.3	(71.7)	1.3
Gabon	195.0	416.4	(173.5)	4.6
Namibia ¹	34.8	-	(1.1)	-
Bermuda	4.2	106.8	(106.7)	-
Total before eliminations	335.8	599.6	(353.1)	5.9
Consolidation eliminations	-	(102.4)	87.4	
Total	335.8	497.2	(265.7)	5.9

¹ Branch of BW Kudu Limited (UK)

Note: Table has been adjusted compared to 2022, to only list entities with E&P assets and activities

Contextual information at BW Energy Group level

The table below is an overview of all legal entities in the BW Energy Group by country of incorporation as of 31 December 2023. It presents the following information per each company: number of employees, net intercompany interest to companies in other jurisdictions, short description of the entity's activity, revenues including intercompany revenues, income before tax, current income tax expense, income tax paid, and retained earnings.

The total amounts are reconciled to the Group Consolidated financial statements prepared in compliance with International Financial Reporting Standards (IFRS).

Contextual Information per Country – USD million

Company	Country of operation	Core business activity	Number of employees ²	Net intercompany interest	Revenues	Income before tax	Income tax expense	Retained earnings / Net assets
BW Energy Limited	Bermuda	Parent	-	7.9	25.3	5.8	(0.2)	(91.2)
BW Energy USA Management, Inc.	United States	Management services	58	-	29.5	1.1	(0.4)	2.5
BW Energy Services Limited	Bermuda	Corporate Services	-	-	-	-	-	-
BW Energy Norway Management AS	Norway	Management services	5	-	0.2	(0.3)	-	(0.3)
BW Energy OI Ltd	Bermuda	Development and Production	-	(6.8)	-	(5.7)	-	(6.4)
BW Energy PI Holding Limited	Bermuda	Holding	1	-	-	0.4	-	0.4
BW Energy Maromba EPC Limited	Bermuda	Development and Production	-	-	-	-	-	-
BW Energy Project Management FZE	United Arab Emirates	Development and Production	-	-	-	-	-	-
BW Maromba Holdings Pte Ltd	Singapore	Holding	-	-	-	(5.9)	-	(7.4)
BW Energy Maromba B.V.	Netherlands	Holding	-	0.8	-	0.8	-	21.9
BW Energy Maromba do Brasil Ltda	Brazil	Development and Production	78	(3.0)	76.3	(11.8)	7.6	(12.9)
BW Kudu Holding Pte Ltd	Singapore	Holding	2	-	-	-	-	(6.6)
BW Kudu Limited(1)	United Kingdom	Development and Production	-	-	0.7	1.2	-	(4.5)
BW Energy Holdings Pte Ltd	Singapore	Holding	-	(0.1)	0.7	(0.1)	-	(0.4)
BW Energy Production Pte Ltd	Singapore	Holding	2	28.1	29.1	1.0	(2.4)	25.9
BW Energy Dussafu B.V.	Netherlands	Holding	-	(2.3)	10.2	(11.7)	(0.3)	(149.9)
BW Energy Gabon S.A.	Gabon	Development and Production	77	(26.9)	416.4	141.4	(45.7)	246.9
BW Energy Trading Holdings Ltd	Bermuda	Holding	1	-	-	-	-	-
BW Energy Trading Ltd	Bermuda	Holding	-	-	0.1	-	-	-
BW Energy Trading Golfinho Ltd	Bermuda	Crude Oil Trading	-	-	81.5	4.9	-	4.9
Total before eliminations			224	(2.2)	670.0	121.0	(41.5)	22.9
Consolidation eliminations				-	(162.7)	1.5	-	122.0
Total Group			224	(2.2)	507.3	122.5	(41.5)	144.9

¹ Branch of BW Kudu Limited (UK)

² Year end 2023

27 February 2024

This document has been signed electronically

Mr Andreas Sohmen-Pao Chairman	Ms Hilde Drønen Director
Mr William Russell Scheirman Director	Mr Tormod Vold Director
Mr Marco Beenen Director	Ms Ana Zambelli Director

