

DNO ASA

2024 REMUNERATION REPORT

1. Introduction

This Remuneration Report (the “Report”) provides an overview of remuneration of leading personnel in DNO ASA¹ for 2024. The list of leading personnel, now referred to as senior management, has been expanded compared to the previous year. The Report is based on the Company’s remuneration guidelines that were approved by shareholders at the Annual General Meeting on 25 May 2023 (the “Remuneration Guidelines”), published on the Company’s website.

The main purpose of the Company’s remuneration policy is to contribute to the implementation of the Company’s overall business strategy in order to achieve the Company’s long-term objectives and maximize value creation for the Company and its shareholders by attracting, retaining and motivating highly qualified employees.

This Report complies with the requirements under sections 6-16a and 6-16b of the Norwegian Public Limited Liability Companies Act (the “Companies Act”).

The Report is available on the Company’s website for ten years from the time of publication.

2. Overview of financial year 2024

DNO recorded 2024 revenues of USD 667 million on the back of stellar production in the Kurdistan region of Iraq in a year also marked by continuing North Sea expansion. Net production climbed nearly 50 percent year-on-year to 77,300 barrels of oil equivalent per day (boepd), to which Kurdistan contributed 59,000 boepd, North Sea 15,200 boepd and West Africa 3,100 boepd.

At Kurdistan’s Tawke license (75 percent and operator), DNO increased gross production from the Tawke and Peshkibir fields by nearly 70 percent year-on-year to 78,600 boepd, with oil sold at its Fish Khabur terminal as the Iraq-Türkiye export pipeline remained shut in. Sales prices averaged USD 35 per barrel with payments deposited into DNO’s international bank accounts ahead of deliveries.

Maintaining strict capital spending discipline, DNO drilled no new wells on the Tawke license in 2024. Notwithstanding, output was increased by bringing three previously drilled wells onstream and by workovers and interventions on more than 20 other wells across the license.

In 2024, DNO took steps to expand its North Sea business by acquiring a 25 percent interest in the producing Arran field in the United Kingdom and interests in four producing fields and one development asset in the Norne area offshore Norway. Following these acquisitions and restart of production at the Trym field following a five-year shutdown, DNO’s North Sea production climbed to 19,000 boepd in the fourth quarter of the year.

Meanwhile, DNO is taking part in four ongoing North Sea field development projects expected to come online between 2025 and 2028 that represent proven and probable reserves of some 30 million barrels of oil equivalent (boe) net to the Company. Among the exploration highlights in a year of multiple discoveries was the play-opening Othello light oil discovery (50 percent and operator), Norway’s second largest find in 2024.

Reflecting non-cash impairments of USD 146 million, annual operating profit dropped to USD 6 million. However, cash from operations increased nearly 50 percent year-on-year to USD 433 million.

During 2024, the Company paid USD 103 million in dividends, exiting the year with cash deposits of USD 899 million and net cash of USD 99 million.

Following the end of the reporting period, in March 2025 DNO announced a transformative acquisition of Sval Energi Group AS for a cash consideration of USD 450 million based on an enterprise value of USD 1.6 billion. The Sval Energi assets are complementary to DNO’s North Sea portfolio and will add scale and diversification to solidify the Company’s position as a leading listed European independent oil and gas company.

Looking ahead, the Company will continue to be characterized by low-cost production, successful exploration, attractive growth prospects and a robust balance sheet.

¹ DNO ASA and the companies which it directly or indirectly owns are separate and distinct entities. However, in this report, the terms “DNO”, “Company” and “Group” may be used for convenience where reference is made to those companies. Likewise, the words “we”, “us”, “our” and “ourselves” may be used with respect to the companies of the DNO Group.

3. Remuneration of the Board of Directors

The members of the Board of Directors of the Company (the "Board") receive remuneration as Board directors and as members of Board committees. The annual general meeting approves the remuneration of the Board and the Board committees based on proposals presented by the Nomination Committee. The remuneration will normally be approved on an annual basis by the general meeting.

The remuneration of the Board members for financial year 2024 was based on the Remuneration Guidelines.

Board remuneration in 2024 and 2023:

Table 1a below provides information about total remuneration of each Board director and includes remuneration related to work undertaken in various Board committees.

Remuneration to the Board of Directors (USD thousand)		Fixed remuneration			Total	Proportion variable remuneration
Name	Year	Fixed board remuneration	Other benefits	Remuneration for committee work		
Bijan Mossavar-Rahmani, Executive Chairman	2024	1,270	-	12	1,282	0%
	2023	1,117	200	10	1,327	15%
Gunnar Hirsti, Deputy Chairman	2024	77	-	16	93	0%
	2023	69	12	14	95	13%
Elin Karfjell, Director	2024	64	-	8	72	0%
	2023	58	10	7	75	14%
Anita Marie Hjerkin Aarnæs, Director	2024	64	-	8	72	0%
	2023	58	10	7	75	14%
Najmedin Meshkati, Director ⁽¹⁾	2024	64	-	8	72	0%
	2023	36	-	4	40	0%
Lars Arne Takla, former Deputy Chairman ⁽²⁾	2024	-	-	-	-	0%
	2023	-	-	2	2	0%
Total	2024	1,540	-	51	1,591	0%
	2023	1,337	233	44	1,614	14%

Separately, a fee of USD 3,893 was paid to Kåre Tjønneland and a fee of USD 3,893 was paid to Ferris J. Hussein for service on the Nomination Committee.

(1) Board director and member of the HSSE committee from June 2023.

(2) Former Deputy Chairman and member of the HSSE (until May 2022) and Nomination (until May 2023) committees.

Comparative information on the change of remuneration:

Table 1b below provides comparative information on the change of remuneration for each Board director over the past five years.

Increase/decrease in total remuneration received from previous year (USD thousand and percentage)										
Name	2020		2021		2022		2023		2024	
	Δ	Δ %	Δ	Δ %	Δ	Δ %	Δ	Δ %	Δ	Δ %
Bijan Mossavar-Rahmani, Executive Chairman	-53	-6%	72	9%	87	10%	407	44%	-45	-3%
Gunnar Hirsti, Deputy Chairman	-4	-6%	6	10%	7	10%	23	32%	-3	-3%
Elin Karfjell, Director	-4	-7%	5	9%	-	-	16	27%	-3	-4%
Anita Marie Hjerkin Aarnæs, Director	-	-	-	-	35	-	37	96%	-3	-4%
Najmedin Meshkati, Director	-	-	-	-	-	-	40	-	32	44%
Lars Arne Takla, former Deputy Chairman	-4	-6%	6	9%	-44	-63%	-24	-94%	-2	-100%

General note: The Board remuneration to the Executive Chairman is nominated in USD, while the remuneration to the other Board directors is nominated in NOK and has been converted to USD using the average exchange rate for the year (2024 average: USD/NOK 10.7454).

Synthetic shares to Board of Directors:

Table 1c below provides information of synthetic share awards from 2021 and number of synthetic shares held as of 31 December 2024 for member of the Board of Directors. Synthetic shares carry the right to receive dividends which are converted into additional synthetic shares based on the share price on the dividend payment date.

Synthetic shares						
Name		Award 2021	Award 2022	Award 2023	Award 2024	Unrestricted
Synthetic shares owned as of 31 December 2024						
Bijan Mossavar-Rahmani, Executive Chairman 749,980 Synthetic Shares	Number of shares	0	0	347,156	402,824	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not vested	Not vested	Not appl.
Gunnar Hirsti, Deputy Chairman 45,530 Synthetic Shares	Number of shares	0	0	20,693	24,837	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not vested	Not vested	Not appl.
Anita Marie Hjerkin Aarnæs, Director 37,977 Synthetic Shares	Number of shares	0	0	17,262	20,715	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not vested	Not vested	Not appl.
Elin Karfjell, Director 37,977 Synthetic Shares	Number of shares	0	0	17,262	20,715	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not vested	Not vested	Not appl.
Najmedin Meshkati, Director 41,776 Synthetic Shares	Number of shares	0	0	20,693	21,083	
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not vested	Not vested	Not appl.
913,240 Shares		0	0	423,066	490,174	0
Award dates				25-05-2023	06-06-2024	

4. Remuneration of senior management

The remuneration to senior management may consist of a fixed cash remuneration, variable cash remuneration, synthetic share scheme and pension benefits and other benefits and programs.

The remuneration of the Company's senior management, including the Managing Director, for financial year 2024 was based on the Remuneration Guidelines.

Remuneration of senior management in 2024 and 2023:

Table 2a below presents the total remuneration for each member of senior management, broken down by its various components.

Remuneration to Senior Management (USD thousand)		Fixed remuneration			Variable remuneration		Total	Proportion variable remuneration
Name	Year	Base Salary	Other benefits	Pension expense	One-year variable bonus	Synthetic shares		
Chris Spencer, Managing Director	2024	649	81	20	122	49	922	19%
	2023	583	74	19	157	334	1,166	42%
Erlend Wollan Einum, Chief Business Development Officer	2024	339	33	18	-	-	390	0%
	2023	-	-	-	-	-	-	-
Elisabeth Femsteinevik, General Manager North Sea	2024	304	40	20	46	-	410	11%
	2023	-	-	-	-	-	-	-
Tonje Pareli Gormley, General Counsel - Middle East	2024	435	45	20	81	29	610	18%
	2023	-	-	-	-	-	-	-
Sameh Hanna, General Manager Kurdistan region of Iraq	2024	523	185	-	83	215	1,006	30%
	2023	483	161	-	62	-	707	9%
Linn Hoel, Chief Commercial Officer	2024	363	36	19	-	-	418	0%
	2023	-	-	-	-	-	-	-
Wieske Paulissen, Group Head of Exploration and Subsurface	2024	270	24	20	55	-	368	15%
	2023	-	-	-	-	-	-	-
Haakon Sandborg, Chief Financial Officer	2024	439	41	20	49	37	585	15%
	2023	410	47	19	114	237	828	42%
Geir Arne Skau, Chief Human Resources and Corporate Services Officer	2024	435	44	20	65	27	591	16%
	2023	405	47	19	114	237	821	43%
Erling Moen Synnes, Chief Information Officer	2024	270	23	20	55	-	368	15%
	2023	-	-	-	-	-	-	-
Kjersti Kaurin, Corporate Counsel and Secretary	2024	213	14	20	32	-	279	12%
	2023	-	-	-	-	-	-	-
Total	2024	4,238	566	194	590	358	5,946	16%
	2023	2,275	376	78	557	808	4,093	33%

Synthetic shares in the table above reflect synthetic shares that vested during the financial year. Other benefits include the portion of the agreed pension contribution which exceeds the maximum legally allowable pension contribution.

Comparative information on changes in remuneration of senior management, all non-management employees and Company performance:

Table 2b below compares remuneration changes for current and former senior management over the past five years with changes in non-management employee pay and selected Company performance measures.

Increase/decrease in total remuneration received from previous year (USD thousand and percentage)										
Name	2020		2021		2022		2023		2024	
	Δ	Δ %	Δ	Δ %	Δ	Δ %	Δ	Δ %	Δ	Δ %
Chris Spencer, Managing Director	86	14%	50	7%	156	21%	264	29%	-245	-21%
Erlend Wollan Einum, Chief Business Development Officer	-	-	-	-	-	-	-	-	390	-
Elisabeth Femsteinevik, General Manager North Sea	-	-	-	-	-	-	-	-	410	-
Tonje Pareli Gormley, General Counsel - Middle East	-	-	-	-	-	-	-	-	610	-
Sameh Hanna, General Manager Kurdistan region of Iraq	-	-	-	-	-	-	446	171%	299	42%
Linn Hoel, Chief Commercial Officer	-	-	-	-	-	-	-	-	418	-
Wieske Paulissen, Group Head of Exploration and Subsurface	-	-	-	-	-	-	-	-	368	-
Haakon Sandborg, Chief Financial Officer	76	14%	-41	-7%	-2	0%	237	40%	-242	-29%
Geir Arne Skau, Chief Human Resources and Corporate Services Officer	191	89%	25	6%	142	33%	250	44%	-230	-28%
Erling Moen Synnes, Chief Information Officer	-	-	-	-	-	-	-	-	368	-
Kjersti Kaurin, Corporate Counsel and Secretary	-	-	-	-	-	-	-	-	279	-
Other ⁽¹⁾	168	5%	242	7%	969	38%	1,264	71%	-3,872	-100%
Average remuneration on a full-time equivalent basis of employees (USD thousand and percentage):										
Employees of DNO ASA (excl. senior management) ⁽²⁾	Δ	Δ %	Δ	Δ %	Δ	Δ %	Δ	Δ %	Δ	Δ %
	-55	-24%	106	62%	45	16%	-58	-18%	13	5%
Company performance:										
Total revenues (USD million)	-357	-37%	389	63%	373	37%	-710	-52%	-1	0%
EBITDA (USD million)	-227	-41%	284	88%	413	68%	-636	-62%	-51	-13%
Net production (kboepd)	-10	-9%	-6	-6%	3	3%	-45	-46%	25	47%

The remuneration for all senior management members is denominated in NOK, except for Sameh Hanna, whose remuneration was in USD. Amounts in NOK have been converted to USD using the annual average exchange rate for the respective year (2024 average: USD/NOK 10.7454).

Comments on increase or decrease in total remuneration prior to reporting year are described in the 2023 Remuneration Report. Increase/decrease in remuneration compared to last year is shown in table 2a above.

(1) The amount shown as Other includes former members of the senior management who have been part of the senior management or equivalent group of leading personnel during the relevant year but are not a part of the senior management at the date of issuing this report. See table 2a above.

(2) The calculation of the average remuneration on a full-time equivalent (FTE) basis for employees (excluding senior management) is derived from Note 3 of the DNO ASA parent company accounts. It is calculated by taking the total reported payroll from Note 3, excluding senior management remuneration, and dividing it by the total FTE count, also excluding senior management.

Synthetic shares to senior management:

Table 2c below provides information of synthetic share awards from 2021 and number of synthetic shares owned as of 31 December 2024 for each member of the senior management. This includes dividend shares.

Synthetic shares						
Name		Award 2021	Award 2022	Award 2023	Award 2024	Unrestricted
Synthetic shares owned as of 31 December 2024						
Chris Spencer Managing Director 1,837,624 Shares	Number of shares	0	1,095,215	551,634	308,129	373,056
	Value at vesting (NOK thousand)	Not appl.	Not vested	Not vested	Not vested	Not appl.
Haakon Sandborg Chief Financial Officer 771,685 Shares	Number of shares	146,354	774,786	179,234	134,635	0
	Value at vesting (NOK thousand)	Not vested	Not vested	Not vested	Not vested	Not appl.
Geir Arne Skau Chief Human Resources and Corporate Services Officer 812,503 Shares	Number of shares	0	768,600	162,977	148,846	22,191
	Value at vesting (NOK thousand)	Not appl.	Not vested	Not vested	Not vested	Not appl.
Sameh Hanna General Manager Kurdistan region of Iraq 396,054 Shares	Number of shares	0	0	254,707	132,055	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not vested	Not vested	Not appl.
Erlend Wollan Einum Chief Business Development Officer 271,759 Shares	Number of shares	0	0	0	271,759	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not appl.	Not vested	Not appl.
Linn Hoel Chief Commercial Officer 226,558 Shares	Number of shares	0	0	0	226,558	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not appl.	Not vested	Not appl.
Elisabeth Femsteinevik General Manager North Sea 459,191 Shares	Number of shares	0	0	37,266	265,359	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not vested	Not vested	Not appl.
Tonje Pareli Gormley General Counsel - Middle East 810,902 Shares	Number of shares	0	0	0	168,391	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not appl.	Not vested	Not appl.
Wieske Paulissen Group Head of Exploration and Subsurface 269,754 Shares	Number of shares	0	0	0	56,108	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not appl.	Not vested	Not appl.
Kjersti Kaurin Corporate Counsel and Secretary 206,706 Shares	Number of shares	0	0	0	37,569	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not appl.	Not vested	Not appl.
Erling Moen Synnes Chief Information Officer 269,813 Shares	Number of shares	0	0	0	56,167	0
	Value at vesting (NOK thousand)	Not appl.	Not appl.	Not appl.	Not vested	Not appl.
6,332,549 Shares		146,354	2,638,601	1,185,818	1,805,576	395,247
Award dates		20-05-2021	27-05-2022 09-03-2022	16-10-2023 10-10-2023 10-03-2023	01-03-2024	

The value of synthetic shares is shown in NOK thousand and is calculated based on awarded synthetic shares multiplied by the Company's share price at vesting date, regardless of when these are settled.

5. Use of the right to reclaim remuneration

The Company may demand return of part or all of fixed and variable cash remuneration following termination of employment, typically in the event of erroneous payments, fraud or other breaches of contractual obligations. No remuneration has been reclaimed in 2024.

Auditor's assurance report 2024



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To the General Meeting in DNO ASA

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REMUNERATION REPORT

Opinion

We have performed an assurance engagement to obtain reasonable assurance that DNO ASA's report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2024 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our independence and quality control

We are independent of the company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. The firm applies International Standard on Quality Management, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's assurance report 2024



Shape the future
with confidence

Oslo, 2 April 2025
ERNST & YOUNG AS

The auditor's assurance report is signed electronically

Jon-Michael Grefsrød
State Authorised Public Accountant (Norway)

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Perneo document key: GEHBM-TMHHZ-KCXNH-FTPGB-XSHOF-EIC9S

Independent auditor's assurance report on remuneration report - DNO ASA 2024
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