6 COUNTRIES | 3 CONTINENTS

97 LICENSES

The Kurdistan region of Iraq, Norway, the United Kingdom, Côte d'Ivoire, Netherlands and Yemen

DNO
EST - 1971

WORKFORCE

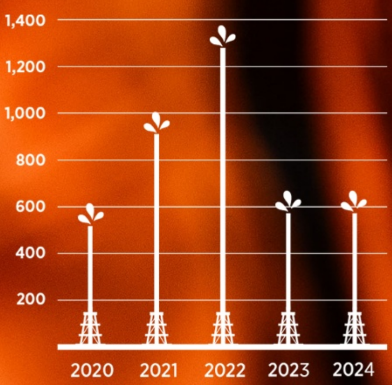
1,070

MARKET DEVELOPMENTS

DNO ASA
ANNUAL REPORT AND ACCOUNTS
2024

REVENUES (USD million)

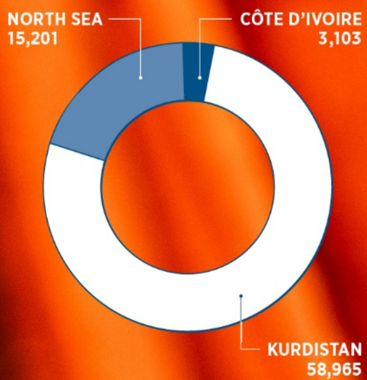
667



OPERATING PROFIT (USD million)

6

NET PRODUCTION SPLIT (boepd)

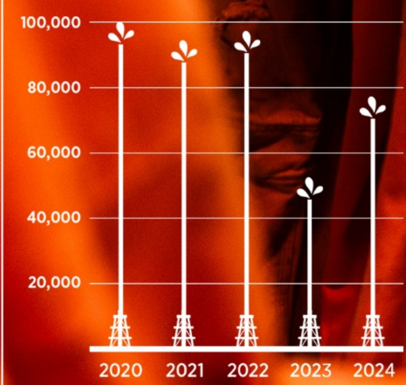


"DNO proudly retains its bold and nimble Viking DNA."

Bijan Mossavar-Rahmani
Executive Chairman

NET PRODUCTION (boepd)

77,269



NET 2P RESERVES (MMboe)

282

Content

Highlights

DNO[1] 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 Peshkabir 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 the 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. Norway's oldest oil and gas company, DNO, proudly retains its bold and nimble Viking DNA.

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[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.

Key figures

Key financials (USD million)	2024	2023
Revenues	666.8	667.5
EBITDAX	422.2	431.5
EBITDA	333.3	383.8
Operating profit/loss	6.1	218.3
Net profit/loss	-27.1	18.6
Free cash flow	58.8	-86.8
Operational spend	568.0	561.9
Net cash/debt	99.0	152.7
Lifting costs (USD/boe)	6.5	10.7

Key operational data	2024	2023
Gross operated production (boepd)	80,280	46,500
Net production (boepd)	77,269	52,566
Sales volume (boepd)	33,918	28,885
Net 2P reserves (MMboe)	281.9	290.1

For reconciliation and more information about key figures, see the section on alternative performance measures.

Board of Directors

BIJAN MOSSAVAR-RAHMANI

Executive Chairman

Bijan Mossavar-Rahmani has served as DNO's Executive Chairman of the Board of Directors since 2011 and is a member of the nomination and remuneration committees.

Mr. Mossavar-Rahmani's full-time role encompasses strategic, managerial and operational responsibilities at DNO, of which he is the largest shareholder. An experienced industry executive, he has served as Chairman of the Board of RAK Petroleum plc between 2013-2022, co-founder and Chairman of Foxtrot International since 1998 and founder and first Chief Executive Officer of Apache International Inc. between 1988-1992. In addition to his industry positions, he is active in philanthropy, education and the arts. He is a Trustee of the New York Metropolitan Museum of Art where he chairs the Audit Committee and the Visiting Committee on Islamic Art and is a member of the Executive Committee and the Finance Committee, a Director of the Persepolis Foundation and a member of Harvard University's Global Advisory Council and of Princeton University's Nassau Hall Society. He has published more than ten books on global energy markets and was decorated Commandeur de l'Ordre National de la Côte d'Ivoire for services to the energy sector of that country. Mr. Mossavar-Rahmani is a graduate of Princeton (AB) and Harvard Universities (MPA).

GUNNAR HIRSTI

Deputy Chairman

Gunnar Hirsti was elected to DNO's Board of Directors in 2007, chairs the audit committee and is a member of the remuneration committee.

Mr. Hirsti has extensive experience from various managerial, executive and board positions in the oil and gas industry as well as the information technology industry in Norway. He was Chief Executive Officer of DSND Subsea ASA (now Subsea 7 S.A.) for a period of six years. He also served as Executive Chairman of the Board of Blom ASA for eight years. Mr. Hirsti holds a degree in drilling engineering from Tønsberg Maritime Høyskole in Norway.

ELIN KARFJELL

Director

Elin Karfjell was elected to DNO's Board of Directors in 2015 and is a member of the audit committee.

Ms. Karfjell has held various management positions across a broad range of industries, including Director Property Management and Development of Statsbygg, Managing Partner of Atelika AS and Chief Executive Officer of Fabi Group, Chief Financial Officer of Atea AS and partner of Ernst & Young AS and Arthur Andersen. Current directorships include Philly Shipyard ASA, North Energy ASA, Contesto AS and Scale Leap Capital I. Ms. Karfjell is a state authorized public accountant with a Bachelor of Science in Accounting from OsloMet and a Higher Auditing degree from the Norwegian School of Economics (NHH).

ANITA MARIE HJERKINN AARNÆS

Director

Anita Marie Hjerkinn Aarnæs was elected to DNO's Board of Directors in 2022 and is a member of the HSSE committee.

Ms. Hjerkinn Aarnæs is Managing Partner Nordics at The Board Practice. She has extensive international experience with strategy development, governance and organizational effectiveness across industries and in particular within the energy sector. She held the position as Director of Human Resources in the Company from 2012 to 2015, prior to which she had served as Managing Partner at Heidrick & Struggles and as Management Consultant with PA Consulting Group. Ms. Hjerkinn Aarnæs was a member of the Board of Directors of Norwegian Finans Holding ASA from its inception. She is a certified EFQM assessor. She holds a degree in Public Law and is a graduate of the University of Oslo (Cand Mag) and Harvard University (MPA).

NAJMEDIN MESHKATI

Director

Najmedin Meshkati was elected to DNO's Board of Directors in 2023 and chairs the HSSE committee.

Dr. Najmedin Meshkati is a Professor of Civil/Environmental Engineering; Industrial & Systems Engineering and International Relations at the University of Southern California. As a global leader and expert in human performance and safety culture, Dr. Meshkati has served on numerous boards, councils and panels, including the United States panel analyzing the causes of the Deepwater Horizon explosion. Dr. Meshkati holds a BS in Industrial Engineering and a BA in Political Science from Sharif (Arya-Mehr) University of Technology and Shahid Beheshti University (National University of Iran), respectively. He holds a MS in Engineering Management and a PhD in Industrial and Systems Engineering from the University of Southern California. He is a Certified Professional Ergonomist.

Board of Directors' report

Introduction

2024 full-year results highlights

- Revenues of USD 667 million in 2024 (2023: USD 668 million);
- Kurdistan revenues totaled USD 231 million (2023: USD 253 million) and North Sea revenues totaled USD 436 million (2023: USD 414 million);
- Operating profit of USD 6 million in 2024 (2023: USD 218 million);
- Operational spend of USD 568 million, up from USD 562 million in 2023;
- Yearend cash deposits of USD 899 million and USD 99 million in net cash (USD 719 million in cash and USD 153 million in net cash yearend 2023)
- Gross production at the Tawke license in Kurdistan, containing the Tawke and Peshkabir fields, averaged 78,615 barrels of oil per day (bopd) compared to 46,276 bopd in 2023;
- Across portfolio, net production of 77,269 boepd, up from 52,566 boepd in 2023;
- Of which West Africa assets in Côte d'Ivoire contributed 3,103 boepd of net production from equity accounted investment; and
- Net proven and probable (2P) reserves of 282 million barrels of oil equivalent (MMboe), compared to 290 MMboe at yearend 2023.

For a detailed financial review, see section on financial performance.

Our vision and strategic priorities

DNO is a Norwegian oil and gas operator active in the Middle East, the North Sea and West Africa. DNO's vision is to remain a leading, growth-oriented exploration and production company seeking to deliver attractive returns to shareholders by finding and producing oil and gas at low cost and at an acceptable level of risk in a socially responsible and environmentally sensitive manner. To achieve this vision, our strategic priorities include:

- Increasing production through the development of our existing reserves base;
- Growing reserves and contingent resources through focused exploration and appraisal drilling;
- Maintaining operational control, financial flexibility and the efficient allocation of capital in line with DNO's full-cycle business model to deliver growth at a low unit cost;
- Encouraging an entrepreneurial culture and attracting the best talent in the industry;
- Pursuing materially accretive acquisitions;
- Recognizing our corporate governance responsibilities and commitments and managing risks to the business;
- Being a leader in health, safety, security and environmental best practices in our areas of operation; and
- Minimize gas flaring and eliminate venting to conserve resources and control emissions.

Production strength and capacity

Across the portfolio, DNO's gross operated production averaged 80,280 boepd, up from 46,500 in 2023. In Kurdistan, gross operated production was up 69 percent year-on-year to 78,620 bopd as output was held steady following the 2023 disruptions caused by the closure of the Iraq-Türkiye Pipeline (ITP). Total net production averaged 77,269 boepd, up from 52,566 boepd in 2023. With net 2P reserves totaling 282 MMboe, DNO has the asset base to sustain material levels of production over the long term.

Organic reserves and resource growth

Done in a structured manner, successful exploration can be one of the most cost-efficient methods of delivering significant reserves growth and associated value creation. At DNO, we focus our efforts on areas where we have in-depth subsurface knowledge, playing to our technical and operational strengths. We benchmark each prospect so that capital deployed to exploration is only allocated to those opportunities that meet our technical, financial and strategic requirements. Looking ahead, we will continue to pursue opportunities in the North Sea, potentially complemented by selected targets in high potential basins across the Middle East and West Africa with the goal of transforming resources into reserves at a low unit cost.

Operational control and financial flexibility

We operate our most significant oil and gas assets and have the experienced team and operational capabilities to efficiently deliver our work programs. To maintain the financial strength and flexibility to fund growth opportunities, we will look to internally generated funds and, when necessary, to international capital markets to strengthen the Company's balance sheet.

Encouraging an entrepreneurial culture

DNO's growth and success revolve around the quality and commitment of our people. We are an entrepreneurial company with a flat organizational structure which means we can make decisions quickly and execute flexibly. Our employment practices and policies help our staff realize their full potential. We are committed to developing local talent in each of our areas of operations.

Mergers and acquisitions

In addition to organic growth, we continuously evaluate new assets and take an opportunistic approach to potential acquisitions.

Corporate governance and managing risk

One of our priorities is to ensure that DNO is a responsible and transparent enterprise. We are committed to the highest standards of corporate governance, business conduct and corporate social responsibility. Recognizing that the success of an oil and gas company is directly linked to how well risks are managed, we seek to improve our systems designed to identify and effectively manage risks. We respect fundamental human rights, provide decent working conditions and are committed to the health, safety and security of our employees, contractors and the communities in which we operate. In addition, the Company is continuously working to reduce the environmental impact of our activities including with respect to greenhouse gas (GHG) emissions. Such environmental, social and governance matters are discussed in DNO's first sustainability statement, which is included in this Annual Report. The sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS). On human rights and decent working conditions specifically, DNO will also report according to the Norwegian Transparency Act and publish its 2024 statement by 30 June 2025.

Operations review

Annual Statement of Reserves and Resources

The Company's Annual Statement of Reserves and Resources (ASRR) has been prepared in accordance with the Oslo Stock Exchange listing and disclosure requirements Circular No. 1/2013. International petroleum consultants DeGolyer and MacNaughton (D&M) carried out an independent assessment of the Tawke license (containing the Tawke and Peshkabir fields) and the Baeshiqa license (containing the Baeshiqa and Zartik structures) in the Kurdistan region of Iraq (Kurdistan). International petroleum consultants RPS Energy Consultants (RPS) carried out an independent assessment of DNO reserves and resources in Norway and the United Kingdom (UK). In Norway, contingent resources also include volumes that are classified as RC7F (production not evaluated) as reported by the Norwegian Offshore Directorate (NOD). In 2023, the international petroleum consultants Beicip-Franlab carried out an independent assessment of DNO's CI-27 license (held through its indirect 33.33 percent interest in the operating entity) in Côte d'Ivoire. For the P2543 license (Agar) in the UK and Block 47 in Yemen, DNO's contingent resources are internally assessed. The Dutch acreage held by DNO does not hold any reserves or resources.

At yearend 2024, DNO's net 1P reserves stood at 178.9 MMboe, compared to 206.4 MMboe at yearend 2023, after adjusting for production during the year and changes due to acquisitions and divestments, reclassifications and technical revisions. On a 2P basis, DNO's net reserves stood at 281.9 MMboe, compared to 290.1 MMboe at yearend 2023. On a 3P basis, DNO's net reserves were 340.1 MMboe, compared to 360.5 MMboe at yearend 2023. DNO's net contingent (2C) resources were 213.4 MMboe, up from 205.0 MMboe at yearend 2023 after adjusting for new discoveries, volumes moved to reserves and technical revisions.

While net production of 28.3 MMboe during 2024 drew on DNO's reserves, the impact was partially offset by acquisitions, volumes moved up from contingent resources, as well as technical revisions. Notably, DNO's 2024 acquisitions of stakes in the Arran field offshore UK and Norne area assets in Norway added a total of 4.9 MMboe in net 1P reserves, 7.8 MMboe in net 2P reserves and 11.4 MMboe in net 3P reserves (after allowing for divestment of Ringhorne East, used as part of the consideration for the Norne area assets). Volumes moved from contingent resources to reserves all relate to the 2024 sanctioning of the Bestla field development in Norway, which added 2.9 MMboe to 1P reserves, 7.6 MMboe to 2P reserves and 14.4 MMboe to 3P reserves, all on a net basis.

DNO's net production in 2024 was 28.3 MMboe of which 21.6 million barrels (MMbbls) of oil were in Kurdistan, 4.8 MMboe in Norway, 0.8 MMboe in the UK and 1.1 MMboe in Côte d'Ivoire. Net production in 2023 was 19.2 MMboe of which 12.7 MMbbls were in Kurdistan, 5.1 MMboe in Norway, 1.3 MMboe in Côte d'Ivoire and the balance in the UK.

The Company's net 2024 yearend Reserve Life Index (R/P) stood at 6.3 years on a 1P reserves basis, 10.0 years on a 2P reserves basis and 12.0 years on a 3P reserves basis.

The ASRR report for 2024 is available on the Company's website.

Kurdistan

Gross production from the DNO operated Tawke license, containing the Tawke and Peshkabir fields, averaged 78,615 bopd during 2024 (46,276 bopd in 2023). The Tawke field contributed 29,153 bopd (26,577 bopd in 2023) and the Peshkabir field contributed 49,462 bopd (19,699 bopd in 2023). Gross Tawke license production was up 70 percent year-on-year as output was held steady in 2024 following the disruptions caused by the closure of the ITP export route in 2023.

DNO sold its oil at its Fish Khabur terminal to local traders as the ITP remained shut. Maintaining strict capital spending discipline, DNO drilled no new wells on the Tawke license in 2024. Notwithstanding, output was kept at a high level by bringing three previously drilled wells onstream and by workovers and interventions on more than 20 other wells across the license.

DNO holds a 75 percent operated interest in the Tawke license with partner Genel Energy International Limited holding the remaining 25 percent.

On DNO's other Kurdistan license, Baeshiqa, gross operated production averaged 5 bopd (224 bopd in 2023). The 2024 production resulted from well testing programs conducted in the fourth quarter of the year. Based on the test results, DNO took a partial impairment on the asset and is currently minimizing running costs while determining its future work program.

DNO holds a 64 percent operated interest in the Baeshiqa license (80 percent paying interest) with partners including the Turkish Energy Company Limited (TEC) with a 16 percent interest (20 percent paying interest) and the Kurdistan Regional Government (KRG) with a 20 percent carried interest.

RESERVES

On a net basis at yearend 2024, 1P reserves in the Company's Kurdistan portfolio totaled 142.8 MMbbls (175.1 MMbbls at yearend 2023), 2P reserves totaled 224.9 MMbbls (244.5 MMbbls at yearend 2023) and 3P reserves totaled 257.9 MMbbls (298.0 MMbbls at yearend 2023). Net 2C resources were 59.5 MMbbls, unchanged from yearend 2023 level.

The Company's Kurdistan reserves relate entirely to the Tawke license. Out of the net 2C contingent resources in the Kurdistan portfolio, the Baeshiqa license represented 38.1 MMbbls (39.1 MMbbls at yearend 2023).

North Sea

In 2024, DNO had diversified production across 15 fields in the North Sea of which 12 were in Norway and three in the UK. 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. With contributions from the new assets coming in at the end of the year, North Sea net production increased to an average of 15,201 boepd (14,203 boepd in 2023). Of the total, 13,057 boepd were attributable to Norway and 2,144 to the UK (13,926 boepd and 277 boepd, respectively, in 2023).

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 26.2

MMboe net to the Company. These are Andvare (32 percent), Bestla (39.2 percent), Verdande (10.5 percent) and Berling (30 percent). In addition, DNO continued to mature other discoveries towards project sanction.

DNO drilled three exploration wells in the North Sea in 2024, namely Othello (50 percent and operator), Cuvette (20 percent) and Ringand (20 percent). All three were discoveries. The play-opening Othello light oil discovery was Norway's second largest find in 2024, significantly derisking nearby prospects in DNO's exploration portfolio. In addition, DNO drilled two combined exploration and appraisal wells in 2024 to assess the resource potential surrounding the 2023 Heisenberg discovery (spanning two licenses in which DNO holds 49 and 20 percent, respectively). While Heisenberg was successfully delineated, the additional exploration targets (Hummer and Angel) did not deliver the desired results.

RESERVES

At yearend 2024, DNO held 85 licenses in Norway in various stages of exploration, development and production (73 licenses at yearend 2023). Across its Norway portfolio and on a net basis, DNO's 1P reserves totaled 27.7 MMboe, 2P reserves stood at 44.9 MMboe, 3P reserves totaled 66.0 MMboe and 2C resources stood at 144.0 MMboe. The comparable yearend 2023 figures were 1P reserves of 23.7 MMboe, 2P reserves of 34.8 MMboe, 3P reserves of 49.0 MMboe and 2C resources of 132.0 MMboe. In 2024, reserves in Norway increased with the sanctioning of the Bestla field development and the acquisition of Norne area assets.

In the UK, DNO held seven licenses at yearend 2024 (four licenses at yearend 2023). On a net basis, 1P reserves totaled 1.9 MMboe, 2P reserves stood at 2.8 MMboe, 3P reserves totaled 4.1 MMboe and 2C resources of 22.1 MMboe at yearend 2024. The comparable yearend 2023 figures were 1P reserves of 0.1 MMboe, 2P reserves of 0.3 MMboe, 3P reserves of 0.4 MMboe and no 2C resources, all on a net basis. The increase in reserves and resources was due to both the acquisition of the Arran field and the inclusion of the license containing the Agar discovery, the latter formally allocated to DNO in February 2024.

West Africa

Through a one-third stake in the operating company, Foxtrot International, DNO holds a nine percent interest in Côte d'Ivoire's Block CI-27. The block includes four fields producing over 75 percent of Côte d'Ivoire's domestic gas supply. Formerly, Foxtrot International also operated the CI-12 exploration block, from which it withdrew in October 2024 after having fulfilled the exploration obligations pertaining to the license.

RESERVES

In West Africa, DNO held yearend 2024 1P reserves of 6.4 MMboe, 2P reserves of 9.4 MMboe, 3P reserves of 12.0 MMboe and 2C resources of 5 MMboe. The comparable yearend 2023 figures were 1P reserves of 7.6 MMboe, 2P reserves of 10.5 MMboe, 3P reserves of 13.2 MMboe and 2C resources of 8.6 MMboe, all on a net basis.

Yemen

Production start-up at the Yaalen field at Block 47 in Yemen, currently under force majeure, remains on hold. At yearend 2024, 2C resources at Block 47 stood at 4.8 MMbbls on a net basis, unchanged from yearend 2023.

Business development

During 2024, DNO stepped up its business development activities with a particular focus on acquiring producing assets in the North Sea to complement its strong development and exploration portfolio in the region.

In May 2024, the Company completed the acquisition of a 25 percent interest in the Arran gas field on the UK Continental Shelf. Acquired by the Company's wholly-owned subsidiary DNO Exploration UK Limited from ONE-Dyas E&P Limited, the field is operated by Shell UK Limited and was brought on stream in 2021 as a subsea tie-back to the Shell-operated Shearwater A platform. The consideration paid upon completion was approximately USD 60 million. Arran is expected to have a short payback period, in part due to financial synergies between Arran and DNO's existing position in the UK.

In September 2024, the Company completed the acquisition of stakes in five oil and gas fields, including an operatorship, in the Norne area in the Norwegian Sea from Vår Energi ASA. Following closing, DNO's wholly-owned subsidiary DNO Norge AS holds interests in all producing and under development fields in the greater Norne area, making it a core area for the Company on the Norwegian Continental Shelf. The net cash consideration paid by DNO was approximately USD 28 million. The transfer of DNO's 22.6 percent interest in Ringhorne East to Vår Energi ASA, the other element of the transaction, was completed simultaneously.

The Norne area transaction included interests in four producing fields, Norne (6.9 percent), Skuld (11.5 percent), Urd (11.5 percent) and Marulk (20 percent and operatorship) plus a stake in the ongoing Verdande development (10.5 percent), which is expected to come onstream in 2026. Prior to the transaction, DNO held interests in Alve (32 percent), Marulk (17 percent), and the Andvare development (32 percent) in the Norne area. All fields in the Norne area are tied back to the Equinor-operated Norne FPSO. With its expanded area position, DNO has stepped up studies of near-field exploration targets and infill well opportunities.

The acquisitions completed during 2024 contributed to increase the gas share in the production mix of DNO North Sea, which in the fourth quarter of 2024 stood at 43 percent (36 percent for 2024).

In the North Sea, DNO continued on high grading its portfolio in 2024 through a combination of licensing round awards, license transactions and relinquishment of licenses deemed unattractive following evaluation. Shortly before yearend, DNO farmed into a 10 percent interest in the Mistral exploration well in the Norwegian Sea. In exchange, the counterparty picked up a 10 percent interest in the Northern North Sea Horatio prospect, in which DNO retained a 20 percent stake.

Across the portfolio, the Company continues to develop a pipeline of new business opportunities to supplement its current position in the Middle East, the North Sea and West Africa. It actively pursues growth opportunities across the exploration and production lifecycle, including exploration, development and production, both organically as well as through potential mergers and acquisitions.

Financial performance

Revenues, operating profit and cash

Total revenues in 2024 stood at USD 666.8 million (USD 667.5 million in 2023). Kurdistan revenues stood at USD 230.8 million (USD 253.2 million in 2023), while the North Sea generated revenues of USD 436.0 million (USD 414.4 million in 2023). The reported 2024 revenues were negatively impacted by the March 2023 ITP shutdown in Kurdistan, causing lower Kurdistan production with volumes sold in the local market at lower realized oil prices than previously achieved through export.

The Group reported an operating profit of USD 6.1 million (USD 218.3 million in 2023). The lower operating profit in 2024 was driven by impairments, higher cost of goods sold and higher exploration expenses.

The Group ended the year with USD 899.0 million in cash and USD 99.0 million in net cash (USD 718.8 million in cash and USD 152.7 million in net cash at yearend 2023).

Net cash flows from operating activities for the year was USD 413.0 million, up from USD 194.1 million in 2023. The significant increase in net cash flows from operating activities was mainly due to increase in trade and other payables and lower tax payments in the North Sea, partly offset by increase in trade and other receivables and interest payments. The difference between the cash generated from operations from the cash flow statement and the operating profit relates mainly to depreciation, impairment charges and increase in trade and other payables.

Investing activities of USD 354.2 million (USD 281.0 million in 2023) consist of USD 287.0 million in asset investments, USD 84.8 million in license transactions (Arran, Norne area) and USD 4.9 million in decommissioning, partly offset by USD 22.4 million cash inflow from equity accounted investments (West Africa).

Net cash inflow from financing activities of USD 123.2 million (outflow of USD 147.0 million in 2023) was mainly related to proceeds from borrowings partly offset by repayment of borrowings and paid dividends.

Cost of goods sold

In 2024, the total cost of goods sold was USD 406.9 million, compared to USD 364.8 million in 2023. The increase in cost of goods sold was mainly driven by higher depreciation costs due to higher production.

Impairment charges

The Group’s total impairment charges stood at USD 146.0 million in 2024, of which USD 89.0 million related to Baeshiqa license in Kurdistan and USD 57.0 million to the North Sea (USD 24.9 million in 2023 entirely related to the North Sea).

Exploration costs expensed

Total expensed exploration costs for the year were USD 88.9 million, up from USD 47.7 million in 2023, mainly driven by expensing of wells.

Capital expenditures

Total capital expenditures for the year were USD 287.0 million in 2024 (USD 278.3 million in 2023), of which USD 46.8 million were in Kurdistan and USD 239.3 million in the North Sea (USD 73.0 million and USD 204.4 million in 2023, respectively). Of the total, USD 87.2 million (USD 114.6 million) were related to exploration drilling activities. The reduction in Kurdistan capital expenditures was a result of the Company’s cost reduction measures, following the ITP shutdown in March 2023.

Assets, liabilities and equity

At yearend 2024, total assets stood at USD 2,966.1 million, compared to USD 2,638.3 million at yearend 2023. The increase in total assets compared to last year was mainly due to increase in cash balance, goodwill from asset acquisitions, trade receivables and capitalized exploration cost partly offset by higher impairments. Total property, plant and equipment (PP&E), intangible assets and goodwill increased from USD 1,378.5 million at yearend 2023 to USD 1,440 at yearend 2024.

Total liabilities were USD 1,886.1 million, compared to USD 1,403.5 million at yearend 2023. The equity ratio stood at 36.4 percent at yearend 2024 (46.8 percent at yearend 2023). The equity ratio dropped primarily due to the issue of the DNO05 bond, recognition of decommissioning liabilities in connection with asset acquisitions and a net loss in 2024.

Going concern

The Company regularly evaluates its financial position, cash flow forecasts and its compliance with financial covenants by considering multiple combinations of oil and gas prices, production volumes, and operational spend scenarios.

As required under the Norwegian Accounting Act, the Company’s Board of Directors conducted a review of the going concern assumption considering all relevant information available up to the date the DNO consolidated and Company accounts are issued and taking into account all available information about the future covering at least 12 months from the end of the reporting period. The Board of Directors’ review included, in particular, assessment of the Group’s projected cash reserves and access to financing arrangements, debt maturities, operational outlook and work programs, while maintaining appropriate headroom in respect of sound equity, liquidity and financial covenant compliance throughout the assessment period.

Following its review, the Board of Directors confirmed, pursuant to the Norwegian Accounting Act section 3-3a, that the requirements of the going concern assumption are met and that these financial statements have been prepared on that basis.

Corporate governance

DNO's corporate governance policy is based on the recommendations of the Norwegian Code of Practice for Corporate Governance.

The Articles of Association and the Norwegian Public Limited Liability Companies Act form the corporate legal framework for DNO's business activities. In addition, DNO is subject to, and complies with, the requirements of Norwegian securities legislation.

The Group regularly reports on its strategy and the status of its business activities through annual reports, half-year and full-year results and other market presentations and releases.

Equity and dividends

SHAREHOLDERS' EQUITY

It is DNO's policy to maintain a strong credit profile and robust equity level. The financial covenants of the bonds issued by DNO require that the Group maintains either an equity ratio of 30 percent or a total equity of a minimum of USD 600 million. As of 31 December 2024, the equity ratio was 36.4 percent and total equity was USD 1,080 million.

DIVIDEND POLICY AND DISTRIBUTIONS

The Board of Directors assesses on an annual basis whether authorizations to the Board to distribute dividend should be proposed for approval by the shareholders at the Annual General Meeting (AGM). Assessment is based on planned operational spend, cash flow projections and DNO's objective of maintaining a strong credit profile and robust capital ratios. Based on the authorizations granted, the Board also assesses dividend capacity prior to each resolution on dividend payment.

At the 2023 AGM, 99.93 percent of the votes cast approved the resolution to authorize the Board of Directors to approve dividend distributions at its own discretion from the date of the 2023 AGM until the date of the 2024 AGM. Following this, the Board of Directors resolved to distribute quarterly dividends of NOK 0.25 in August and November 2023, as well as in February and May 2024.

At the 2024 AGM, 100 percent of the votes cast approved of the resolution to authorize the Board of Directors to approve dividend distributions at its own discretion from the date of the 2024 AGM until the date of the 2025 AGM. Following this, the Board of Directors decided to distribute quarterly dividends of NOK 0.3125 in August and November 2024, as well as in February 2025.

OTHER AUTHORIZATIONS TO THE BOARD OF DIRECTORS

Going into 2024, the Board of Directors had authorizations from the 2023 AGM to acquire treasury shares, increase the share capital and raise convertible bonds until the 2024 AGM, but no later than 30 June 2024. These authorizations were not utilized.

A new authorization to acquire treasury shares was approved by the 2024 AGM, as the Board of Directors was given the authority to acquire treasury shares with a total nominal value of up to NOK 24,375,000 which corresponds to 97,500,000 shares. The maximum amount that can be paid for each share is NOK 100 and the minimum is NOK 1. The acquisition and sale of treasury shares may take place in any way the Board may find appropriate other than by subscription of shares. The authorization is valid until the 2025 AGM, but not beyond 30 June 2025.

The 2024 AGM also authorized the Board of Directors to increase the Company's share capital by up to NOK 24,375,000 which corresponds to 97,500,000 new shares. The authorization is time-limited until the 2025 AGM, and not beyond 30 June 2025.

In addition, the Board of Directors was given the authority to raise convertible bonds with an aggregate principal amount of up to USD 300,000,000. Upon conversion of bonds issued pursuant to the authorization, the Company's share capital may be increased by up to NOK 24,375,000. The authorization is valid until the 2025 AGM, but not beyond 30 June 2025.

Equal treatment of shareholders and transactions with related parties

The Company has one class of shares and each share represents one vote. We are committed to treating all shareholders equally.

All transactions between the Company and related parties shall be on arm's length terms. Members of the Board of Directors and senior management are required to notify the Board if they have any direct or indirect material interest in any transaction entered into by the Company.

Freely negotiable shares

The Company's shares are listed on the Euronext Oslo Stock Exchange and are freely negotiable.

General meetings

The AGM, usually held in the end of May or early June each year, is the highest authority of the Company. The minutes of the meetings are available on the Company's website.

AGMs are convened by written notice to all shareholders with a known address and published on the Company's website together with all appendices, including the recommendations of the nomination committee. The notice is sent and published no later than 21 days prior to the date of the meeting. Any person who is a shareholder at the time of the AGM can attend and vote, provided they have been registered as a shareholder no later than the fifth working day before the meeting.

Shareholders unable to attend a general meeting may vote through a proxy.

In accordance with the Norwegian Public Limited Liability Companies Act, the external auditor of DNO, or shareholders representing at least five percent of the share capital, may request an extraordinary general meeting to deal with specific matters. The Board of Directors must ensure that the meeting is held within one month after the request has been submitted.

Board of Directors' composition

The Company's Articles of Association require that the Board of Directors consist of three to seven members. All members, including the Executive Chairman, are elected with an election period until the 2025 AGM. As of 31 December 2024, the Board of Directors consisted of five members, all of whom have relevant and broad experience.

The board members’ shareholdings are specified in the notes to the consolidated accounts.

The Board of Directors’ work

The role of the Board of Directors is to supervise the Company’s overall management and strategic development in accordance with the long-term interests of the Company’s shareholders and other stakeholders.

The Board of Directors is subject to a set of procedural rules that, among other things, defines its responsibilities and the matters to be discussed at board level. The Board of Directors also regularly establishes work directives for the Managing Director.

Directors’ and officers’ insurance

The Company has directors’ and officers’ liability insurance which covers the cost of compensation claims made against the Company’s directors and key managers (officers) for alleged wrongful acts.

The Board of Directors’ committees

AUDIT COMMITTEE

The audit committee consists of two members: Mr. Gunnar Hirsti (chair) and Ms. Elin Karfjell. The audit committee monitors the financial accounting and reporting process, including sustainability reporting. Its responsibilities by law include monitoring the systems for internal control, risk management and the internal audit function, as well as reviewing and monitoring the appointment, independence, and performance of the external auditor.

HSSE COMMITTEE

The HSSE (health, safety, security and environment) committee consists of Dr. Najmedin Meshkati (chair) and Ms. Anita Marie Hjerkinn Aarnæs. Its mandate is to review the Company’s management of operational HSSE risks and performance.

REMUNERATION COMMITTEE

The remuneration committee consists of two members: Mr. Bijan Mossavar-Rahmani and Mr. Gunnar Hirsti. Its mandate is to consider matters relating to the compensation of senior management.

NOMINATION COMMITTEE

The Company’s nomination committee consists of Mr. Bijan Mossavar-Rahmani and two external members, Mr. Ferris J. Hussein and Mr. Kåre Tjønneland. Its mandate is to propose candidates for the Board of Directors and its various committees to the AGM. It also proposes the level of remuneration for the Board of Directors and committee members.

It is the Company’s assessment that it is in the interest of DNO and its shareholders that the largest shareholder is represented on the nomination committee. To ensure the independence of the nomination committee, it also consists of two additional members who are both considered independent of the Board of Directors and the Company’s main shareholders.

REMUNERATION OF DIRECTORS

The remuneration of the Board of Directors and its committees is decided by the AGM based on a recommendation from the nomination committee. Fees reflect the Board of Directors’ responsibility, competence, workload and the complexity of the business and are determined separately for the Executive Chairman, the Deputy Chairman and other members. Additional fees are applied on a uniform basis for each director’s participation in the committees. Further information about the Board of Directors’ remuneration is presented in the parent company accounts (see Note 3).

Remuneration of senior management

The remuneration of the Company’s senior management, including the Managing Director, is subject to the evaluation and recommendation of the remuneration committee. The remuneration of the Company’s Managing Director is evaluated annually and approved by the Board of Directors.

The remuneration of senior management is presented in the parent company financial statements (see Note 3).

Responsibility for risk management and internal control

Risk management is integral to all of the Group’s activities. Each member of senior management is responsible for continuously monitoring and managing risk within the relevant business areas. Every material decision is preceded by an evaluation of applicable business risks.

Reports on the Group’s risk exposure and reviews of its risk management are regularly undertaken and presented to the senior management and the Board of Directors through the audit committee. The Company has an internal audit function and a compliance function whose responsibilities include ensuring that regulatory requirements and internal policies are followed.

Information and communication

Our policy is to provide material information to all shareholders in a timely manner.

DNO’s consolidated financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional disclosure requirements in the Norwegian Accounting Act. Interim reports and other relevant information are published on DNO’s website and through the Oslo Stock Exchange.

DNO also publishes an annual financial calendar setting out key dates and events, such as regular market presentations. The DNO investor relations policy encourages open communication with capital markets and shareholders. In addition to scheduled quarterly presentations, we regularly hold presentations for investors and analysts.

Takeover

The Board of Directors has a responsibility to ensure that, in the event of a takeover bid, business activities are not disrupted unnecessarily. The Board of Directors also has a responsibility to ensure that shareholders have sufficient information and time to assess any such bid. Should a takeover situation arise, the Board of Directors would undertake an evaluation of the proposed bid terms and provide a recommendation to the shareholders as whether or not to accept the proposal. The recommendation statement would clearly state whether the Board of Directors’ evaluation is unanimous and the reasons for any dissent.

Auditor

DNO's external auditor is elected at the AGM, which also approves the auditor's fees for the parent company. The auditor annually presents an audit plan to the audit committee and participates in audit committee meetings to review the Group's internal control and risk management systems. The auditor also participates in board meetings when considered appropriate, with and without senior management present.

Information about the auditor's fees, including a breakdown of audit related fees and fees for other services, is included in the notes to the financial statements in accordance with the Norwegian Accounting Act.

DNO's external auditor is Ernst & Young AS.

Enterprise risk management

The objective of DNO's risk management is to identify potential exposures that may impact the Group and to manage identified risks within strict guidelines while pursuing our business objectives. We continuously review our risk profile, incorporating industry-recognized risk identification and quantification processes. The Board of Directors and its committees also regularly monitor the Group's risk management systems and internal controls.

Financial risk

Risks related to oil and gas prices, interest rates and currency exchange rates, liquidity risk, concentration risk and credit risk constitute financial risks for the Group. Financial risks are managed by the Group finance function based on guidelines set by the Board of Directors. For more information about how we manage financial risk, see Note 23 in the consolidated accounts.

Entitlement risk

DNO has interests in two licenses in Kurdistan through Production Sharing Contracts (PSCs) and has based its entitlement calculations on the terms of these PSCs.

The Company notes from public reports that on 15 February 2022, the Federal Supreme Court of Iraq (FSCI) ruled on two matters, one stemming back to 2012 and another related matter dating back to 2019. Reportedly, the FSCI found amongst other things that the Kurdistan Oil and Gas Law No. 27/2007 (KOGL) is unconstitutional, that the KRG is to hand over all oil production from areas located in the Kurdistan region of Iraq (KRI) to the Federal Government of Iraq (FGI) and that the FGI has the right to pursue the nullity of the oil contracts concluded by the KRG. DNO was not a party to these proceedings. Further, DNO learned via media reports that on 4 July 2022, the Karkh commercial court in Baghdad ruled that PSCs signed between the KRG and four international oil companies (including DNO) should be voided. Similar cases were reported as regards four other international oil companies over the ensuing weeks. Media then reported that on 21 August 2022, the KRG filed third party objections to the reported 2022 Baghdad court rulings including those understood to concern DNO. On 18 December 2024, it was reported that the Karkh Court of Appeal ruled in favor of inter alia the KRG, confirming that the PSCs in question were valid. That ruling was also reportedly appealed by the FGI, however, on 22 January 2025, DNO learnt, again from media reports, that the Court of Cassation dismissed the FGI's appeal and thus confirmed that the PSCs are valid. On 27 February 2025, there were reports that the FGI had requested a correction of the rulings of the Court of Cassation. The Company notes that this process does not allow the FGI to introduce new evidence or arguments; it merely seeks to correct perceived errors in the Court of Cassation's ruling. As far as the Company is aware, that process is still pending. Throughout the period when these cases were pending, the KRG issued repeated assurances that the PSCs remain valid and there were also several rulings in Erbil courts affirming the validity of the PSCs.

In 2014, the FGI initiated an arbitration case against the Government of Türkiye and its state-owned pipeline operator BOTAS relating to the ITP. Following an arbitration ruling which became publicly known on or around 24 March 2023, and which were in parts in favor of Iraq, the ITP was closed on 25 March 2023. As of the reporting date, the ITP remains closed, despite Türkiye's announcement in October 2023 that the ITP is ready to resume operations. Timing of export resumption is uncertain. Consequently, DNO initiated cost reduction measures in Kurdistan and commenced local sales on a cash and carry basis, where the oil is transported by traders by road tanker or pipelined to local refineries. The contractor entities' entitlement is sold by DNO. Varying by contract, local selling prices were in the mid USD 30s per barrel during 2024, significantly lower than the international prices previously achieved through pipeline export. However, all local deliveries are prepaid by the buyers directly to DNO, eliminating counterparty credit risk.

The FGI's 2023-2025 Federal Iraqi Budget Law (Budget Law) entered into force in June 2023. The details of FGI-KRG budget allocations, implementation of the Budget Law and the monetary size of the budget transfers to the KRG are not clear to DNO. DNO notes however that on 2 February 2025, the Iraqi Parliament approved amendments of the Budget Law. There have been several media reports that indicate that the Budget Law amendment may enable restart of export of Kurdish oil through the ITP. DNO and other member companies of the Association of the Petroleum Industry of Kurdistan (APIKUR) have repeatedly stated that they are prepared to resume exports, contingent upon reaching agreements that provide for payment surety for past and future exports, direct payment and preservation of the legal, commercial and economic terms of their production sharing contracts (Conditions). It is unclear to the Company how implementation of the amended Budget Law can facilitate satisfaction of the Conditions. It is also not clear how the KRG and the FGI will address these matters. DNO continues its operations in Kurdistan, and developments are closely monitored.

Due to the disagreements between the FGI and the KRG, economic conditions in Kurdistan and limited oil export channels, DNO has historically faced constraints in fully monetizing the oil it produces in Kurdistan. There is no guarantee that oil can be exported or sold locally in sufficient quantities or at prices required to sustain DNO's operations and investment plans or that the Group will promptly receive its full entitlement payments for any oil it delivers for export if the ITP reopens. Export sales have not always followed the PSC terms. Furthermore, there has also previously been uncertainty related to receipt of payments for oil sold to the KRG but notwithstanding sometimes lengthy delays, payments have ultimately been received by DNO.

At yearend 2024, the Company was owed a total of USD 298.1 million, excluding any interest, by the KRG mainly related to export oil sales to the KRG for the months October 2022 through March 2023. These receivables are past due (see Note 15). The KRG has repeatedly stated that it is and remains committed to its PSCs.

Timing of export resumption and payments for previous oil sales by the KRG is uncertain. The Company continues to engage with the KRG regarding recovery of the arrears and payment terms and conditions for any future oil exports.

The Company's PSCs include rights for the host government to audit the PSC accounts and there is uncertainty relating to the outcome and impact of any such audit on the Company's recovery of costs and financial results. During 2024 in Kurdistan, such audits were carried out with respect to the Baeshiqa 2018-2019 Accounts and the Tawke 2021 Accounts.

Operational risk

DNO is exposed to operational risks across its portfolio. Operational risk applies to all stages of upstream operations, including exploration, development and production. Failure to manage operations efficiently can manifest itself in project delays, cost overruns, higher-than-estimated operating costs and lower-than-expected oil and gas production and/or reserves. Exploration activities are capital intensive and involve a high degree of geological risk. Sustained exploration failure can affect the future growth and upside potential of DNO. Our ability to effectively manage and deliver value from our exploration, development and production activities is dependent on the quality of our staff and contractors. Inefficiency or interruption to our supply chain or the unwillingness of service contractors to engage in our areas of operation may also negatively affect operations.

DNO seeks to mitigate its operational risk through diligent follow-up and management of both operated and partner-operated assets. Defined targets and milestones are set for all exploration and development projects, against which progress is continuously monitored, allowing for early identification of complications and timely remedial action. Risks of inefficiency or interruption in the value chain are managed through close monitoring of operational progress, efforts to eliminate the probability of occurrence, as well as plans to mitigate adverse consequences of such incidents should they occur.

Political risk

Our portfolio is located in some countries where political, social and economic instability may adversely impact our business. Relevant political developments on both the federal and regional level in Iraq and otherwise in the Middle East are closely monitored by the Group, although our operations to date have been minimally impacted.

The Company notes the implications for commodity prices and potential interruptions of supply chains and third-party services from the ongoing conflicts. DNO is monitoring international sanctions and trade control legislation to ensure compliance and mitigate the potential impact on the Company's operations.

Stakeholder risk

In order to operate effectively, the Company is maintaining productive and proactive relationships with its stakeholders, host governments, business partners and the communities in which we operate. Failure to do so can result in difficulties in progressing initiatives as well as delays to ongoing operations.

Other risks

Environmental, climate-related, security and compliance risks are described in the Sustainability Statement.

HSSE performance

Our HSSE standards, procedures and protocols are based on the following principles:

- Avoid harm to all involved in, or affected by, our operations;
- Minimize and where possible eliminate the impact of our operations on the environment;
- Comply with all applicable legal and regulatory requirements; and
- Achieve continuous improvement in HSSE performance.

During 2024:
- Our Total Recordable Injury Frequency (TRIF) was 1.06, compared to 1.50 in 2023.
- There were two Lost Time Injuries during the year, compared to one in 2023.
- There was no Serious Vehicle Accident recorded with distances driven of 2.8 million kilometers.
- Through the operated Peshkabir-to-Tawke gas project a total of 7.4 billion cubic feet (bcf) of otherwise-flared associated gas was captured and injected in 2024, delivering GHG savings of 528,426 tonnes of CO_2e.
- A total of 29 bcf of otherwise-flared associated gas has been captured and injected since gas injection started in 2020, delivering GHG savings of 2.1 million tonnes of CO_2e.
- The number of oil spills stood at 4, compared to one in 2023; and
- The total volume of spills was 38 barrels compared to 28 barrels in 2023, most of which was removed and remediated.

A key metric for assessing and benchmarking the Company's safety performance is the Total Recordable Injury Frequency (TRIF). In 2024, DNO had a TRIF of 1.06 in its operational activities, down from 1.50 in 2023. The 2024 figure is above the industry average TRIF of 0.84 (based on data from International Association of Oil and Gas Producers (IOGP) for 2023, the latest year for which data is available). The Company is determined to improve its safety performance and aims for a TRIF at the IOGP industry average or better.

In 2024, DNO took additional concrete steps to improve traffic safety at its Kurdistan sites. Driving represents considerable risk to personnel in onshore oil and gas operations and contractor drivers have historically had the worst accident statistics. In response to this, portable In-Vehicle Monitoring System (IVMS) units were introduced in contractor vehicles entering DNO sites in 2024. The IVMS gives the contractor drivers feedback in real-time about driving behaviors and allows DNO to monitor speeds, acceleration and harsh braking linked directly to at-risk driving habits. This and other initiatives contributed to improvement in road safety, leading to zero serious driving incidents in 2024.

DNO also rolled out a campaign in 2024 called "Being Safe 24/7 - Work Safe, Safe Home," which aims to build a bridge between work and home life, making safety a part of employees' everyday life at work and at home with their families.

Going forward, DNO seeks to further improve HSSE training in the field in Kurdistan. To improve retention and overcome language barriers, the Company is moving away from text-based training and has recently introduced virtual training methods.

Further information about HSSE performance can be found in the Sustainability Statement under Environment and Social sections.

Organization and personnel

At yearend 2024, DNO had a workforce of 1,070 employees, of which 14 percent were women. A total of 55 individuals were based at the Company's headquarters in Oslo and 1,015 were engaged across our international operations, including in business unit offices in Erbil, Stavanger, Dubai and Aberdeen. Our workforce is characterized by strong cultural, religious and national diversity, with 39 nationalities represented.

At yearend 2024, the Board of Directors consisted of five members, two of whom are women (40 percent). Senior management consisted of five women (45 percent) and six men.

The Company is committed to maintain a working environment with equal opportunities for all based on qualifications, irrespective of gender, ethnicity, sexual orientation, or disability.

DNO continues to recruit and promote women who at yearend 2024 represented 33 percent of employees in managerial, administrative and other non-field operational positions. In the Erbil office, women represented 23 percent of all employees; the comparable figure in the Dubai office was 23 percent and 41 percent across the Oslo, Stavanger and Aberdeen offices combined.

There were no incidents of discrimination reported through the internal mechanisms for raising concerns in 2024.

Sickness absence in the Group in 2024 was 1.77 percent, compared to 1.0 percent in 2023.

Workforce diversity in DNO Norway
In Norway, DNO had a workforce of 198 employees at yearend 2024, of which 41 percent were women. A total of three employees worked part time during 2024, of which two were women. No employees in DNO work part time unless they have initiated or proposed it themselves. A total of 19 employees were on parental leave. Women had an average of 22 weeks of parental leave and men had an average of 10 weeks of parental leave.

Salary mapping of 2024 average women's salaries and bonuses compared to those of their male colleagues in the same job category is shown below in descending order of seniority for Norway-based employees:

Women's compensation as percentage of those of men's:	Base salary	Bonus
Level 1	77%	59%
Level 2	96%	108%
Level 3	96%	96%
Level 4	89%	77%
Level 5	NA	NA
All employees	83%	77%

Men and women with the same level of jobs, with equal professional experience and who perform equally receive the same pay in DNO. The complexity of the job, discipline area and work experience affect the pay level of individual employees.

As a Norway-based but international company, diversity is an important part of our human resources processes such as recruitment, succession planning, promotions, performance management and employee development.

Working environment in DNO Norway
In Norway, DNO has a Working Environment Committee (WEC) as required under the Norwegian Working Environment Act. The committee has an important role in monitoring and improving the working environment and in ensuring that the Company complies with laws and regulations in this area. The Company is committed to maintaining an open and constructive dialogue with the employee representatives and arranged meetings on a regular basis throughout the year. In the Board of Directors' view, the working environment in DNO during 2024 was good as confirmed through WEC meetings and employee satisfaction surveys.

More information about organization and personnel can be found in the Sustainability Statement under Social section.

Leading personnel remuneration policy

The 2024 remuneration of the Company's senior management was based on the latest approved remuneration guidelines at the 2023 AGM, as published on the Company's website.

Senior management

CHRIS SPENCER
Managing Director
Mr. Spencer joined DNO in 2017. Mr. Spencer previously served as CEO of Rocksource ASA and in various roles at Royal Dutch Shell and BP. Mr. Spencer is a Chartered Engineer with the Institution of Chemical Engineers in the United Kingdom.

ERLEND WOLLAN EINUM
Chief Business Development Officer
Mr. Einum joined DNO in 2024, coming from an executive position at Waldorf Production. Prior to this, he spent 16 years at Pareto Securities, where he was a senior partner in the firm's investment banking division. He holds a finance degree from the Norwegian School of Economics (NHH).

ELISABETH FEMSTEINEVIK
General Manager DNO North Sea
Ms. Femsteinevik joined DNO in 2019. She previously served in managerial roles at Faroe Petroleum and Equinor. She holds a geoscience degree from the University of Oslo.

TONJE PARELI GORMLEY
General Counsel – Middle East
Ms. Gormley joined DNO in 2018. She was previously a partner in Arntzen de Besche law firm. She holds a law degree from the University of Oslo and a diploma in law from the London Metropolitan University.

SAMEH HANNA
General Manager Kurdistan region of Iraq
Mr. Hanna joined DNO in 2022. He previously served as President of MI-SWACO worldwide and in various senior roles at SLB. Mr. Hanna holds a Bachelor of Science in Electronics from Ain Shams University, Cairo, and has completed management education programs at MIT Sloan, Lausanne School of Economics and Harvard University.

LINN HOEL
Chief Commercial Officer
Ms. Hoel joined DNO in 2024, coming from a position as corporate advisor with MP Energy Advisory. She previously served in managerial roles at Wintershall Dea and Equinor. Ms. Hoel holds a law degree from the University of Oslo.

WIESKE PAULISSEN
Group Head of Exploration and Subsurface
Dr. Paulissen joined DNO in 2014. Dr. Paulissen previously worked as an exploration geoscientist for ExxonMobil. She holds a PhD and a Master of Science Degree from the University of Delft in Petroleum Engineering and Geosciences.

HAAKON SANDBORG
Chief Financial Officer
Mr. Sandborg joined DNO in 2001. In addition to his oil and gas experience, he has a background in banking, including positions at DNB Bank. Mr. Sandborg holds a Master of Business Administration from the Norwegian School of Economics (NHH).

GEIR ARNE SKAU
Chief Human Resources and Corporate Services Officer
Mr. Skau joined DNO in 2019. Mr. Skau previously served in the Norwegian Armed Forces and in various human resources leadership roles at TechnipFMC. Mr. Skau was educated at the Norwegian Military Academy.

ERLING MOEN SYNNES
Chief Information Officer
Mr. Synnes joined DNO in 2019 having previously held managerial roles in various IT companies, most recently as Vice President Global IT in PGS. Mr. Synnes has a Master of Science degree in Technical Cybernetics from the Norwegian University of Science and Technology.

KJERSTI KAURIN
Corporate Counsel and Secretary
Ms. Kaurin joined DNO in 2019 with broad petroleum and corporate law experience from various law firms. She holds a Master of Law degree from the University of Oslo and has attended the Advanced LLM Programme in Energy Law offered by the Universities of Groningen, Oslo, Aberdeen and Copenhagen.

Parent company

The parent company, DNO ASA, reported a net profit of USD 14.1 million, down from USD 86.7 million in 2023. Total assets as of 31 December 2024 stood at USD 1,432.7 million, up from USD 1,160.0 million at yearend 2023. The parent company's cash balance at yearend 2024 was USD 746.2 million, up from USD 461.2 million at yearend 2023. Total liabilities increased from USD 572.3 million at yearend 2023 to USD 936.5 million at yearend 2024. Total equity at yearend 2024 was USD 496.2 million, down from USD 587.7 million in 2023. The equity ratio was 34.6 percent (50.7 percent at yearend 2023).

Total dividend of USD 102.5 million was paid in 2024. In addition, a dividend of USD 26.9 million was accrued at yearend 2024 in the parent company accounts following board approval in February 2025. The Board of Directors will recommend that the shareholders approve the transfer of the net profit of USD 14.1 million to retained earnings at the forthcoming AGM.

Main events since yearend

On 6 February 2025, the Company announced that pursuant to the authorization granted at the 2024 AGM, the Board of Directors approved a dividend payment of NOK 0.3125 per share. Payment of the dividend was made on 21 February 2025.

On 7 March 2025, the Company announced it had reached agreement to acquire 100 percent of the shares of Sval Energi Group AS from HitecVision for a cash consideration of USD 450 million based on an enterprise value of USD 1.6 billion. The transaction includes non-operated interests in 16 producing fields offshore Norway, with the largest assets being Nova, Martin Linge, Kvitebjørn, Eldfisk, Maria, Symra and Ekofisk. The effective date of the transaction is 1 January 2025, with expected completion mid-year 2025, subject to customary regulatory approvals from the Norwegian Ministry of Energy, the Norwegian Ministry of Finance and competition authorities. The acquisition will be financed with existing cash and other debt financing facilities available to DNO.

On 14 March 2025, the Company announced the completion of the placement of USD 600 million of new five-year senior unsecured bonds with a coupon rate of 8.50 percent. The proceeds were used to fully redeem DNO04, with the remainder to be used for general corporate purposes.

Sustainability statement

The following section contains a sustainability statement as required by the Norwegian Accounting Act, section 2-3. The consolidated financial statements begin on page 46.

Oslo, 2 April 2025

Bijan Mossavar-Rahmani
Executive Chairman

Gunnar Hirsti
Deputy Chairman

Elin Karfjell
Director

Anita Marie Hjerkinn Aarnæs
Director

Najmedin Meshkati
Director

Christopher Spencer
Managing Director

Sustainability statement

Table of Content

DNO Sustainability Statement 2024

1. General

1.1 Basis for preparation

DNO's sustainability statement has been prepared in accordance with the Norwegian Accounting Act and the European Sustainability Reporting Standards, ESRS. It covers DNO's own operations and material upstream and downstream value chain, as defined in section 1.3 Strategy.

DNO is a Norwegian oil and gas operator active in the Middle East, the North Sea and West Africa. It holds interests in oil and gas licenses in the Middle East and the North Sea as both operator and non-operator, in West Africa its operations are carried out through a joint venture and are equity accounted. Unless otherwise stated, the method of consolidation is the same as for the financial statements. However, for certain metrics related to climate change and pollution, DNO has also reported the partners' share in licenses where it has operational control of the activities.

Metrics were collected from DNO's business units through the Company's management reporting systems and were based on direct measurements where practical. For certain metrics – primarily those related to the value chain, where DNO has limited access to reliable data – estimates were made using secondary sources and industry averages. Where applicable, we disclose information on measurement uncertainties and the assumptions made by DNO.

1.2 Governance

The role of the administrative, management and supervisory bodies

The Board of Directors consists of five members, two of whom are women (40 percent). The Company's largest shareholder, Bijan Mossavar-Rahmani, serves as Executive Chairman and all other members of the Board are independent (80 percent). The Board has three advisory committees: audit; health, safety, security and environment, HSSE; and remuneration. Each committee consists of two members, each of whom are members of the Board. The members include one woman and one man, except for the remuneration committee, which consists of two men. There are no executives or representatives elected by the employees on the Board or any of the advisory committees. Together, the Board of Directors holds extensive industry and financial experience and uses outside experts when needed to complement skills and experience relevant to sustainability matters, among many others. The Board and the advisory committees have oversight of all material impacts, risks and opportunities (IROs) in the Company.

The Company's senior management, which consists of 11 members (six men, 55 percent, and five women, 45 percent), is responsible for the overall conduct of DNO's business activities, including managing material IROs. DNO's senior management team has extensive experience within the oil and gas industry and their area of responsibility. There is one General Manager responsible for the Kurdistan region of Iraq and one responsible for the North Sea region. This ensures regional expertise within the senior management team. The rest of the members are responsible for areas such as finance, human resources, commercial and business development. Regarding responsibilities for sustainability reporting and targets, each member follows up their area of expertise and responsibility, and the Managing Director has overall responsibility. Senior management had meetings to discuss, align and conclude on IROs of the Company. In addition, specialists within the fields of environmental, social and governance are employed to ensure proper knowledge and internal controls within the Company. The Company is exploring ways to further enhance the involvement of management and the Board and its advisory committees in setting and monitoring targets related to material IROs.

Sustainability matters addressed by the administrative, management and supervisory bodies

Corporate and operational risks are reported to the Board of Directors through the HSSE and audit committees on a quarterly basis. The HSSE committee is, amongst other things, responsible for overall supervision of the environmental performance of the Company while the audit committee focuses on regulatory and financial compliance as well as sustainability reporting. Senior management and other senior managers participate in the HSSE and audit committee meetings. Senior management and employees present at the HSSE committee include the Managing Director, the Board Secretary and the General Managers and HSSE Managers of DNO's two business units (i.e., the Kurdistan region of Iraq and the North Sea). Senior management and employees present on the audit committee include the Managing Director, Chief Financial Officer, Head of Finance, Head of Compliance, Head of Internal Audit and the Board Secretary.

The HSSE committee is a forum in which the Company's HSSE performance is monitored, forward plans and strategies related to HSSE are discussed and the Company's HSSE policy is adjusted if necessary. The topics covered at these meetings during the reporting period included greenhouse gas (GHG), water and biodiversity related data. GHG emissions related topics discussed in the committee included projects to reduce the Company's GHG emissions, GHG verification standards and methodologies, the Company's GHG emissions targets and developments in the regulatory environment applicable to DNO's operations. During 2024, the audit committee supervised the work associated with DNO's first double materiality process, which identified the material IROs, as described in section 1.3 below.

DNO's external auditor performs limited assurance procedures over DNO's sustainability report. The assurance activities performed are described in the assurance statement.

Integration of sustainability-related performance in incentive schemes
DNO's guidelines on remuneration of senior personnel were approved by the Company's Annual General Meeting in May 2023. 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.

Environmental performance, including GHG and climate change related topics, is evaluated as part of the annual appraisal and compensation process for the general managers of the Company's two business units, with the result of the appraisal influencing their bonuses. The Chief Supply Chain Officer also has performance targets tied to climate-related engagement with suppliers. As environmental performance is included in an overall judgement, the percentage of variable remuneration due to sustainability factors cannot be specified. The Company does not have other incentive schemes specifically linked to sustainability matters.

Statement on due diligence
The mapping of the sustainability statement to the due diligence process is included in Appendix 1.

Risk management and internal controls over sustainability reporting
Our risk management and internal control systems cover all of our operations to effectively identify, assess and mitigate risks. The Company has implemented a structured approach to sustainability reporting, with quarterly updates provided to the audit and HSSE committees. Key risks related to sustainability reporting include data completeness and accuracy, as well as alignment with the reporting framework. Our internal control procedures seek to address these risks by ensuring data accuracy, reliability and compliance through clearly defined roles and responsibilities, guidelines for data collection and validation processes. In 2024, the focus has been on aligning our reporting with ESRS. Our control framework and data quality will continue to improve as we strengthen internal control requirements in future reporting periods.

1.3 Strategy

Strategy, business model and value chain
DNO's vision is to remain a leading, growth-oriented oil and gas exploration and production company seeking to deliver attractive returns to shareholders by finding and producing oil and gas at low cost and at an acceptable level of risk in a socially responsible and environmentally sensitive manner. To achieve this vision, the Company's strategic priorities with respect to environmental, social and governance (ESG) factors include:

- Encouraging an entrepreneurial culture and attracting the best talent in the industry;
- Recognizing corporate governance responsibilities and commitments and managing risks to the business;
- Being a leader in HSSE best practices in all areas of operation; and
- Minimize gas flaring and eliminate routine venting to conserve resources and control emissions.

We seek to meet our commitments efficiently and transparently, and expect the same of our host governments, partners, employees, contractors and local communities. We treat all stakeholders fairly and respectfully. DNO, Norway's oldest oil and gas company, is today an international one, with more than one-half of our shares owned by non-Norwegians and with a Board of Directors and senior management representing five nationalities. Even so, we proudly fly the Norwegian flag and carry our home country's best practices wherever we operate, including high health and safety standards, minimizing our environmental footprint, active engagement with local communities and zero tolerance for corruption. We are dedicated to the health and safety of our people, to the development of our host communities and to responsible environmental practices. We adhere to high standards of corporate governance and business conduct. We foster an open, inclusive and diverse culture. We are responsive to our employees' needs. We want to build on DNO's success story, and we also want to help our employees create their own success stories.

In 2024, DNO reported revenues of USD 667 million, of which USD 171 million related to gas-oriented activities and USD 496 million related to oil-oriented activities. DNO has no revenue from EU Taxonomy-aligned economic activities. At yearend 2024, DNO had a workforce of 1,070 employees, of which 55 were based at the Company's headquarters in Oslo, 143 in Stavanger and 872 were engaged across our international operations, including our offices in Erbil (87 employees), Dubai (71 employees), and Aberdeen (3 employees).

Our value chain includes the journey from material extraction to the delivery of energy. DNO is dependent on inputs such as raw materials for construction of drilling rigs, wellheads, pipelines, separation units, storage tanks and processing plants, among others, which we define as upstream activities. In our own operations we utilize resources, including energy and water, and occupy physical space for operations onshore and offshore. The Company's main outputs are oil and gas. The downstream activities are defined as sale and distribution of oil and gas produced through our own operations. Partnerships and constructive relationships with our key stakeholders in the value chain are crucial to our value creation.

Interests and views of stakeholders
Wherever DNO operates, we make a concerted effort to create mutually beneficial relationships, balancing stakeholders' interests with our own as a 54-year-old public company with some 16,000 shareholders. Our most relevant stakeholders are shareholders and other investors, authorities, license partners, banks, insurance companies, employees and local communities. DNO engages with stakeholders in meetings

organized with each group. In addition, formal correspondence as well as informal contact with stakeholders occur on an almost daily basis. The Company uses such opportunities not only to inform stakeholders of business performance, but also to gain feedback needed to reflect each stakeholder's interests and views when identifying IROs. The main concerns of the stakeholders are business performance and compliance with regulations.

Material IROs and their interaction with strategy and business model

Being an oil and gas operator with activities in the Middle East, the North Sea and West Africa, a number of the identified material IROs are closely linked to the Company's strategy and business model, while others are inherent to the nature and geography of the business. Across the value chain, different areas have been identified where the Company has potential negative impacts on the environment and on society. At the same time, DNO also has areas where the Company contributes with positive impacts, particularly related to social topics. Through the Double Materiality Assessment (DMA) process, DNO has also identified some risks and opportunities.

DNO has assessed its resilience against the scenarios from the International Energy Agency (IEA) World Energy Outlook (WEO) report and is planning on conducting a full-scale resilience analysis. This is described in more detail within section 2.2 (Climate change).

In 2024, the current financial effects of our material risks and opportunities have not led to adjustments in our financial position. DNO does not see a significant risk of material adjustments within the next annual reporting period related to such ESG matters. DNO has not allocated any financial resources to the strategy over the short, medium or long term. However, the IROs listed below will be monitored for potential impacts on strategy and decision-making.

The table below presents the IROs DNO identified and assessed as material as a result of the DMA process. A brief description, including the type of IRO, time horizon, where in the value chain the IRO is relevant and DNO's involvement with the material IROs are included in the table. Information on the relevant topics and how the Company responds to the effects of the impacts and risks are included in the relevant topical sections.

Material ESRS topics	Impact, risk or opportunity description	Type of materiality	Part of the value chain	Time horizon	DNO's involvement with the IRO
E1: Climate change	Environmental impact on climate through direct GHG emissions from DNO oil and gas installations onshore and offshore.	Negative Impact	Own operations	Short term	Caused by
	GHGs released into the atmosphere as petroleum produced by DNO is consumed by end customers.	Negative Impact	Further use	Short term	Contribute indirectly
	Emissions from the supply chain, such as leased assets, purchased goods and services and waste generation.	Negative Impact	Supply chain	Short term	Contribute indirectly
	GHG emissions from DNO's transport of people, products and equipment.	Negative Impact	Own operations	Short term	Caused by
	Supply chain GHG emissions from transportation of rigs, equipment and materials produced in different parts of the world.	Negative Impact	Supply chain	Short term	Caused by
	Supply chain GHG emissions from manufacturing and construction of installations, including steel, cement and chemicals used.	Negative Impact	Supply chain	Short term	Contribute indirectly
	Regulations and policies, may be introduced at regional, national and global levels, adversely affecting DNO's financial results.	Risk	Own operations	Long term	N/A
	As a first mover in reduced flaring emissions in Kurdistan, DNO may have an advantage in seeking new opportunities.	Opportunity	Own operations	Short term	N/A
E2: Pollution	DNO's own activities, as well as DNO-related activities up and down the value chain, may release pollutants such as SOx, NOx, and NMVOC emissions.	Negative Impact	Supply chain, own operations, further use	Long term	Caused by
E5: Circular Economy	Raw materials are needed in the supply chain, including heavy equipment. Extraction and use may cause environmental damage.	Negative Impact	Supply chain	Long term	Caused by
	Use of raw materials, especially scarce minerals, in DNO's own operations represents a cost risk as material prices may be volatile.	Risk	Own operations	Medium term	N/A
	Metals used in the supply chain may be scarce and use is associated with a negative environmental impact.	Negative Impact	Supply chain	Medium term	Contribute indirectly
	Decommissioning activities offshore and onshore can result in generation and release of hazardous waste.	Negative Impact	Further use	Medium term	Contribute directly
	Construction, repair, maintenance, drilling and decommissioning activities generate hazardous and non-hazardous waste across the supply chain.	Negative Impact	Own operations	Short term	Caused by
S1: Own workforce	DNO offers competitive compensation packages in its own operations.	Positive Impact	Own operations	Short term	Caused by
	Due to the 24/7 nature of oil and gas operations and potentially high-consequence of some decisions, work-induced stress may impact some employees' health.	Negative Impact	Own operations	Short term	Caused by
	DNO operates in an industry that is exposed to a potentially high risk of personal injuries. These injuries range from minor to major.	Negative Impact	Own operations	Short term	Caused by
	Security personnel at the field location and a layered security system increase the safety of field personnel.	Positive Impact	Own operations	Short term	Caused by
	Due to the size and nature of DNO's operations, employees are offered a wide variety of tasks and opportunities, including skill development.	Positive Impact	Own operations	Short term	Caused by
	The industry and our areas of operations are male dominated. There is an inherent risk of gender disparity in some of DNO's operations.	Negative Impact	Own operations	Short term	Caused by
S2: Workers in the value chain	DNO's supply chain is concentrated within industries with high risk of personal injuries and exposure injuries.	Negative Impact	Supply chain, further use	Short term	Contribute directly
	DNO is dependent on sectors and industries that are traditionally male-dominated.	Negative Impact	Supply chain, further use	Short term	Contribute directly
S3: Affected communities	DNO uses local suppliers in Kurdistan when relevant and technically and commercially feasible, both within its own operations and supply chain.	Positive Impact	Supply chain, own operations	Short term	Caused by
	The majority of staff in DNO's own operations are local hires, supporting local economy and "social license to operate".	Positive Impact	Supply chain, own operations	Short term	Caused by
	DNO funds initiatives to benefit Kurdistan communities, such as construction of schools and roads.	Positive Impact	Own operations	Short term	Caused by
	DNO uses land in Kurdistan that could alternatively have been used to directly benefit the local communities.	Negative Impact	Own operations	Short term	Caused by
	As a large employer in Kurdistan, DNO creates positive direct and indirect effects, positioning it to capture further business.	Opportunity	Own operations	Medium term	N/A

G1: Business conduct	Non-compliance with rules and regulations regarding management of suppliers can lead to legal, financial and reputational risks for DNO.	Risk	Supply chain, own operations, further use	Short term	N/A
	Non-compliance with rules and regulations to protect whistleblowers can lead to legal, financial and reputational risks for DNO.	Risk	Supply chain, own operations, further use	Short term	N/A
	Non-compliance with rules and regulations regarding corruption can lead to legal, financial, and reputational risks for DNO.	Risk	Supply chain, own operations, further use	Short term	N/A

1.4 IRO management

Description of the process to identify and assess material IROs
During 2024, DNO conducted its first DMA, which among other things, has identified sustainability matters that may significantly impact DNO's financial performance (i.e., financial materiality) and the Company's actual and potential impact on people, the environment and society (i.e., impact materiality). Identified matters are not limited to the Company's operations but also include supply chain activities and export, use and end-of-life activities. The process encompasses all of DNO's operations, including operated and non-operated assets.

DNO conducted the process in four phases following guidelines from the European Financial Reporting Advisory Group, EFRAG. The Company identified impacts using a bottom-up approach, preparing a long list of IROs based on DNO's value chain activities, business model and strategy. DNO then connected the IROs to the relevant ESRS topics and included entity-specific IROs relevant to the oil and gas industry. After receiving feedback from stakeholders, we adjusted the list accordingly. The views of stakeholders collected during the DMA were presented to management and the audit committee to support the assessment of the identified IROs.

Participants across the Company have been involved in identifying and selecting which IROs to report. This process included DNO's senior management led by the Managing Director, supported by guidance and feedback from the Board's audit committee.

DNO's four-phase methodology for identifying the IROs
Phase 1: Understand
In Phase 1, DNO's value chain and activities were mapped in a sustainability context. The value chain was divided into main activities, each containing various IROs within all ESG topics.

Phase 2: Identity
In Phase 2, actual and potential IROs across DNO's entire value chain and locations were identified leveraging knowledge and information from DNO's previous sustainability work, as well as dialogue with internal and external stakeholders.

Phase 3: Evaluate
In Phase 3, we evaluated and scored the identified IROs based on consequence and likelihood, following the methodology outlined in the ESRS. Each score determined whether the IRO is of low, medium or high significance. We based the scoring system on our enterprise risk management (ERM) system, but this was conducted as a separate exercise independent of other risk assessments. We assessed the score of an impact by averaging effect, scale and irreversibility, which was multiplied by likelihood. We evaluated the significance of risk or opportunity by selecting and qualitatively scoring the appropriate category for consequence (reputational, resource dependency or financial effect) and multiplying it by the likelihood of occurrence. Both consequence and likelihood had numerical scales from one to five. For actual negative impacts, materiality is based on the severity of the impact. For human rights related impacts, the severity of the impact was weighted higher than the likelihood.

Phase 4: Decide
In Phase 4, we established the threshold for material topics using a matrix. This matrix identified IROs with high consequences and low likelihood scores as material and IROs with high likelihood and low consequence as immaterial, which resulted in a more nuanced and precise analysis. The IROs were discussed with and approved by the senior management and the audit committee.

Additional topical IRO process disclosures
Climate change
Identifying IROs related to climate change followed the four-phase methodology described above. DNO has assessed its value chain to ensure all material activities related to GHG emissions and identified IROs have been covered, including upstream and downstream emissions. DNO has a well-established process for identifying and assessing climate-related risks based on a Risk Assessment Matrix (RAM), which is included in our company-wide risk and opportunity assessment process. Our assessments include climate-related physical risk and transitional risk. The assessment is conducted quarterly based on a bottom-up risk identification, assessment and review process. Both risks and opportunities associated with current and future emissions and climate change are identified and analyzed, following which relevant mitigations are put in place. The results and insights from these assessments were integrated into our work in developing the DMA.

In addition, DNO has conducted a climate-related sensitivity analysis to assess the financial resilience of our portfolio under the three climate-focused scenarios from the IEA's WEO report, namely the IEA's Net Zero 2050, Announced Pledges and Stated Policies scenarios.

Pollution
Identifying IROs related to pollution followed the same four-phase methodology as described above. To ensure that all pollution-related IROs were identified, DNO assessed its site locations related to business activities in its operations and in the value chain. No specific consultations were conducted with affected communities related to pollution IROs.

Water and marine resources
Identifying IROs related to water and marine resources followed the same four-phase methodology as described above. To ensure that all water and marine resources-related IROs were identified, DNO assessed its assets and activities related to business activities in its operations and in the value chain. No specific consultations were conducted with affected communities related to water and marine resources IROs.

Biodiversity and ecosystems
Our process of identifying risks and opportunities related to biodiversity and ecosystems followed the four-phase methodology described previously. DNO has not identified or assessed any systemic biodiversity or ecosystem risks related to its business model. No specific consultations were conducted with affected communities related to biodiversity and ecosystem IROs.

To ensure that all biodiversity and ecosystem-related IROs were identified, DNO assessed the site locations related to business activities in its own operations. We have not evaluated specific sites and locations related to biodiversity and ecosystems in our value chain. In our business model, we have not identified any material dependencies related to biodiversity and ecosystems. DNO does not have sites located in or near biodiversity-sensitive areas, nor conduct activities in protected areas that lead to the deterioration of natural habitats. Furthermore, all operations with potential impacts on biodiversity are compliant with applicable regulations and follow relevant industry best practices.

Resource use and circular economy
The identification of IROs related to resource use and circular economy followed the four-phase methodology described previously. No consultations, besides the general stakeholder engagement described in the methodology, were conducted related to resource use and circular economy.

Business conduct
The identification of IROs related to business conduct followed the four-phase methodology described previously. In order to identify IROs related to our operations, we assessed our main locations, suppliers and activities where we do transactions and have operations to identify potential heightened IROs. Based on this information, we have used nationally and internationally recognized guidelines to identify structurally heightened risks.

Disclosure requirements in ESRS covered by the sustainability statement
Based on the results of the DMA, DNO assessed the materiality of information to determine which disclosure requirements under the ESRS were relevant to our IROs. First, we included the mandatory disclosure requirements related to policy, action and targets for all material ESRS topics. Second, we reviewed the list of disclosure requirements and assessed which ones referred to relevant elements in our material IROs. If we found no such information, we marked the disclosure requirement as not relevant. The list of disclosure requirements is included in the Appendix to the sustainability statement.

2. Environment

2.1 Taxonomy disclosure

The EU Taxonomy Regulation, which came into effect in Norway on 1 January 2023, aims to promote environmentally sustainable economic activities within the European Economic Area (EEA) by providing a standardized framework for classifying activities as environmentally sustainable. The regulation sets specific criteria and thresholds that companies must meet to qualify their activities as environmentally sustainable.

EU Taxonomy eligibility and alignment assessment
An economic activity qualifies for taxonomy eligibility when it is included with the activity description in the EU Taxonomy Regulation. To determine eligible activities within DNO, we reviewed the Company’s operations, products and sustainability initiatives, comparing them to the descriptions of economic activities outlined in the EU Taxonomy Regulation.

It was determined that the Company's activities, which are all related to the core activity of extracting and selling oil and gas, do not meet the eligibility criteria under the EU Taxonomy Regulation.

As DNO does not have any eligible activities, it does not have any activities that meet the alignment criteria under the EU Taxonomy Regulation.

EU Taxonomy KPIs
The mandatory key performance indicators (KPIs) comprise the portion of taxonomy eligible and aligned economic activities for the total turnover (revenue), capital expenditures (capex) and operational expenditures (opex) in accordance with the EU Taxonomy Regulation. KPIs presented below are derived from the figures reported in DNO’s consolidated accounts prepared in accordance with IFRS as adopted by the EU.

The components of the financial KPIs can be reconciled with the consolidated accounts as follows:
- Turnover corresponds to Revenues (see Note 3 to the consolidated accounts).
- Capex corresponds to additions to Property, plant and equipment and Intangible assets (see Note 9 and Note 10). Additions to Exploration assets recognized in accordance with IFRS 6 are excluded as these are not mentioned in the EU Taxonomy Regulation.
- Opex is narrowly defined in the EU Taxonomy Regulation and consists of maintenance, other direct expenditure related to day-to-day servicing of assets and short-term leases. These items are included in Cost of goods sold in the consolidated income statement.

2024	Turnover		CAPEX		OPEX	
	USD	%	USD	%	USD	%
Environmentally sustainable (taxonomy-aligned) activities	-	-	-	-	-	-
Taxonomy-eligible, but not taxonomy-aligned activities	-	-	-	-	-	-
Taxonomy-non-eligible activities	666.7	100.0	226.4	100.0	58.6	100.0
Total	**666.7**		**226.4**		**58.6**	

2023	Turnover		CAPEX		OPEX	
	USD	%	USD	%	USD	%
Environmentally sustainable (taxonomy-aligned) activities	-	-	-	-	-	-
Taxonomy-eligible, but not taxonomy-aligned activities	-	-	-	-	-	-
Taxonomy-non-eligible activities	667.5	100.0	181.9	100.0	44.6	100.0
Total	**667.5**		**181.9**		**44.6**	

In 2024, there was no significant change from the previous year as 100 percent of turnover, capex and opex in 2023 were also reported as taxonomy non-eligible activities.

The disclosures in accordance with Annex II to the EU Taxonomy Regulation and the disclosure in accordance with Annex XII to the EU Complementary Climate Delegated Act for nuclear energy and fossil gas activities is included in Appendix 2 and 3.

2.2 Climate change

Transition plan for climate mitigation

Oil and gas are needed in the energy mix for the foreseeable future. As a responsible producer, DNO is dedicated to minimizing its GHG emissions from production. We actively explore ways to reduce the carbon footprint from our operations and our approach is guided by the principles of responsible and sustainable oil and gas operations, which prioritize safety, environmental protection and public health. The majority of GHG emissions relating to our activities stem from Scope 3 emissions, more specifically related to the use of sold products (i.e., combustion of oil and gas produced by DNO and associated products by end users). Abatement of these emissions is beyond DNO's direct control. Given the nature of the industry, we do not have a net zero by 2050 transition plan, and currently we have no plans for adopting such a plan. However, it should be noted that all the licenses under which we hold our current oil and gas assets will have expired by 2050, as such there will be no production from the current portfolio by 2050. We continue to monitor the regulatory environment and will adjust our approach, if needed.

Material IROs and interaction with strategy and business model

The DMA identified our material impacts related to climate change. The Company's industrial processes, including the production, processing and transportation of oil and gas, result in direct GHG emissions from onshore and offshore installations. Additionally, the transportation, processing, refining and end use of our products result in the release of CO_2 and other GHGs into the atmosphere. The Company's supply chain, including purchased goods and services and waste generation, also contributes to indirect GHG emissions. DNO has already implemented multiple projects to reduce our own carbon footprint (i.e., Scope 1) and continues to actively work on maturing new initiatives and opportunities.

We recognize the importance of managing our climate-related risks and opportunities, and we have a process for identifying and assessing risks based on a Risk Assessment Matrix. We conduct a bottom-up risk identification, assessment and review process on a quarterly basis. We assign all risks and opportunities to competent owners, monitor our progress and report substantive risks to the HSSE and audit committees.

Resilience analysis

DNO has assessed its resilience against the scenarios from the IEA's WEO report (i.e., the Net Zero Emissions Scenario by 2050, the Announced Pledges Scenario and the Stated Policies Scenario). Oil and gas price assumptions for the scenarios have been provided by the IEA for the years 2030 and 2050 in 2023 real terms. For the sensitivity calculation, a linear development between average actual prices for 2024 and IEA 2030, as well as between IEA 2030 and IEA 2050 has been applied. We assessed potential impairments when applying the price assumptions in the relevant WEO scenarios. The Announced Pledges Scenario cuts DNO's 2024 net profit by USD 3.7 million, while the Stated Policies Scenario has a slight positive impact. The Net Zero by 2050 scenario, with IEA's 2030 price forecast of USD 44/bbl oil and USD 4.4/MMBtu gas, reduces net profit by USD 125.2 million. DNO is aware of the additional requirement under ESRS to perform a comprehensive resilience analysis. The risk assessment phase of this analysis is in progress, and we are dedicated to prioritizing conducting the analysis going forward.

Physical climate risk

DNO's operations may be exposed to physical climate risks including extreme weather such as flooding of facilities leading to interruptions to production processes, infrastructure failures and potential accidents. To understand and mitigate these risks, DNO has integrated climate-related physical risk assessment in its ongoing company-wide risk assessment process. This is reviewed at least quarterly by the senior management and the Board of Directors. When relevant, these risk assessments involve engagement with local teams which provide insights based on operational experience and monitor the trends in the local environment, such as seasonal variations in river flows. While DNO continues to refine its approach, these assessments help inform risk management strategies, operational preparedness and mitigation measures to ensure business continuity and asset resilience. Time horizons considered in these assessments are short-term (less than a year), medium term (one to five years) and long term (five to 30 years). DNO has not used any specific global climate change scenarios for these risks assessments.

Transitional risk and opportunities

Climate change concerns may prompt environmental and regulatory actions to limit the use of fossil fuels, thereby affecting future supply and demand for oil and gas and the pricing of these commodities. In parallel, investor appetite for oil and gas investments both within equity and debt markets may be reduced, inhibiting the Group's ability to obtain funding. This risk is continuously assessed by DNO. DNO has used the IEA's WEO scenarios to assess potential financial impacts of climate policies on its portfolio. These scenarios consider potential changes in oil and gas prices under macroeconomic conditions driven by climate change and the potential introduction of carbon pricing in Kurdistan, in addition to potential increases in carbon taxes and fees in the North Sea. Increasing concerns about adverse climate impact could also reduce the attractiveness of oil and gas companies (including DNO) as employers.

With relatively high CO_2 intensity in its North Sea assets and high CO_2 pricing, DNO is exposed to increasing costs of GHG pricing. In part driven by expected increases in such fees, several oil and gas installations are already powered by electricity from shore in Norway. Further electrification initiatives are underway and DNO actively engages in discussions that are of relevance to its licenses. In Norway, future transition opportunities may involve using existing infrastructure to support offshore wind developments, CO_2 storage and blue hydrogen.

Policies related to climate change

DNO has implemented a corporate policy for GHG emissions to mitigate impacts and risks related to climate change due to its operations. This policy applies across the Company and establishes the vision and minimum requirements for managing such emissions. It requires all business units to identify emissions reduction projects, including energy efficiency, and to include GHG impacts / reductions in investment proposals. The Managing Director is the most senior executive responsible for implementing the policy across the Company, and the business unit General Managers are responsible for the implementation within their respective business units. The policy is designed to be a high-level guiding document and does not specifically address each IRO in detail. The policy is available in DNO's business management system.

DNO, as a signatory to the Aiming for Zero Methane Emissions Initiative, an oil and gas industry pledge coordinated by the Oil and Gas Climate Initiative (OGCI), is committed to reaching near zero methane emissions from the Company's operated oil and gas assets by 2030 and is actively working with partners in its non-operated assets to achieve the same.

DNO is also a member of the Methane Guiding Principles (MGP), an industry coalition to reduce methane emissions across the global oil and gas supply chain. Through its membership in MGP, DNO is working to continually reduce its own methane emissions, advance strong performance across the oil and gas value chain, improve accuracy and transparency of methane emissions data, and advocate sound policy and regulations on methane emissions.

DNO reports on its strategy on and performance to mitigate GHG emissions annually to the carbon disclosure project (CDP), a widely used platform for reporting on climate change related topics. DNO in 2024 received a "B" rating for the sixth consecutive year for its climate change disclosures to CDP.

Actions and resources in relation to climate change policies

Emission Reduction Activities

At its Tawke license, the Company operates the first and only associated gas capture and injection project in Kurdistan, which has been operational since 2020. The project contributed to avoidance of GHG emissions, through capturing and injecting associated gas that would otherwise have been flared. The project did not incur significant capex during 2024 while opex is considered part of the ongoing running costs.

DNO is actively exploring and pursuing initiatives and projects to reduce its GHG emissions in Kurdistan. We have identified and are considering implementing a series of projects to utilize otherwise-flared associated gas for onsite electricity and process heat generation at the Tawke license.

In 2024, DNO increased its renewable energy generation for onsite use at the Tawke license. At yearend 2024, the capacity of DNO's photovoltaic (PV) solar panels totaled 200 kilowatts (kW). The project did not incur significant capex during 2024 while opex is considered part of the ongoing running costs.

To reduce fugitive methane emissions from its operations, DNO has an active Leak Detection and Repair (LDAR) program at its largest asset, the Tawke license. This project did not incur significant capex or opex in 2024.

These activities are under ESRS considered emission avoidance and not reductions.

In the North Sea, as a non-operating partner in most of our producing fields, DNO takes part in industry initiatives to lower emissions, such as exploring ways to power offshore installations with offshore wind farms. The Company has also focused most of its exploration activities within tieback distance of hubs that are already electrified with power from shore, or for which electrification is planned, which will reduce the environmental impact of new discoveries. DNO's older fields, which are powered with gas turbines and diesel generators all have a relatively short remaining lifetime, hence no electrification projects are planned.

In Norway, DNO was a member of the LowEmission research center in 2024, through which it contributed to research and development of technologies and solutions to reduce GHG emissions on the NCS. LowEmission is coordinated by SINTEF Energy Research and features a consortium of world-leading Norwegian and international industrial entities, as well as globally recognized universities and research institutes. As the relevant scope widens to include emissions from supply vessels and non-operated assets, access to the LowEmission research center and development of new technology is expected to add value to DNO. Based on identified business needs and national petroleum strategies, DNO in Norway has put in place a technology strategy to support, develop and employ technologies that may improve value creation and reduce environmental footprint, specifically targeting GHG emissions.

Metrics and targets

DNO has set an ambition for the Company's GHG emission intensity (i.e., Scope 1 and Scope 2, operational control) to be well below the average of the global upstream industry within the relevant time horizon for the next five years. This ambition and our 2024 performance (i.e., 12.0 $kgCO_2e$/boe) compare favorably to the target set by a group of 12 of the world's largest oil and gas companies comprising the OGCI to reduce the average intensity of their upstream operations to 17 $kgCO_2e$/boe by 2025 from a collective baseline of 23 $kgCO_2e$/boe in 2017. DNO does not have a target for reducing its absolute GHG emissions (majority of which is CO_2).

On targets and ambitions to reduce its methane emissions, DNO has also set a policy of no routine venting across all its operated assets. As a signatory to the Aiming for Zero Methane Emissions Initiative, DNO has set an ambition to reach near-zero methane emissions from its operated oil and gas assets by 2030 and actively works with its partners in its non-operated assets to achieve the same. DNO's total methane emissions (Scope 1) in 2024 from its operated assets were 16,664 tCO_2e.

Our GHG reduction targets do not meet the requirements of ESRS for science-based targets and are not compatible with limiting global warming to 1.5 degree Celsius.

Energy consumption

Energy consumption and mix	Unit	2024
Fuel consumption from nuclear	MWh	-
Fuel consumption from coal and coal products	MWh	-
Fuel consumption from crude oil and petroleum products	MWh	294,505
Fuel consumption from natural gas*	MWh	296,749
Fuel consumption from other fossil sources	MWh	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	584
Total fossil energy consumption	*MWh*	*591,838*
Share of fossil sources in total energy consumption	*percent*	*99.8*
Fuel consumption for renewable sources, including biomass (also comprising renewable hydrogen, etc.)	MWh	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	1,064
The consumption of self-generated non-fuel renewable energy	MWh	17
Total renewable energy consumption	*MWh*	*1,081*
Share of renewable sources in total energy consumption	*percent*	*0.2*
Total energy consumption	*MWh*	*592,919*

**Category includes use of associated gas*

Energy consumption is reported based on financial control (equity share)

All of the total energy consumption is from activities in high climate impact sectors

Reconciliation to net revenue in financial statements	Unit	2024
Net revenue used to calculate energy intensity	USD million	666.8
Net revenue (other)	USD million	-
Total net revenue (in Financial Statements)	*USD million*	*666.8*

Energy intensity	Unit	2024
Energy intensity	MWh/USD million	889.2

Energy intensity is reported based on financial control (equity share)

All DNO activities and emissions are in the oil and gas upstream sector, which is defined as a high impact sector. Reporting policies and methodology are disclosed in section 2.5.

Scopes 1, 2, 3 and total GHG emissions

			Financial control (equity share)		Partners' share of DNO-operated assets	
		Unit	Base year	2024	Base year	2024
Scope 1 GHG emissions						
Scope 1 GHG emissions		tCO2e	358,860	358,860	90,319	90,319
Percentage of Scope 1 GHG emissions from regulated emission trading schemes		percent	23%	23%	0%	0%
Scope 2 GHG emissions						
Location-based Scope 2 GHG emissions		tCO2e	374	374	-	-
Market-based Scope 2 GHG emissions		tCO2e	951	951	-	-
Scope 3 GHG emissions by category						
Total indirect (Scope 3) GHG emissions		tCO2e	12,770,798	12,770,798	26,791	26,791
Purchased goods and services	1	tCO2e	82,476	82,476	16,907	16,907
Capital goods	2	tCO2e	11,872	11,872	3,790	3,790
Fuel and energy-related activities (not included in Scope1 or Scope 2)	3	tCO2e	6,227	6,227	3,816	3,816
Upstream transportation and distribution	4	tCO2e	9,276	9,276	2,096	2,096
Waste generated in operations	5	tCO2e	584	584	182	182
Business travel	6	tCO2e	1,701	1,701	-	-
Employee commuting	7	tCO2e	781	781	-	-
Upstream leased assets*	8	tCO2e	-	-	-	-
Downstream transportation	9	tCO2e	175,749	175,749	-	-
Processing of sold products	10	tCO2e	1,090,590	1,090,590	-	-
Use of sold products	11	tCO2e	11,383,373	11,383,373	-	-
End-of-life treatment of sold products	12	tCO2e	83	83	-	-
Downstream leased assets*	13	tCO2e	-	-	-	-
Franchises*	14	tCO2e	-	-	-	-
Investments	15	tCO2e	8,086	8,086	-	-
Total GHG emissions						
Total GHG emissions (location-based)		tCO2e	13,130,031	13,130,031	117,110	117,110
Total GHG emissions (market-based)		tCO2e	13,130,608	13,130,608	117,110	117,110

**Scope 3 GHG emissions in these categories are assessed not to be applicable in 2024*

DNO does not have any specific milestones or targets related to its absolute GHG emissions, therefore they are excluded from the table. The base year is the first year of reporting under ESRS in 2024. DNO did not have any contractual instruments applicable to Scope 2 GHG emissions in 2024.

DNO reports its equity share of Scopes 1, 2 and 3 GHG emissions across both operated and non-operated oil and gas assets. Additionally, for assets where DNO is the operator, share of partners from Scopes 1, 2 and 3 GHG emissions are disclosed in the table above. All non-operated assets are in the North Sea, and emission data for these assets are compiled based on figures provided by the respective operators. In rare cases where the operator does not provide all the required data, we have applied best available approximation techniques to estimate the emissions.

GHG intensity per net revenue	Unit	2024
Total GHG emissions (location-based) per net revenue	tCO2e/USD thousand	19.7
Total GHG emissions (market-based) per net revenue	tCO2e/USD thousand	19.7

Total GHG emissions include reported Scopes 1, 2 and 3 based on financial control (equity share)

Reconciliation to net revenue in financial statements	Unit	2024
Net revenue used to calculate GHG intensity	USD thousand	666,764
Net revenue (other)	USD thousand	-
Total net revenue (in financial statements)	*USD thousand*	*666,764*

Reporting policies and methodology are disclosed in section 2.5.

Internal carbon pricing

In addition to paying applicable CO_2 taxes, license partnerships in Norway and the UK may be required to buy CO_2 quotas under the EU Emission Trading Scheme (ETS) and the UK ETS, respectively. We take into account current and future carbon pricing when assessing all projects and when planning for current and future field developments and operations. The carbon price is evaluated annually.

GHG removals and GHG mitigation projects financed through carbon credits
DNO did not have any GHG removal or mitigation projects financed through carbon credits in 2024.

2.3 Pollution

DNO has identified material impacts due to environmental pollutants through its DMA, including the release of air pollutants such as sulfur oxides (SOx), nitrogen oxides (NOx), non-methane volatile organic compounds (NMVOC) and particulate matter (PM) from activities conducted across the Company's value chain, including its own activities. These pollutants can impact air quality and have potential effects on human health and the environment. The final use of petroleum products also contributes to air pollution. Immediate impacts include air quality degradation and adverse health effects, while long-term impacts can involve broader environmental and biodiversity consequences. The current and anticipated effects of these material impacts are therefore important for DNO's business model, value chain, strategy and decision-making.

Overall process to remediate negative impacts from pollution
DNO has a corporate policy to reduce pollution which requires all business units to identify potential impacts on the environment (i.e. soil, air and water pollution). In addition to policies and procedures to avoid and remediate polluting the environment, DNO has pioneered flare reduction measures in Kurdistan through building associated gas capture and injection facilities (as also described under the section on climate change), which avoided flaring of 7,390 million standard cubic feet of associated gas in 2024 and associated air pollution (i.e. SOx, NOx, NMVOC and PM). In the North Sea, routine flaring has long been prohibited and the governments in both Norway and the UK have strict regulations on minimizing and reporting on relevant environmental pollutants and remediate any incidents. Further, in both Norway and the UK there are strict limitations on discharge of chemicals, produced water and oil contaminated solids (i.e. cuttings from drilling of wells).

Policies related to pollution
As part of DNO's efforts to address the material impacts related to pollution, the Company maintains commitments to minimizing pollution effects on the environment wherever it operates. The HSSE policy states that we commit to promoting the reduction of emissions and pollution from our operations and are described in more detail within G1 Business Conduct and S1 Own workforce, respectively. The policy supports the work on reducing the negative impacts. It is designed to be a high-level guiding document and does as such not specifically address each IRO in detail. DNO does not have specific policies at the group level focused on mitigating air, water and soil pollution although at the business unit level, tailored policies or procedures ensure environmental pollutants are minimized and any environmental pollutions are remediated.

Actions and resources related to pollution
DNO seeks to continue to be a leading company in associated gas flaring (and associated air pollution) reduction measures in Kurdistan, having built and been operating the first associated gas capture and injection facilities in the region at the Tawke license. These facilities capture and reinject associated gas, leading to significant avoidance of air emissions. DNO's project involved the installation of three gas engines that today power large parts of the Peshkabir field, thus greatly reducing the reliance on diesel generators, which cause local air pollution (mainly SOx and NOx) and noise.

Metrics and targets
In our ongoing efforts to mitigate negative impacts of our activities related to environmental pollution, DNO will consider developing timebound and outcome-oriented targets related to pollution. While we focus on GHG emission reductions, we are working on the best way to also reduce other forms of pollution. We have not implemented other ways of tracking the effectiveness of our policies and actions. As 2024 is the first year of reporting and our base year, we do not disclose change over time.

Pollution of air
To manage our environmental impact, DNO is prioritizing the collection and analysis of data on pollution to air.

Pollutant (tonnes)	Financial control (equity share)	Operational control (100 percent)
Nitrogen oxides (NOx)	2,343	2,484
Sulfur oxides (SOx)	1,088	1,469
Non-methane volatile organic compounds (NMVOC)	569	605
Particulate matter (PM)	89	93

The numbers presented apply for 2024

Reporting policies and methodology are disclosed in section 2.5.

2.4 Resource use and circular economy

By its nature, the Company's business model is resource intensive given that we extract resources (i.e. oil and gas) from the ground and rely on raw materials needed to build the infrastructure and produce the consumables needed for oil and gas extraction and processing.

Through the DMA, DNO identified four material negative impacts– as well as a risk – related to resource use and circular economy. The impacts and risk related to resource inflows are related primarily to the use of raw materials both in the supply chain and within the Company's own operations, including scarce metals and minerals, equipment for extraction and the extraction process itself. In relation to waste, DNO has identified negative impacts from hazardous and non-hazardous waste generated through drilling, production and within the supply chain, as well as from decommissioning activities. The following section describes how DNO is working to prevent, minimize and mitigate these negative impacts and risks.

Policies related to resource use and circular economy
As part of DNO's efforts to address the material impacts related to resource use and the circular economy, the Company maintains commitments to optimize resource use wherever it operates. The Company's Code of Conduct sets out the commitment to minimize any negative environmental impact from our operations and to prevent unplanned emissions. Additionally, the Company's HSSE policy states that we commit to minimizing undesirable effects on the environment and biodiversity resulting from our activities. These policies apply across the DNO group and are described in more detail within G1 Business Conduct and S1 Own

workforce, respectively. They are designed to be high-level guiding documents and as such do not specifically address each IRO in detail.

DNO has not yet adopted specific policies related to resource use and the circular economy, but the Company recognizes the importance of these areas and is actively exploring ways to integrate them into our business strategy.

Actions and resources related resources use and circular economy

In the North Sea, during 2024, DNO, as operator, oversaw the continuation of the dismantling and recycling activities onshore for the gas platforms from the Schooner and Ketch fields in the UK, following the completion of all offshore decommissioning work in previous years. A total of USD 1 million was spent on these activities during the year. DNO continues to follow up on non-operated projects in the North Sea, with special attention to the recycling potential of Ula area assets as plans are being developed to decommission the host platform and satellites due to declining production.

In Kurdistan, DNO has a long tradition of reusing equipment, going back to the first processing facility at the Tawke field which was bought second-hand nearly 20 years ago. The emphasis on reuse has increased with the cost saving initiatives in recent years, which continued in 2024 and are expected to be further strengthened in the coming years. For example, in 2024 DNO moved a redundant but well-preserved separator from the Central Processing Facility at Tawke field to be used for infield separation close to the wellheads in the eastern part of the field.

Metrics and targets

DNO is actively working on understanding and managing its resource inflows and resource outflows more effectively. While we have not yet adopted specific targets or related metrics in these areas, we are exploring ways to establish measurable goals to enhance our resource management practices.

DNO is dependent on inputs such as raw material (mainly steel and cement) for construction of drilling rigs, wellheads, pipelines, separation units, storage tanks and processing plants. We utilize resources including energy and water and occupy physical space for operations onshore and offshore.

For resource inflow, DNO's total steel and cement consumption across its portfolio (financial control) in 2024, which are deemed to be the majority of raw materials used in DNO's assets, is estimated at 44,031 tonnes. Steel and cement are used primarily in the construction of facilities and infrastructure in our operations, such as oil and gas processing units as well as drilling activities (wellhead equipment such as Christmas trees and wellbore casings in addition to the construction of well sites). Other key inflows include consumables such as chemicals needed for production and processing of oil and gas, as well as water.

DNO seeks to handle and manage waste consistent with local regulations and relevant international standards, including to ensure appropriate levels of waste segregation and, where possible, reuse. Drill cuttings represent the majority of hazardous waste generated in our Kurdistan operations and are stored onsite for periodic remediation. The majority of waste generated in our North Sea operations over the last couple years relates to decommissioning activities in our operated assets, in addition to ongoing drilling operations. We ensure that our operations not only comply with regulatory requirements but also advance our resource use. This includes ongoing efforts to mitigate negative impacts, enhance resource efficiency and explore innovative solutions that support a circular economy.

Resource inflow	Unit	2024
Material use*	tonnes	44,031

**Represents estimated amount of cement and steel*

Resource outflow	Unit	2024
Waste generated		
Hazardous waste	tonnes	8,372
Non-Hazardous waste	tonnes	791
Total waste generated	tonnes	*9,163*
Waste recovered (recycled/ reused)		
Hazardous waste	tonnes	2,628
Non-Hazardous waste	tonnes	116
Total waste recovered	tonnes	*2,744*
Waste non-recovered*		
Hazardous waste	tonnes	5,745
Non-Hazardous waste	tonnes	675
Total waste non-recovered	tonnes	*6,419*

**This entry aggregates all disposal streams, including incineration and landfill*
Resource inflow and resource outflow is reported based on financial control (equity share)

Reporting policies and methodology are disclosed in section 2.5.

2.5 Reporting policies and methodology

Reported metric*		Policy, methodology and assumptions
Energy consumption	Fuel consumption	Fuel consumption values are calculated based on volume of fuels consumed and assumed heating values for each fuel or values reported directly by the operators. Self-generated non-fuel renewable energy represents estimated onsite electricity generation from solar PV panels in Tawke license. Purchased electricity from renewable sources is estimated based on national electricity supply averages (location-based methodology).
GHG emissions	Scope 1	DNO quantifies Scope 1 emissions from its operated assets based on requirements and guidelines of the widely used International Petroleum Industry Environmental Conservation Association's (IPIECA) "Petroleum industry guidelines for reporting greenhouse gas emissions" and Alberta Government's "greenhouse gas quantification methodologies" and are mainly based on onsite measurements. Scopes 1 emissions from non-operated assets are based on data reported by operators). DNO has made best estimates when data are unavailable.
GHG emissions	Scope 2	Scope 2 emissions are quantified based on actual (and when unavailable, estimates are used) electricity purchased and used in DNO's operations and offices and estimated GHG intensity of the electricity grid in the corresponding countries, or actual intensities disclosed by electricity providers when available.
GHG emissions	Scope 3	Scope 3 emissions quantification is based on the UK Government GHG Conversion Factors for Company Reporting 2024, IPIECA Estimating Petroleum Industry Value Chain Greenhouse Gas Emissions (2016), Stanford University's OPGEE tool, University of Calgary's PRELIM tool and American Petroleum Institute's (API) Compendium of Greenhouse Gas Emissions Methodologies for the Natural Gas and Oil Industry. Scopes 3 emissions are inherently less reliable due to DNO's limited control and visibly over the entire value chain.
Pollution	Pollution of Air	Quantification of air pollution is done using emission factors published in the UK Government's National Atmospheric Emissions Inventory (NAEI) and gas composition analyses when relevant and actual amount of fuels used. Operators' data are used when available.
Resource inflow	Total steel and cement consumption	Spend-based method is used to estimate mass of steel parts and cement used across DNO's portfolio (based on 2024 capital cost and operating cost).
Resource outflow	Waste generated	Mass of waste generated is calculated based on actual measurements and estimates of different waste streams (hazardous and not-hazardous waste). Operators' data are used when available.
Resource outflow	Waste recovered	Mass of waste recovered (reused and recycled) by DNO or by third-parties (when reliable data are available) is reported based on actual measurements and estimates of different waste streams (Hazardous and non-hazardous waste). Operators' data are also used when available.

**The metrics in this chapter have not been validated by an external body other than our assurance provider*

3. Social

3.1 Own workforce

People are DNO's most important resource. We celebrate diversity in the DNO family in nationality, gender, race, culture, religion, and age, and our 1,070 employees represent 39 different nationalities. The Company has offices in Stavanger, Oslo, Erbil, Dubai and Aberdeen, as well as onshore and offshore operations across the Middle East, the North Sea and West Africa. We consider our workforce to include DNO employees across all offices and operated fields, including both permanent and temporary employees. Some of the health and safety policies and procedures also cover contractors that work at DNO sites. These contractors are classed as workers in the value chain rather than part of own workforce; nevertheless, certain health and safety disclosures related to this category of workers are included within this section.

Our DMA has identified six material impacts related to our workforce in the short term, of which three are positive and three are negative. The negative impacts are considered to be inherent and driven by the nature of our industry and regions of operation. All of our workforce is potentially subject to these impacts and are included in our disclosure; however, some of the impacts are more relevant for certain groups of employees. Employees at our operated fields face a higher risk of injuries, females in the industry may experience gender disparity and the industry's 24/7 operations can contribute to work-induced stress. While the risk of negative impact from injuries would typically involve individual incidents, potential impacts related to gender disparity and work-induced stress are considered to be more widespread and could affect either individuals or groups of employees.

On the positive side, DNO enhances employee well-being through competitive compensation, a strong commitment to health and safety and diverse career opportunities. In the Kurdistan region of Iraq, DNO takes an active role as a responsible employer, contributing to significant job opportunities and career advancements for local hires. The Company also brings best-in-class health and safety standards to its operations everywhere and encourages everyone to take responsibility. Through the DMA, the Company assessed the impacts and risks related to the workforce and based on in-depth knowledge of the industry, the specifics of the Company's operations and engagement with stakeholders DNO identified the employees at operated fields as the categories with an elevated risk. DNO operations are not considered to be at risk of significant incidents of child labor. The Company has not identified any material risks or opportunities that arise from dependencies on people in the workforce.

As we have not developed a net-zero transition plan, this does not currently affect our workforce.

The following section outlines how we engage with employees and address these impacts through policies, targets and actions.

Policies related to own workforce

To manage the material IROs related to DNO's own workforce, we have established multiple policies. These include the Code of Conduct, HSSE policy, Diversity and Inclusion policy and Major Accident Prevention policy. Our human rights commitments are based on the UN Global Compact Principles as set out in our Code of Conduct. Each of the relevant policies are described in more detail below.

The Code of Conduct is described in section 4.1 Business conduct and covers the fundamental principles for how we strive to keep our workforce safe from harm, protect our assets, contribute to the communities in which we operate and minimize our environmental footprint. We expect everyone working for or with DNO, or otherwise acting on behalf of the Company, to be fully familiar with and adhere to these principles. The Code of Conduct sets out standards and basic rules for ensuring a safe working environment and defines DNO's commitment to respecting human rights. It also explicitly states that DNO does not tolerate any form of harassment. In addition to this general proscription, the Code of Conduct specifically rejects discrimination based on race, color, age, gender or sexual orientation.

Our HSSE policy guides our treatment of coworkers. The key elements of our HSSE policy with regard to our workforce include:

- A work environment characterized by respect, trust, cooperation and a shared understanding of DNO's values where concerns can be freely raised;
- To ensure that HSSE is integral to the roles and responsibilities of everyone who works for and with DNO;
- To ensure that HSSE risks, including workplace accidents, are identified, understood, assessed and controlled; and
- Engagement with suppliers and contractors to ensure alignment with our values and goals.

The HSSE policy states that we strive to create a rewarding working environment for our employees, contractors and the communities in which we operate. We are committed to specific actions related to our employees' health and wellbeing, safety and security through the policy.

Our Diversity and Inclusion policy promotes equal treatment of our employees. This is an ongoing effort aimed at reducing gender-related disparities in an industry that remains largely male-dominated. DNO believes that employing a diverse workforce brings valuable perspectives and knowledge. We recruit individuals based solely on merit and their suitability for the role, and provide equal opportunities for all employees. To ensure discrimination is prevented, leaders in DNO receive training to ensure employees are treated fairly and evaluated objectively. The procedures for reporting and following up on incidents of discrimination are described below in the section "Processes to remediate negative impacts and channels to raise concerns".

The Company's Major Accident Prevention policy ensures that DNO and its employees do everything they can to prevent severe accidents and to protect employees from such accidents should they nonetheless occur. The Company has an occupational health and safety management system which is used for mitigation and reporting incidents. The Code of Conduct sets out everyone's responsibility to report HSSE incidents, unsafe conditions and near misses to the line manager or the HSSE manager.

The Company's Managing Director is accountable for the Code of Conduct and HSSE policies across the organization. The Diversity and Inclusion and Major Accident Prevention policies are implemented by management at all levels of the Company through the Company's business management system. All policies are available for all of our employees on the Company's intranet site.

DNO's Board of Directors and senior management are also committed to ensuring that there is no modern slavery (including forced labor and child labor) or human trafficking in any part of our business. This is safeguarded through the ERM system, with provisions included in the Business Partner Code of Conduct, as well as through our broader commitment to uphold fundamental human rights, as outlined in the Code of Conduct, although modern slavery is not explicitly mentioned in a policy.

Processes for engaging with own workforce and workers' representatives about impacts

DNO is committed to maintaining an open and constructive dialogue with its employees. In all areas of operation, the most important channel for employee engagement is direct engagement through line management. In addition, the Company's Chief Human Resources and Corporate Services Officer has functional responsibility for ensuring that employee engagement takes place and for informing DNO's senior management about the results.

In Norway, the Company engages with its workforce through the Working Environment Committees (WECs), which were established as required under the Norwegian Working Environment Act. Committee meetings are conducted on a quarterly basis. The committees have an important role in monitoring and improving the working environment and in ensuring that the Company complies with laws and regulations. DNO also arranges meetings on a regular basis throughout the year with the elected employee representatives and conducts employee satisfaction surveys. The engagement with own workforce is primarily used to evaluate the effectiveness of actions and initiatives. However, it may also in some cases also be used to discuss and determine approaches to mitigation. We consider that the channels we use to engage with our employees are effective. The effectiveness is assessed through various measures, including the employee satisfaction surveys, and the analysis of trends in reporting of concerns both in terms of number and materiality.

Processes to remediate negative impacts and channels for own workforce to raise concerns

DNO does its utmost to remediate any negative impact on employees. The general procedure for providing remedy is not set out in a formalized process, as it will depend on the specific case and circumstances and determined on a case-by-case basis where necessary.

Employees are encouraged to report any concerns relating to the workplace to their line manager, or if circumstances require it, a representative from the Human Resources department or a compliance officer. DNO has a whistleblowing channel for those who wish to raise such matters in strict privacy or even anonymously. Only the Head of Compliance has access to reports submitted via the whistleblowing channels and is obliged to assess all such reports and to investigate all cases that are assessed as eligible in accordance with the Company's whistleblowing and incident investigation procedures. The status of concerns raised is reported by the Compliance department to the Managing Director quarterly and the audit committee biannually.

Information about the channels to raise concerns is outlined in the Company's Code of Conduct and the Whistleblowing procedure, which all employees and contractors are expected to have received, read and understood. This is reinforced through the mandatory Code of Conduct training digitally and/or face-to-face. The Company continuously monitors whether employees have the necessary trust in the channels to raise concerns via employee surveys in some locations and direct engagement in all.

Through its risk assessment, DNO has identified field workers as exposed to risk of injuries due to the nature of the oil and gas industry. The results were validated through the materiality assessment carried out for this report. The materiality assessment also identified a risk that female workers may feel isolated in a male-dominated environment. Building on these insights, DNO is taking steps to continuously improve its HSSE procedures. In 2024, the Company also established a Diversity and Inclusion policy expressing the principles to be followed.

Actions related to own workforce

At DNO, we are committed to managing material IROs through specific actions and resource allocation. We focus on the prevention of work-related injuries and actively promote health to reduce risks associated with the work environment, including both physical and mental ill-being. Our actions are primarily focused on formalizing policies and procedures and covering all operational activities. DNO continuously strives to improve any areas with negative impact on the workforce. Through feedback from the employee survey and line manager dialogues, employees can highlight areas where additional actions are needed. The need for changes in processes or policies is also assessed through the follow-up of reporting through the occupational health and safety management system.

The policies and processes that DNO have in place, along with channels for reporting, ensure the Company's own practices do not cause or contribute to material negative impacts on the workforce. They also serve as safeguards to ensure the workforce is protected against any tensions that arise between prevention and mitigation of material negative impacts and other business pressures.

The human resources team at the corporate office oversees areas such as diversity and inclusion, training and performance management. In addition, employees within the business units monitor these areas, with a primary focus on health and safety matters. The cost of these roles and the implementation of related actions related to our own workforce are considered part of the running costs.

Below are descriptions of the key actions and metrics related to working conditions, health, safety and security and equal treatment and opportunities for all. The Company continues to monitor these material areas and assesses the effectiveness of actions and initiatives by regularly reviewing the relevant metrics. In relation to own workforce, the ambitions within the different material areas are set out below and these are primarily based on absolute ambitions, such as the ambition of zero serious health and safety incidents each year, rather than measures of progress from a base line.

3.2 Working conditions

As of 31 December 2024, DNO had a workforce of 1,070 employees, of which 14 percent were women. Fifty five individuals were based at the Company's headquarters in Oslo and 1,015 were engaged across our North Sea and Middle East operations, including in offices in Erbil, Stavanger, Dubai and Aberdeen. Our workforce is characterized by strong cultural, religious and national diversity.

During our work with the DMA, we assessed impacts related to the working conditions of our employees. We found that we have material impacts on adequate wages and work-life balance, which are inherent impacts in our industry. Working condition metrics are tracked and closely followed by the human resources team to ensure adequate wages, secure employment and work-life balance. Employees in Norway anonymously answer an employee satisfaction survey annually in order for the effectiveness of policies and actions to be measured. The survey is also used to map out potential areas of improvement.

DNO aims to provide competitive wages to all of our employees. The majority of our employees are individually remunerated, and salaries are based on several factors. We conduct regular market assessments to ensure we are offering competitive wages to employees in each of the regions in which we operate.

Further, as an employee in DNO, you are entrusted with a wide range of responsibilities and various tasks. This can sometimes be a time-consuming and stressful job, which in turn may impact the health and work-life balance of DNO employees. DNO aims to achieve a healthy balance between its employees' work and private lives. In order to monitor negative impacts related to work-life balance, DNO in some of the locations undertakes annual employee satisfaction surveys and has working environment committees, while in all locations it maintains dialogue with employees through line management. The purpose of this engagement is to assess the level of the potential impact and identify areas where additional measures are required. Internal employee surveys show stable levels of job satisfaction. DNO has not experienced increased sick leave due to health impacts that can be linked to poor work-life balance, such as burnout. DNO has not set any specific actions related to mitigating our negative impact on our own workforce when it comes to work-life balance, although the Company's intentions are clearly described in the Code of Conduct's principle 2 (ensure a safe working environment) and principle 3 (treat everyone with respect).

DNO does its utmost to remediate the negative impact it may have on employees. However, some impacts are hard to remediate as they are out of DNO's control and consequences of larger geopolitical situations. Issues are handled on a case-by-case basis based on employee feedback. It is our experience that this is the best approach to accommodate our employees and their needs resulting from specific impacts.

During 2024, there were no actual material impacts that required the Company to take action to provide or enable remedy in relation to working conditions. DNO aims to continuously track the effectiveness of our policies as part of the actions outlined throughout this section. We emphasize continued learning and awareness to prevent actual instances of negative impacts. If such impacts occur, we have measures in place to handle the cases within relevant legal frameworks. Additionally, we track and openly communicate numerous metrics on our own workforce as outlined below, which may be utilized for future decision making.

Metrics

Adequate wages

DNO's ambition is to offer adequate and fair wages to all employees according to the equal pay for equal work of equal value principle. The majority of our employees are individually remunerated, and salaries are based on several factors. DNO has grouped employees according to their placement in the Company's job ladder to ensure fair compensation practices. We ensure that all of our employees are paid an adequate wage that aligns with applicable benchmarks for their location.

Characteristics of employees

Employment figures are yearend figures and represent headcount. All data is directly sourced from our employee management system. The figures can be cross-referenced with the Country-by-Country Report 2024, which is included in this Annual Report. In 2024, we had a five percent turnover rate as 55 employees left the Company.

Employees headcount by gender

Gender	Number of employees
Male	922
Female	148
Other	-
Not reported	-
Total employees	1070

Employees headcount by country

Country	Number of employees
Norway	198
Kurdistan	796
United Kingdom	3
UAE	71
Other	2

Employees by contract type, broken down by gender (headcount)

	Financial year 2024			
	Female	Male	Not disclosed	Total
Number of employees	148	922	-	1,070
Number of permanent employees	140	847	-	987
Number of temporary employees	8	75	-	83
Number of non-guaranteed hours employees	-	-	-	-

Employees by contract type, broken down by region (headcount)

	Financial year 2024			
	Middle East	North Sea	Corporate	Total
Number of employees	869	146	55	1,070
Number of permanent employees	812	123	52	987
Number of temporary employees	57	23	3	83
Number of non-guaranteed hours employees	-	-	-	-

3.3 Health, Safety and Security

Health and safety

The health and safety of employees and contractors is paramount to DNO. We believe all accidents are preventable and are committed to zero serious health and safety incidents. Ensuring a safe working environment by mitigating risks is essential for maintaining efficient operations and a motivated workforce. Our approach to health, safety and security is formalized in our HSSE policy and Code of Conduct. DNO acknowledges and respects internationally recognized human and labor rights standards. The majority of the actions to mitigate and prevent the negative impacts related to health and safety are ongoing processes and procedures as part of daily operations, rather than time-bound actions. The most important processes and procedures are described below, along with additional actions implemented in 2024 and those planned for the future.

Our comprehensive occupational health and safety management system is used to identify, understand, mitigate and manage risks throughout our operations, while following regulatory requirements and industry standards. All employees and contractors are covered by the system and must comply with it. If an incident or accident occurs, it must be reported using the available channels. An investigation is then carried out to identify the necessary, corrective and remediate measures which are required to be put in place. The implementation and effectiveness of these measures is followed up by the relevant line managers and tracked in management reporting systems.

To help keep the workplace safe, we prioritize asset integrity through sound design, regular maintenance, inspections and effective management of change procedures. We ensure an open reporting culture for incidents and near misses, allowing us to learn from and prevent recurring incidents in all parts of the business.

DNO has implemented “safe cards” as a reporting tool in its Kurdistan operations to promote awareness and reporting of conditions and behaviors that do not align with DNO's policies, procedures or industry standards in terms of HSSE matters. Safe cards are submitted electronically via DNO’s internal management reporting system, allowing developments to be continuously monitored and assessed, with mitigation actions implemented as and when required.

In 2024, DNO took additional concrete steps to improve traffic safety at its Kurdistan sites. Driving represents a considerable personnel risk within onshore oil and gas operations, especially in the value chain (e.g., contractors). To improve driving safety, portable In-Vehicle Monitoring System (IVMS) units were introduced in contractor vehicles entering DNO sites in 2024. The IVMS gives the driver feedback in real-time about driving behaviors and allows DNO to monitor speed, acceleration and harsh braking, which are linked directly to at-risk driving habits. The effectiveness of this initiative is reflected in the complete elimination of serious motor vehicle incidents compared to the previous year. The incidents are graded on a scale from 1 to 5, with 'serious' categorized as level 3 (resulting in a lost workday) and above. DNO also rolled out a campaign in 2024 called “Being Safe 24/7 - Work Safe, Safe Home” which aims to build a bridge between work and home life, making safety a key part of employees’ everyday life at work and at home with their families. The effectiveness of this initiative is planned measured through safety performance metrics.

Going forward, DNO seeks to further improve HSSE training in the field in Kurdistan. To improve retention and overcome language barriers, the Company has recently introduced virtual training methods in addition to its traditional text-based training, induction programs and “toolbox” talks. This is expected to increase safety awareness which in turn may reduce the rate of incidents.

During the year, one work-related incident involving an employee and three incidents involving contractors were recorded. Each case was thoroughly investigated and addressed in line with DNO’s policies and procedures, with corrective actions implemented where necessary.

Security

DNO is committed to providing a secure work environment for all personnel involved in its activities. Due to a security environment which at times can be challenging in Kurdistan, there are security personnel at all field locations at all times to ensure the safety of all employees. This consists of both DNO-hired security staff and the government-run oil police force. DNO has also established a layered security system whereby personnel and visitors are required to pass through several security checkpoints before entering the premises.

Metrics

A key metric widely used for benchmarking safety performance of companies in the oil and gas industry is the Total Recordable Injury Frequency (TRIF), which is equivalent to the ESRS defined metric of Work Related Accident Rate. TRIF is defined as the number of recordable injuries per million hours worked. It includes all work-related incidents requiring medical treatment beyond first aid, restricted work cases and lost-time injuries. All incidents are tracked in the management reporting system and reported weekly to management and quarterly to the Board’s HSSE committee. In 2024, DNO had a TRIF of 1.06 in its operational activities (including both employees and contractors working at DNO’s facilities), down from 1.50 in 2023. The 2024 figure is above the industry average TRIF of 0.84 (based on data from the International Association of Oil and Gas Producers (IOGP) for 2023, the latest year for which data is available). The Company is determined to improve its safety performance and aims for a TRIF at the IOGP industry average or better.

Health and safety

Indicator	2024
Number of fatalities as a result of work-related injuries and work-related ill health	
Employees	-
Contractors	-
Total	-
Work Related Accident Rate*	
Employees (per million hours worked)	0.49
Contractors (per million hours worked)	1.73
Total (per million hours worked)	1.06
Number of Work Related Accidents**	
Employees	1
Contractors	3
Total	4
Exposure hours	
Employees (thousand hours)	2,059
Contractors (thousand hours)	1,730
Total (thousand hours)	3,789
Number of recordable work-related ill health of employees	-
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health from employees	-

*Work Related Accident Rate is equivalent to Total Recordable Injury Frequency (TRIF)

** Work Related Accidents is equivalent to Recordable Injuries

3.4 Equal treatment and opportunities for all

The oil and gas industry globally and in our areas of operations, Kurdistan and in the North Sea, historically has had a workforce with a higher proportion of men, which contributes to gender disparity. DNO's approach to offering employees, both women and men, a wide variety of tasks and responsibilities, including training and development, continues to have a positive impact on employees' career development. The majority of actions related to these areas are embedded in the Company's processes and procedures, rather than through time-bound actions and initiatives. The processes are described below.

DNO's Code of Conduct sets out a commitment to equal treatment and opportunities for all, in addition to stating the Company's commitment to inclusion and focus on fostering an open and diverse culture. The Company aims to eliminate discrimination, including harassment, and promote equal opportunities to advance diversity and inclusion. The Code of Conduct explicitly addresses discrimination based on race, religion, sexual orientation, age and gender.

Managers at DNO are responsible for setting the tone and serving as role models, while ensuring that everyone in their respective team receives the same information and opportunities to contribute. They have an important role in preventing, mitigating and acting upon discrimination once detected and advancing diversity and inclusion. The Company has zero tolerance for any form of abuse, bullying, humiliation, intimidation or harassment and does not condone any threatening or degrading behavior. Employees are encouraged to stand up against harassment, treat everyone with respect and be sensitive to different cultures and customs.

The Board, senior management and all leaders in DNO are committed to and accountable for focusing on diversity and inclusion. We expect all of our employees, contractors, interns and visitors at all levels and locations in DNO to value diversity and equality and contribute to building a truly inclusive culture. DNO has introduced a Diversity and Inclusion policy outlining guiding principles and implementation strategy.

In cases of actual negative impact, any remediating efforts would be determined on a case-by-case basis, depending on the specific details and circumstances. During the year, there were three reported cases of harassment which were investigated and addressed in line with DNO's policies and procedures, with corrective actions implemented where necessary.

DNO aims to continuously track the effectiveness of our policies as part of the actions outlined throughout this section. We emphasize continued learning and awareness to prevent actual instances of negative impacts. If such impacts occur, we have measures in place to handle the cases within relevant legal frameworks. Additionally, we track and openly communicate numerous metrics on our own workforce as outlined below, which may be utilized for future decision making.

Metrics

DNO continues to recruit and promote women, who represented 14 percent of the Company's overall workforce and 33 percent of employees in managerial, administrative and other non-field operational positions as of yearend 2024. In 2024, two members of the Board of Directors and five of the Company's senior management were women, representing 40 and 45 percent of the total, respectively. By age group, employees below 30 years old represented 15 percent of employees, while 66 percent were between 30 and 50 with the remaining 19 percent were over 50 years old.

Remuneration

Indicator	2024
Gender pay gap	-71.9%
Annual total remuneration ratio	22.1

Incidents, complaints and severe human rights impacts

Indicator	2024
Incidents of discrimination (including harassment)	3*
Number of complaints made through the channel to raise concerns	32
Total amount of fines, penalties, and compensation for damages (USD)	0

*No discrimination cases reported; three harassment cases reported. None of the reported cases were raised to the National Contact Point for OECD Multinational Enterprises

In 2024, DNO received no concerns on human rights violations and/or incidents in relation to our own workforce, nor did we incur any fines, penalties or compensation for human rights related issues.

Employees who participated in regular performance and career development reviews

Indicator	2024
Male	100%
Female	100%
Total	100%

DNO does not have accurate data on average training hours per employee for 2024 but is implementing routines to ensure availability in future reports.

3.5 Reporting policies and methodology

Reported metric*	Policy, methodology and assumptions
Headcount	Number of employees at year end.
Turnover rate	Turnover rate is defined as the number of employees who left the Company divided by the average number of employees, multiplying by 100.
Work Related Accident Rate	Work related accident rate is defined as number of work related accidents divided by exposure hours, multiplied by 1,000,000.
Number of Work Related Accidents	Number of work related accidents is defined as the number of reported cases of accidents reported in our health and safety management system.
Exposure hours	Exposure hours are defined as total hours worked by people in our own workforce.
Gender pay gap	Gender pay gap is defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees.
Annual total remuneration ratio	The annual total remuneration ratio is defined as the highest paid individual to the median annual total remuneration for all employees. To ensure comparable data, the calculations are performed based on the annual salary of all permanent workers.

*The metrics in this chapter have not been validated by an external body other than our assurance provider

3.6 Workers in the value chain

DNO cares about the welfare of all workers within its value chain. This encompasses people performing a wide variety of tasks such as production and processing of raw materials, manufacturing of equipment, transportation, drilling of wells, petroleum processing, waste disposal and bringing products to the market. DNO works to identify, understand and manage personnel risks in our value chain to ensure that we operate sustainably and responsibly. Due to the Company's large and complex value chain, including suppliers and sub-suppliers within some regions and industries that have a lower enforcement rate of human rights, there is a risk that instances of child and forced labor might occur within DNO's value chain activities. Despite DNO's strict requirements and processes for supplier risk assessment, such cases may be difficult to uncover.

Value chain workers at DNO's operated sites are subject to the same workplace HSSE standards as our own employees and any incidents involving such value chain workers are investigated and recorded in our safety statistics. In general, the Company maintains strict oversight of its facilities to ensure a safe working environment. For value chain workers employed outside of DNO's operated sites, the Company seeks to address working condition concerns through its contracting and supplier risk assessment processes.

From the DMA, we identified two material IROs concerning workers within the value chain over the short term, both of which have a potential negative impact. The negative impacts cover the elevated risk of personal and exposure injuries for workers within several parts of the value chain, and the possible gender disparity women may experience working in a male-dominated industry. These issues are considered inherent to the industry in which we operate.

Policies related to value chain workers

DNO has a clear governance framework by which we conduct our affairs related to our value chain workers. We have a Business Partner Code of Conduct that applies to all suppliers and customers, which requires commitment to comply with DNO's environmental and safety requirements, and internationally recognized employment practices, including, but not limited to, prevention of modern slavery, child labor, harassment or discrimination, and acceptance of freedom of association, whilst promoting decent working hours and living wages set in accordance with applicable laws. We have dialogue with our suppliers to assess and improve their performance, including with respect to the environment. We use risk assessments to identify the frequency and level of detail of such dialogue. The supplier risk assessment is based on the type of services provided, geographic location, incident reports, contract size and operational location. For suppliers with an increased risk profile, DNO assesses documented policies and practices of suppliers and implements preventive and mitigating measures with continuous tracking and when necessary, DNO takes corrective actions. We also audit selected suppliers to ensure compliance with relevant regulations and DNO's standards, including with respect to ESG standards. In addition to the Business Partner Code of Conduct, DNO has embedded HSSE requirements in all of its contracts with suppliers. The Managing Director is accountable for the policy, the General Managers of each business unit are responsible for implementing the policy aided by DNO's supply chain function and the Head of Compliance. As we set the same expectations for our business partners as for ourselves, the Diversity and Inclusion policy and the Major Accident Prevention policy are also considered relevant for our value chain workers. All of these, including the HSSE requirements, reduce the risk of major accidents and disparity (e.g., based on gender) in our value chain. The Business Partner Code of Conduct is available on DNO's website and other relevant policies are made available to the supplier workers, as required.

DNO acknowledges and respects internationally recognized human and labor rights standards. Our human rights commitments have UN Global Compact as a reference for responsible business conduct, as set out in the Code of Conduct. Our Business Partner Code of Conduct does not currently mention engagement with value chain workers; however, we will evaluate and modify our policies and procedures as risks are ever evolving. DNO did not identify any actual adverse impacts on human rights and decent working conditions in 2024 related to our value chain.

Process of engaging with value chain workers about impacts

At our operated sites, value chain workers are subject to the same rights and obligations as our own employees and are expected to report on matters relevant to working conditions. Informational flyers are available, highlighting key aspects of the Code of Conduct and other essential procedures. DNO conducts a risk assessment prior to contract signing, which is described within the actions below. This risk assessment includes dialogue with representatives for the supplier, particularly for suppliers with a higher risk profile. As part of the ERM, DNO can and does conduct audits of its suppliers against the requirements set out in the Business Partner Code of Conduct, including but not limited to HSSE standards and the working conditions of value chain workers. Apart from this, DNO does not currently have in place any formalized processes to engage with value chain workers, but the Company is assessing whether any measures should be implemented.

DNO's non-operated sites in the North Sea are in highly regulated countries with established legal frameworks and renowned operators. These regulatory environments set clear requirements for worker rights and safety. DNO follows up through existing mechanisms, including engagement with operators and participation in joint governance structures.

Process to remediate negative impacts and channels for value chain workers raise concerns

We encourage workers in the value chain or those with concerns regarding our workers in the value chain to raise these through our channel for concerns. The confidential channel is described in more detail within section 4.1 Business conduct. Workers in the value chain are made aware of such channels for raising concerns through the Code of Conduct available on the Company's website. DNO is currently exploring ways to ensure the effectiveness of the channel and assess awareness and trust in using it to raise concerns.

All processes and actions with regards to providing remedy in instances where DNO has caused or contributed to actional material impacts would be determined on a case-by-case basis. The individual circumstances would be assessed in order to determine appropriate follow-up and remedial measures.

Actions related to value chain workers
In order to prevent and mitigate negative impacts related to workers in the value chain, DNO has established a company-wide risk assessment system to gain insights into the working conditions across our value chain. The supplier risk assessment is based on credible proxies for engagements and analyzes the type of services provided, geographic location, incident reports, contract size and operational location. For suppliers with an increased risk profile, DNO assesses documented policies and practices of suppliers, as well as implementing preventive and mitigating measures with continuous tracking, and when necessary, we take corrective actions.

The risk assessment is conducted upon contract signing and periodically afterwards to ensure that suppliers meet DNO's ethical behavior and business conduct standards. The Head of Compliance has the responsibility of ensuring that the process is conducted. DNO has a robust supply chain process and management team working with nearly 1,000 suppliers worldwide.

Following the closure of the export pipeline in Kurdistan in March 2023 and the commencement of local sales, DNO has had a different set of suppliers and other business partners than in previous years. As DNO entered into new contracts, the Company used the opportunity to underscore the importance of respect for human rights and decent working conditions in DNO’s Business Partner Code of Conduct. Concerning our suppliers, we aim to implement improved risk assessment tools to better visualize our supply chain risks.

The results of our risk assessment process described above determine further actions DNO takes related to our suppliers, such as providing or enabling remedies concerning material impact on workers in the value chain. The Company has sufficient and appropriate policies, procedures and initiatives in place for contractors working on DNO sites. Incidents reported are monitored through the management reporting system. The tracking of any high-risk suppliers is used to follow up on workers in the value chain that DNO has less direct interaction with.

During 2024, DNO introduced portable IVMS units in contractor vehicles entering the Company’s sites. This initiative is described under 3.1 (Own workforce) above.

At DNO procurement employees primarily oversee suppliers and their risk assessments, while HSSE staff monitor both contractors and employees. The costs of these roles and related workforce actions are included in regular business expenses.

3.7 Affected communities

DNO’s land-based operations are particularly prone to affecting local communities due to the nature and location of the business activities. The Company takes a proactive approach, ensuring that its business model is informed by and adapted to the needs of local communities. Our operations in Kurdistan are centered in the areas of Tawke and Baeshiqa, with villages located near both sites. DNO’s sites cover a considerable area of land and require a significant number of workers to build, operate and maintain. Our operations contribute to the development of local communities, particularly in Kurdistan, where we create jobs and hire and train local staff. We also partner with local companies for services such as civil work, maintenance, transportation, remediation, catering, health care, security and waste disposal. We work to ensure that our service providers are not just competitive but also competent and compliant with DNO’s Business Partner Code of Conduct and with internationally recognized human rights standards.

Our DMA identified five IROs related to affected communities in both the short and medium term. Of these, three are positive, one is negative, and one represents an opportunity.

The positive impacts are primarily linked to our operations in Kurdistan. We use our operational presence and capability to provide support to the nearby communities. During DNO’s more than 20 years in Kurdistan, the Company has supported infrastructure, agriculture, health and education projects. This enables the development of infrastructure and boosts local development.

We also support local communities by prioritizing local recruitment, where suitably qualified candidates can be identified, which has resulted in most of our employees being local hires. Additionally, DNO prioritizes selecting local suppliers over international alternatives when qualifications are equal. DNO funds various initiatives aimed at supporting local communities, such as construction of schools and roads. These efforts foster strong, mutually beneficial relationships with the communities where we operate.

The potential negative impact arises from DNO's use of land in Kurdistan that could have directly benefited local communities through alternative land uses. We acknowledge that the land on which we operate, especially related to our onshore activities, could have been used for other activities, including farming. DNO is in continuous dialogue with these communities to ensure that we understand and limit any negative impacts to the best of our ability, and we have procedures in place for compensating landowners as described below. Maintaining a good relationship with local and affected communities as we minimize negative impacts and optimize positive impacts and opportunities is important to DNO. This opportunity for business expansion in the future is largely connected with the positive impacts described above.

The opportunity lies in DNO’s role as a major employer in Kurdistan, which generates both direct and indirect positive effects for the local economy. Our engagement in affected and local communities is also a reputational opportunity as it enhances our relationship with the community and opens avenues for further business expansion and partnerships.

Policies related to affected communities
DNO has implemented procedures governing land acquisition and Corporate Social Responsibility (CSR) projects in Kurdistan. The Land Acquisition and Compensation procedure outlines how DNO engages with affected communities, including private landowners, when acquiring or leasing land for operational, drilling or project needs. The procedure includes a land return process, assessing potential environmental or social risks to the owner before land is handed back, reinforcing DNO’s commitment to responsible land management. The CSR projects procedure outlines steps taken to identify and execute CSR projects which provide benefit to local communities that are close to the Company's operations. The procedures do not explicitly mention indigenous people or refer to UN Guiding Principles on Business and Human Rights, however, they mandate collaboration with a local committee that plays a role in the

decision-making process, ensuring community voices are heard and fair compensation is provided. There have been no reported cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises that involve affected communities during the year.

The procedures are applicable to employees working in or involved in decision-making which could affect local communities. It is the General Manager for the Kurdistan business unit who is accountable for the implementation of the policy and the policy is available for all employees through the Company's intranet.

Together with the Code of Conduct, which sets out the Company's policies for behavior of employees and how we contribute to the communities in which we operate, the procedures reinforce DNO's commitment to respecting human rights and following the principles of the UN Global Compact.

Processes for engaging with affected communities about impacts

The Company is focused on developing strong engagement with affected communities in Kurdistan. The communities are mainly small villages located in vicinity of our field operations that might be affected by drilling or production activities in the area. This engagement involves discussions with local leaders and authorities at all affected locations to understand community needs. There are no set intervals between such meetings as frequency depends on the need. The responsibility for this engagement lies with the Country Manager in Kurdistan. Typically, it is DNO that initiates these meetings. Local leaders are, however, able to contact the Company through the CSR manager to either ask for a meeting, to raise concerns or to give feedback. The effectiveness of DNO's engagement is assessed through the successful implementation of CSR projects and visible community improvements. DNO also supports local economies by employing local workers and using local suppliers. Actions in relation to this are integrated into regular operations at the business unit level.

In the North Sea, DNO's operated and non-operated activities primarily take place offshore, meaning there are few local communities that are directly affected by operations. However, there are stakeholders such as fisheries which could be affected by activities. All drilling activities require discharge permits that are subject to public consultations. Field development projects require comprehensive impact assessments that are subject to public hearing, forming the basis for the governmental approval process.

Processes to remediate negative impacts and channels for affected communities to raise concerns

DNO compensates local landowners in Kurdistan for land use in accordance with local laws and government guidelines while striving to minimize its footprint and negative impacts.

When we no longer require land for our operations, we remediate it before returning it to its owner. Aligning our remediating processes with the needs and wishes of the affected communities and the local and regional authorities is important to us. We develop these actions based on the outcomes of our engagement with relevant communities and the authorities. We determine effectiveness by observing community improvements and gathering feedback from them.

The communities can raise concerns through the authorities, local leaders or by reaching out to DNO's local CSR manager.

In the North Sea, rules for remediation of negative impacts are set by governments and the various license partnerships are responsible for complying with relevant regulations.

The actions related to preventing and mitigating negative impacts on the local communities are derived through the current processes and procedures in place. Specific actions are developed on a case-by-case approach and DNO does not currently have other specific actions planned, as the Company deems the processes and procedures currently in place to be sufficient measures to mitigate and remedy any negative impacts identified. The Company continues to work closely in dialogue with local leaders and authorities, to ensure any changes in impacts or need for additional actions are handled in an appropriate manner. DNO does not have any targets nor metrics that are considered relevant to affected communities. The effectiveness of the existing processes and procedures is assessed through continuous dialogue with local leaders and authorities, as outlined above.

4. Governance

4.1 Business conduct

DNO operates in some of the most challenging areas of the world and is committed to ethical, sustainable and responsible operating policies and practices of the highest order. It is therefore critical that each and every one of us always keeps in mind how we act and how we conduct our business. The section below describes how DNO has put in place policies, procedures and processes to guide and inform employees of their expectations and responsibilities.

The DMA identified three material IROs related to governance, which are the risks related to non-compliance with rules and regulations regarding corruption, whistleblowers and management of suppliers. Each of the risks are linked to potential legal, financial and reputational implications for DNO.

Policies

DNO's Code of Conduct sets out the fundamental principles by which we conduct all of our business.

Our corporate governance policies are based on the Norwegian Code of Practice for Corporate Governance. The Articles of Association and the Norwegian Public Limited Liability Companies Act form the legal framework for DNO's business activities. DNO is also subject to and complies with the requirements of Norwegian securities legislation.

Our Code of Conduct sets clear expectations for the business conduct of everyone working for or with DNO or otherwise acting on behalf of the Company. It therefore covers risks and opportunities throughout the Company's value chain. The Code sets out six principles:

- Comply with laws and regulations;
- Ensure a safe working environment;
- Treat everyone with respect;
- Act in DNO's best interest;
- Ensure financial integrity; and
- Take responsibility

The Managing Director is accountable for the Code of Conduct and the Head of Compliance carries the responsibility to ensure its implementation throughout the Company. The Code of Conduct is publicly available on DNO's website.

Failure to comply with our Code of Conduct will lead to disciplinary action. Our Code of Conduct encourages our personnel to raise concerns about unethical or illegal behavior and breaches of DNO's Code of Conduct or other Company policies. When concerns are raised, our compliance department assesses and categorizes each case, and then handles them internally or externally, as warranted. If the concern raises credible allegations of illegal activity, it will be reported to the relevant authorities.

The Company has a confidential channel for internal and external stakeholders that wish to raise such matters in strict privacy or anonymously. If someone becomes aware of business conduct at DNO that conflicts with the Code of Conduct, we encourage them to tell us directly or use our confidential channels, without fear of retaliation. DNO has strict procedures to protect whistleblowers including support with legal advice, if necessary. The Company has established procedures for whistleblowing and investigations, the latter of which includes guidelines for interviews. The procedures form part of the Company's business management system, which is available to staff via DNO's internal portals. Additional promotional campaigns on reporting and whistleblower awareness are displayed in all DNO offices and workplaces, translated into local languages where appropriate. The whistleblower procedure states that employees who exercise their right to notify DNO about misconduct will be protected from any retaliation.

DNO has a zero-tolerance policy for bribery, corruption and other illegal, fraudulent or unethical business practices. This is stated in principle one of our Code of Conduct. We have also adopted an anti-corruption policy that employees must follow. The policy is available on the "My DNO Compliance" intranet site and brings together all compliance policies, interactive training programs, business hospitality requests and conflict of interest registrations. The Code of Conduct is also publicly available on DNO's website. Awareness of corruption and bribery risks are raised via the mandatory Code of Conduct training for all staff. Functions particularly exposed to corruption risk, such as those interacting closely with suppliers, customers and government bodies, are subject to strict procedures. This includes requirements for approval of business hospitality and for reporting conflicts of interest, as well as strict separation of responsibilities in tender processes and a "four-eye principle" for financial approvals.

Every second year, we require company-wide training in our Code of Conduct, including anti-corruption, bribery and whistleblowing. It is designed to equip employees with the knowledge and skills to identify and prevent corruption and bribery and to report concerns should they arise. All staff, including members of the administration, management and the Board, are required to receive the training. Extra training is given to staff at-risk functions and staff who receive reports of potential breaches of Company policy. We have identified the supply chain and human resources departments as at-risk functions. These are consequently given additional face-to-face training and updates on relevant issues. In 2024, all management for the at-risk functions received the required training.

Management of suppliers

DNO is committed to managing procurement processes fairly and with transparency. The Company has a policy to guide our conduct with suppliers, including regular audits and assessments to monitor compliance and address any issues. Non-compliance with regulations may have legal, financial and reputational consequences.

When entering into a contract with a new supplier, appropriate due diligence is made both upon contract signing and periodically thereafter to ensure that the supplier meets DNO's ethical behavior and business conduct standards. Environmental and social criteria are also integrated into DNO's supplier selection process.

Ensuring that our suppliers get paid in a timely manner is important to DNO. Payment terms differ between jurisdictions and the maximum number of days until the due date is sometimes also a matter of negotiation. There are currently no legal proceedings outstanding against DNO for late payments.

Corruption and bribery

Non-compliance with rules and regulations regarding corruption can lead to legal, financial and reputational risks. DNO is committed to maintaining integrity and transparency in our operations. As described above, DNO has implemented a system that includes policies, procedures, training programs and reporting mechanisms to prevent and detect corruption and bribery. Our Managing Director is accountable for its implementation throughout the Company.

This includes an anti-corruption policy communicated to all employees and relevant stakeholders, outlining the Company's zero-tolerance stance on corruption and bribery. Detection mechanisms such as regular audits, risk assessments and monitoring systems are in place to identify potential instances of corruption and bribery. We take a bottom-up approach to identifying and mitigating risks, with the Board providing strategic input and oversight.

When allegations or incidents are reported, the course of action is based on the nature of the investigations. Our compliance department assesses whether an investigation is warranted and, if so, whether it should be internal or external and whether the issue needs to be reported to the relevant authorities. In rare cases, the allegations or incidents are reviewed by an independent committee, separate from the management chain involved, to ensure impartiality and transparency in the process. The outcomes of these investigations are reported to the Managing Director quarterly and to the Board's audit committee biannually to maintain accountability and transparency.

During the reporting period, DNO's compliance team received 32 tips on potential Code of Conduct violations via the confidential channel for reporting, of which three were related to suspicions of corruption or bribery. None of the tips resulted in substantiated cases of corruption or bribery and no actions were required to address breaches of policies or procedures related to anti-corruption and anti-bribery. There were no confirmed incidents involving dismissals, disciplinary actions, contract terminations, or public legal cases related to corruption or bribery, and there were zero convictions or fines for anti-corruption and anti-bribery law violations against the Company.

Metrics

Actions are integrated into regular operations at the corporate and business unit level, utilizing human and financial resources. Resources allocated to business conduct are not tracked independently but included in the overall operating and capital expenditure. DNO has not set any targets in relation to its governance as the Company is focused on building a strong foundation through policies and processes.

Anti-corruption and bribery

Indicator	2024
Confirmed incidents of corruption	
Total number of incidents	-
Confirmed cases employees	-
Confirmed cases contractor	-
Employees directly involved in corruption incidents in the value chain	-
Significant fines	
Public legal cases	-
Number of convictions	-
Value (USD)	-

5. Appendix

Appendix 1: Mapping of sustainability statement to the due diligence process

Core element of due diligence		Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	Cross-topic	Information provided to sustainability matters addressed by the administrative, management and supervisory bodies
		Integration of sustainability-related performance in incentive schemes
		Material IROs and their interaction with strategy and business model
Engaging with affected stakeholders	Cross-topics	Interests and views of stakeholders
		Description of the process to identify and assess material IROs
	Social	Processes for engaging with own workforce and workers' representatives about impacts
		Process of engaging with value chain workers about impacts
		Processes for engaging with affected communities about impacts
Identifying and assessing adverse impacts	Cross-topic	Description of the process to identify and assess material IROs
	Environment	Material IROs and interaction with strategy and business model
	Social	Processes to remediate negative impacts and channels for own workforce to raise concerns
		Process to remediate negative impacts and channels for value chain workers raise concerns
		Processes to remediate negative impacts and channels for affected communities to raise concerns
Taking actions and describing processes to address those adverse impacts	Environment	Actions and resources in relation to climate change policies
		Actions and resources related to pollution
		Actions and resources related resources use and circular economy
	Social	Actions related to own workforce
		Actions related to value chain workers
		Processes to remediate negative impacts and channels for affected communities to raise concerns
	Governance	Corruption and bribery
Tracking and communicating the effectiveness of these efforts	Environment	Metrics and targets (under 2.2)
		Energy consumption
		Scopes 1, 2, 3 and total GHG emissions
		Pollution of air
		Metrics and targets (under 2.4)
	Social	Actions related to own workforce
		Equal treatment and opportunities for all
		Adequate wages
		Health, safety and security

Appendix 2: Disclosures in accordance with Annex II to the EU Taxonomy Regulation

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transi-tional activity (20)
Oil and gas		*USD million*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional		0	0%	0%						N	N	N	N	N	N	N	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. Turnover of Taxonomy-eligible activities *(A.1+A.2)*		0	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		666.7	100%																
TOTAL		**666.7**	**100%**																

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy(9)	Biodiversity(10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transi-tional activity (20)
Oil and gas		*USD million*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional		0	0%	0%						N	N	N	N	N	N	N	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. CapEx of Taxonomy- eligible activities *(A.1+A.2)*		0	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non- eligible activities		226.4	100%																
TOTAL		**226.4**	**100%**																

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19)	Category transi-tional activity (20)
Oil and gas		*USD million*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional		0	0%	0%						N	N	N	N	N	N	N	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. OpEx of Taxonomy eligible activities *(A.1+A.2)*		0	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non- eligible activities		58.6	100%																
TOTAL		**58.6**	**100%**																

Appendix 3: Disclosure in accordance with Annex XII the EU Complementary Climate Delegated Act for nuclear energy and fossil gas activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Appendix 4: Disclosure requirements and references

Material ESRS topic	Disclosure requirements	Page
ESRS 2	BP-1: General basis for preparation of sustainability statements	18
	BP-2: Disclosures in relation to specific circumstances	18
	GOV-1: The role of the administrative, management and supervisory bodies	18
	GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	18
	GOV-3: Integration of sustainability-related performance in incentive schemes	19
	GOV-4: Statement on due diligence	19
	GOV-5: Risk management and internal controls over sustainability reporting	19
	SBM-1: Strategy, business model and value chain	19
	SBM-2: Interests and views of stakeholders	19
	SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	20
	IRO-1: Description of the process to identify and assess material impacts, risks and opportunities	21
	IRO-2: Disclosure requirements in ESRS covered by the undertaking's sustainability statement	22
E1 Climate change	E1-1: Transition plan for climate change mitigation	23
	E1-2: Policies related to climate change mitigation and adaptation	23
	E1-3: Actions and resources in relation to climate change policies	24
	E1-4: Targets related to climate change mitigation and adaptation	24
	E1-5: Energy consumption and mix	25
	E1-6: Gross Scopes 1, 2, 3 and total GHG emissions	25
	E1-7: GHG removals and GHG mitigation projects financed through carbon credits	26
E2 Pollution	E2-1: Policies related to pollution	26
	E2-2: Actions and resources related to pollution	26
	E2-3: Targets related to pollution	26
	E2-4: Pollution of air	26
E5 Circular economy	E5-1: Policies related to resource use and circular economy	26
	E5-2: Actions and resources related to resource use and circular economy	27
	E5-3: Targets related to resource use and circular economy	27
	E5-4: Resource inflows	27
	E5-5: Resource outflow	27
S1 Own workforce	S1-1: Policies related to own workforce	28
	S1-2: Processes for engaging with own workforce and workers' representatives about impacts	29
	S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns	29
	S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	29
	S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	29
	S1-6: Characteristics of the undertaking's employees	30
	S1-9: Diversity metrics	32
	S1-10: Adequate wages	30
	S1-13: Training and skills development metrics	32
	S1-14: Health and safety metrics	31
	S1-16: Remuneration metrics (pay gap and total remuneration)	32
	S1-17: Incidents, complaints and severe human rights impacts	31
S2 Workers in the value chain	S2-1: Policies related to value chain workers	33
	S2-2: Processes for engaging with value chain workers about impacts	33
	S2-3: Processes to remediate negative impacts and channels for value chain workers to raise concerns	33
	S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	34
	S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	34
S3 Affected communities	S3-1 Policies related to affected communities	34
	S3-2 Processes for engaging with affected communities about impacts	35
	S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns	35
	S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	35
	S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	35
G1 Business conduct	G1-1: Business conduct policies and corporate culture	35
	G1-2: Management of relationships with suppliers	36
	G1-3: Prevention and detection of corruption and bribery	36
	G1-4: Incidents of corruption or bribery	37
	G1-6: Payment practices	36

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality DNO
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27), Annex II		Material
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Material

ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Immaterial
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Immaterial
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Immaterial
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Immaterial, DNO does not have a transition plan in line with the Paris agreement. Thus, only E1-1 16 (a) is a material disclosure requirement
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material
ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material
ESRS E1-6 GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Immaterial
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		DNO will not report on this in 2024 as it is a phase-in requirement
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			DNO will not report on this in 2024 as it is a phase-in requirement
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralized by immovable property - Energy efficiency of the collateral			DNO will not report on this in 2024 as it is a phase-in requirement
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Immaterial, DNO will not report on this in 2024 as it is a phase-in requirement
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Immaterial
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Immaterial
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Immaterial
ESRS E3-4 Total water recycled and reused paragraph 28(c)	Indicator number 6.2 Table #2 of Annex 1				Immaterial
ESRS E3-4 Total water consumption in m 3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Immaterial
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Immaterial
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Immaterial
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Immaterial
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Immaterial
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Immaterial
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Immaterial
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Material
ESRS 2- SBM3 - S1 Risk of incidents of forced labor paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Immaterial
ESRS 2- SBM3 - S1 Risk of incidents of child labor paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Immaterial
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Immaterial, forced labor and child labor are not material sub-topics under ESRS S1

ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I		Material
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I		Material
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II	Material
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I		Material
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II	Material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I		Material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I		Material
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	Immaterial, forced labor and child labor are not material sub-topics under ESRS S1
ESRS 2- SBM3 – S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I		Material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1		Material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1		Material
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19		Delegated Regulation (EU) 2020/1816, Annex II	Material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1		Material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1		Material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1		Material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1		Immaterial
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Immaterial
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1		Immaterial
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1		Material
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1		Material
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II)	Material
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1		Material

Responsibility statement

DNO ASA's consolidated financial statements for the period 1 January to 31 December 2024 have been prepared and presented in accordance with IFRS Accounting Standards as adopted by the EU and additional disclosure requirements in the Norwegian Accounting Act. The separate financial statements for DNO ASA for the period 1 January to 31 December 2024 have been prepared in accordance with the Norwegian Accounting Act and Norwegian accounting standards.

We confirm to the best of our knowledge that the consolidated and separate financial statements for the period 1 January to 31 December 2024 have been prepared in accordance with applicable accounting standards and give a fair view of the assets, liabilities, financial position and results for the period viewed in their entirety, and that the Board of Directors' report includes a fair review of any significant events that arose during the period and their effect on the financial statements, any significant related parties' transactions and a description of the significant risks and uncertainties to which the Group and the parent company are exposed. Additionally, we confirm to the best of our knowledge that the Country-by-Country report as presented in a separate section has been prepared in accordance with the requirements in the Norwegian Accounting Act.

We further confirm to the best of our knowledge that the 2024 sustainability statement has been prepared in accordance with the requirements of the Norwegian Accounting Act, European Sustainability Reporting Standards (ESRS) and EU taxonomy regulations.

Oslo, 2 April 2025

Bijan Mossavar-Rahmani
Executive Chairman

Gunnar Hirsti
Deputy Chairman

Elin Karfjell
Director

Anita Marie Hjerkinn Aarnæs
Director

Najmedin Meshkati
Director

Christopher Spencer
Managing Director

Group company accounts

Note disclosures

Parent company accounts

Consolidated statements of comprehensive income

1 January - 31 December

USD million	Note	2024	2023
Revenues	2, 3	666.8	667.5
Cost of goods sold	4	-406.9	-364.8
Gross profit		**259.9**	**302.7**
Share of profit/loss from Joint Venture	13	3.3	11.9
Other income/expenses		1.0	1.6
Administrative expenses	5	-23.5	-23.3
Other operating expenses	5	-2.5	-7.9
Impairment oil and gas assets	11	-146.0	-24.9
Exploration expenses	6	-88.9	-47.7
Net gain on disposal of licenses	21	3.0	5.8
Operating profit/loss		**6.1**	**218.3**
Financial income	7	47.3	45.0
Financial expenses	7	-66.7	-112.0
Profit/loss before income tax		**-13.3**	**151.3**
Tax income/expense	8	-13.8	-132.7
Net profit/loss		**-27.1**	**18.6**
Other comprehensive income			
Currency translation differences		-25.8	-10.9
Items that may be reclassified to profit or loss in later periods, net of tax		**-25.8**	**-10.9**
Total other comprehensive income, net of tax		**-25.8**	**-10.9**
Total comprehensive income, net of tax		**-52.9**	**7.7**
Net profit/loss attributable to:			
Equity holders of the parent		**-27.1**	**18.6**
Non-controlling interests		**-**	**-**
Total comprehensive income attributable to:			
Equity holders of the parent		**-52.9**	**7.7**
Non-controlling interests		**-**	**-**
Weighted average number of shares outstanding (millions)		975.00	980.04
Earnings per share, basic (USD per share)	25	-0.03	0.02
Earnings per share, diluted (USD per share)	25	-0.03	0.02

Consolidated statements of financial position

Years ended 31 December

USD million	Note	2024	2023
ASSETS			
Non-current assets			
Deferred tax assets	8	39.6	-
Goodwill	9	102.1	43.2
Other intangible assets	9	228.5	202.1
Property, plant and equipment	10	1,109.4	1,133.2
Investment in Joint Venture	13	48.8	67.9
Other non-current receivables	15	98.2	129.8
Total non-current assets		**1,626.6**	**1,576.2**
Current assets			
Inventories	14	74.8	77.8
Trade and other receivables	15	338.1	265.4
Tax receivables	8	27.5	-
Cash and cash equivalents	16	899.0	718.8
Total current assets		**1,339.5**	**1,062.1**
TOTAL ASSETS		**2,966.1**	**2,638.3**
EQUITY AND LIABILITIES			
Equity			
Shareholders' equity	17	1,080.0	1,234.8
Total equity		**1,080.0**	**1,234.8**
Non-current liabilities			
Deferred tax liabilities	8	257.2	192.4
Interest-bearing liabilities	18	790.5	392.0
Lease liabilities	19	9.7	14.0
Asset retirement obligations	20	467.9	382.7
Other liabilities	21	6.9	7.3
Total non-current liabilities		**1,532.2**	**988.4**
Current liabilities			
Trade and other payables	22	323.7	221.1
Income taxes payable	8	-	4.6
Current interest-bearing liabilities	18	-	166.2
Current lease liabilities	19	3.1	3.6
Asset retirement obligations	20	12.9	10.6
Other liabilities	21	14.2	9.1
Total current liabilities		**353.9**	**415.1**
Total liabilities		**1,886.1**	**1,403.5**
TOTAL EQUITY AND LIABILITIES		**2,966.1**	**2,638.3**

Oslo, 2 April 2025

Bijan Mossavar-Rahmani *Executive Chairman*	Gunnar Hirsti *Deputy Chairman*	Elin Karfjell *Director*
Anita Marie Hjerkinn Aarnæs *Director*	Najmedin Meshkati *Director*	Christopher Spencer *Managing Director*

Consolidated cash flow statements

1 January - 31 December

USD million	Note	2024	2023
Operating activities			
Profit/loss before income tax		-13.3	151.3
Adjustments to add/deduct(-) non-cash items:			
Exploration cost previously capitalized carried to cost	6	37.7	6.0
Depreciation, depletion and amortization	4	184.1	146.4
Impairment oil and gas assets	11	146.0	24.9
Loss/gain(-) on PP&E	10	-3.0	-
Time value effects receivables	7,15	-11.4	44.3
Share of profit/loss in Joint Venture	13	-3.3	-11.9
Amortization of borrowing issue costs	18	3.8	3.3
Accretion expense on ARO provisions	7,21	20.4	17.4
Interest expense	7	54.3	44.6
Interest income	7	-38.1	-36.5
Other		-8.3	-10.0
Changes in working capital items and provisions:			
- Inventories	14	6.0	-30.8
- Trade and other receivables	15	-46.1	-2.3
- Trade and other payables	22	97.4	-23.0
- Provisions for other liabilities and charges	21	6.9	-28.7
Cash generated from operations		**433.0**	**294.9**
Income taxes paid		-0.8	-123.1
Tax refund received		-	33.5
Interest received		34.6	35.3
Interest paid		-53.7	-46.4
Net cash from/used in operating activities		**413.0**	**194.1**
Investing activities			
Purchases of intangible assets		-87.2	-114.6
Purchases of tangible assets		-199.8	-163.6
Payments for decommissioning		-4.9	-17.9
Payments for license transactions	12	-84.8	-5.1
Equity contribution into Joint Venture	13	-9.4	-6.9
Dividends from Joint Venture	13	31.8	27.1
Net cash from/used in investing activities		**-354.2**	**-281.0**
Financing activities			
Proceeds from borrowings	18	365.0	-
Repayment of borrowings	18	-131.2	-
Payment of debt issue costs		-5.6	-
Purchase of treasury shares	17	-	-50.7
Paid dividend	17	-102.5	-92.0
Payments of lease liabilities		-2.5	-4.3
Net cash from/used in financing activities		**123.2**	**-147.0**
Net increase/decrease in cash and cash equivalents		182.1	-233.9
Cash and cash equivalents at beginning of the period		718.8	954.3
Exchange gain/losses on cash and cash equivalents		-1.9	-1.9
Cash and cash equivalents at end of the period	**16**	**899.0**	**718.8**
Of which restricted cash	16	17.5	14.3

Consolidated statements of changes in equity

USD million	Share capital	Share premium	Other comprehensive income: Currency translation difference	Retained earnings	Total equity
Total shareholders' equity as of 31 December 2022	**33.9**	**343.6**	**-29.0**	**1,020.9**	**1,369.4**
Currency translation differences	-	-	-10.9	-	-10.9
Other comprehensive income	**-**	**-**	**-10.9**	**-**	**-10.9**
Profit/loss for the period	-	-	-	18.6	18.6
Total comprehensive income	**-**	**-**	**-10.9**	**18.6**	**7.7**
Purchase of treasury shares	-1.1	-	-	-49.5	-50.5
Payment of dividend	-	-	-	-91.6	-91.6
Transactions with shareholders	**-1.1**	**-**	**-**	**-141.1**	**-142.1**
Total shareholders' equity as of 31 December 2023	**32.9**	**343.6**	**-39.9**	**898.3**	**1,234.8**

USD million	Share capital	Share premium	Other comprehensive income: Currency translation difference	Retained earnings	Total equity
Total shareholders' equity as of 31 December 2023	**32.9**	**343.6**	**-39.9**	**898.3**	**1,234.8**
Currency translation differences	-	-	-25.8	-	-25.8
Other comprehensive income	**-**	**-**	**-25.8**	**-**	**-25.8**
Profit/loss for the period	-	-	-	-27.1	-27.1
Total comprehensive income	**-**	**-**	**-25.8**	**-27.1**	**-52.9**
Payment of dividend	-	-	-	-101.9	-101.9
Transactions with shareholders	**-**	**-**	**-**	**-101.9**	**-101.9**
Total shareholders' equity as of 31 December 2024	**32.9**	**343.6**	**-65.7**	**769.3**	**1,080.0**

Note 1

Accounting principles

Principal activities and corporate information

The principal activities of the Group are international oil and gas exploration, development and production operations. DNO's activities are mainly undertaken in the Middle East, the North Sea and West Africa.

DNO ASA is a Norwegian public limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act ("allmennaksjeloven"). The Company was incorporated on 6 August 1971 and its registration number is 921 526 121. The shares in the Company have been listed on the Oslo Stock Exchange since 1981, currently under the ticker "DNO". The Company's registered office is located at Dokkveien 1, 0250 Oslo, Norway.

Statement of compliance

The consolidated financial statements of DNO ASA have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional disclosure requirements in the Norwegian Accounting Act, effective as of 31 December 2024. The consolidated financial statements were approved by the Board of Directors on 2 April 2025.

Basis for preparation

The consolidated financial statements have been prepared on a historical cost basis. As permitted by International Accounting Standard (IAS) 1 *Presentation of Financial Statements* and in conformity with industry practice, the expenses in the consolidated statements of comprehensive income are presented as a combination of nature and function as this gives the most relevant and reliable presentation for the Group.

Due to rounding, the figures in one or more rows or columns included in the financial statements and notes may not add up to the subtotals or totals of that row or column.

Significant accounting estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities at the reporting date. Estimates and assumptions are based on management's best knowledge and experience and various other factors that are believed to be reasonable under the circumstances. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described in the relevant notes throughout this report, see below for references to notes. The Group based its assumptions and estimates on parameters available when the Group financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Estimates and assumptions

The key assumptions and key sources of estimation uncertainty for the Group are described in each of the following notes:

- Entitlement risk associated with operating in Kurdistan (Note 3 and 15);
- Notional corporate income tax/deferred taxation in Kurdistan (Note 8);
- Impairment assessment of capitalized exploration expenditures (Note 9);
- Impairment/reversal of oil and gas assets (Note 11);
- Application of the acquisition method for business combinations (Note 12);
- Estimation of the cost for decommissioning (Note 20);
- Reserves and resources estimates (Note 27).

Group accounting and consolidation principles

Basis for consolidation

The consolidated financial statements include the financial statements of DNO ASA and its subsidiaries. The Company currently holds a 100 percent interest in all of its subsidiaries.

Functional and presentational currency

The consolidated financial statements are presented in USD, which is also DNO ASA's functional currency and presentation currency.

Statements of comprehensive income and statements of cash flows of subsidiaries and joint operations that have a functional currency different from the parent company are translated into the presentation currency at average exchange rates each month. Statements of financial position items are translated using the exchange rate at the reporting date, with the translation differences taken directly to other comprehensive income.

Interest in jointly controlled operations (assets)

A joint arrangement is present when DNO holds a long-term interest which is jointly controlled by DNO and one or more other parties under a contractual arrangement in which decisions about the relevant activities require the unanimous consent of the parties sharing control. Such joint arrangements are classified as either joint operations or joint ventures.

Joint operations

DNO recognizes its investments in joint operations by reporting its share of related revenues, expenses, assets, liabilities and cash flows under the respective items in the Group's financial statements.

Joint ventures

The Group's investments in a joint venture are accounted for using the equity method in accordance with *IAS 28 Investments in Associates and Joint Ventures*.

License acquisitions, farm-in/out and swaps

Individual assessment is made whether the acquisition of an oil and gas license should be treated as a business combination or as an asset purchase. Generally, purchase of a license in development or production phase is regarded as a business combination, while purchase of a license in the exploration phase is regarded as an asset purchase.

A farm-in or farm-out of an oil and gas license takes place when the owner of a working interest (the farmor) transfers all or a portion of its working interest to another party (the farmee) in return for an agreed upon consideration and/or action, such as conducting subsurface studies, drilling wells or developing the asset. Any cash consideration received directly from the farmee is credited against costs previously capitalized in relation to the whole interest with any excess accounted for by the farmor as a gain on disposal.

In the development or production phase, a farm-in/farm-out agreement will be treated as a transaction recorded at fair value as represented by the costs carried by the farmee. Any gain or loss arising from the farm-in/farm-out is recognized in the statements of comprehensive income.

License swaps are measured at the fair value of the asset being exchanged, unless the transaction lacks commercial substance, or neither the fair value of the asset received, nor divested, can be reliably measured. In the exploration phase, the Group normally recognizes license swaps based on historical cost basis.

■ Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

Other amendments and interpretations may apply for the first time in 2024 but are not considered to have any material impact on the Group’s financial statements.

Note 2
Segment information

Accounting policies

Segment information
DNO's operating segments correspond to its reportable segments. The Company identifies and reports its segments based on the nature of the risk and return within its business and by the geographical location of the Group's assets and operations. The segment information is provided to the senior management and the Board of Directors who are considered to collectively be the Chief Operating Decision Maker and is used as the basis for allocation of resources and decision making.

The accounting policies of the reporting segments equal those described in these consolidated financial statements. Transfer pricing between the segments and companies is set using the arm's length principle in a manner similar to transactions with third parties and are eliminated at the consolidated level. Segment profit/loss includes profit/loss from inter-segment sales.

The Company reports the following three operating segments: Kurdistan, the North Sea (which includes DNO's oil and gas activities in Norway and the UK) and West Africa (which represents DNO's equity accounted investment in Côte d'Ivoire, see Note 13). Remaining operating segments are included in the other category based on a materiality assessment. The country-by-country reporting for companies in extractive industries in line with the Norwegian Accounting Act can be found on page 118 of this report.

USD million

Full-Year ending 31 December 2024	Note	Kurdistan	North Sea	West Africa	Other	Total reporting segments	Un-allocated/ eliminated	Total Group
COMPREHENSIVE INCOME INFORMATION								
Revenues	3	230.8	436.0	-	-	666.8	-	666.8
Inter-segment sales		-	-	-	-	-	-	-
Production costs		-83.0	-142.6	-	-	-225.6	0.7	-224.9
Movement in overlift/underlift		-	2.1	-	-	2.1	-	2.1
Depreciation, depletion and amortization		-116.7	-64.1	-	-	-180.8	-3.4	-184.1
Cost of goods sold	4	-199.7	-204.5	-	-	-404.2	-2.7	-406.9
Gross profit		**31.1**	**231.5**	**-**	**-**	**262.6**	**-2.7**	**259.9**
Share of profit/loss from Joint Venture	13	-	-	3.3	-	3.3	-	3.3
Other income		0.3	0.6	-	-	0.9	0.1	1.0
Administrative expenses	5	-0.5	-10.6	-	-1.5	-12.7	-10.8	-23.5
Other operating expenses	5	-1.7	-	-	-0.9	-2.5	-	-2.5
Impairment of oil and gas assets	11	-89.0	-57.0	-	-	-146.0	-	-146.0
Exploration expenses	6	-	-88.9	-	-	-88.9	-	-88.9
Net gain on disposal of licenses	20	-	3.0	-	-	3.0	-	3.0
Operating profit/loss		**-59.8**	**78.4**	**3.3**	**-2.4**	**19.5**	**-13.4**	**6.1**
Net financial income/expense	7	11.6	-10.3	1.5	1.2	4.0	-23.4	-19.4
Tax income/expense	8	-	-13.8	-	-	-13.8	-	-13.8
Net profit/loss		**-48.2**	**54.3**	**4.8**	**-1.2**	**9.7**	**-36.8**	**-27.1**
FINANCIAL POSITION INFORMATION								
Non-current assets		663.1	902.5	48.8	-	1,614.5	12.1	1,626.6
Current assets		237.4	283.2	-	1.3	521.8	817.7	1,339.5
Total assets		**900.5**	**1,185.7**	**48.8**	**1.3**	**2,136.3**	**829.8**	**2,966.1**
Non-current liabilities		71.4	705.1	-	-	776.5	755.7	1,532.2
Current liabilities		142.3	177.4	-	8.1	327.8	26.1	353.9
Total liabilities		**213.8**	**882.4**	**-**	**8.1**	**1,104.3**	**781.8**	**1,886.1**

USD million

Full-Year ending 31 December 2023	Note	Kurdistan	North Sea	West Africa	Other	Total reporting segments	Un-allocated/ eliminated	Total Group
COMPREHENSIVE INCOME INFORMATION								
Revenues	3	253.2	414.4	-	-	667.5	-	667.5
Inter-segment sales		-	-	-	-	-	-	-
Production costs		-101.7	-122.1	-	-	-223.8	-0.3	-224.1
Movement in overlift/underlift		-	5.6	-	-	5.6	-	5.6
Depreciation, depletion and amortization		-97.0	-45.9	-	-	-143.0	-3.4	-146.4
Cost of goods sold	4	-198.7	-162.4	-	-	-361.1	-3.7	-364.8
Gross profit		**54.5**	**252.0**	**-**	**-**	**306.4**	**-3.7**	**302.7**
Share of profit/loss from Joint Venture	13	-	-	11.9	-	11.9	-	11.9
Other income		-	1.6	-	-	1.6	-	1.6
Administrative expenses	5	-0.3	-5.3	-	-2.2	-7.8	-15.4	-23.3
Other operating expenses	5	-1.8	-	-	-6.1	-7.9	-	-7.9
Impairment of oil and gas assets	11	-	-24.9	-	-	-24.9	-	-24.9
Exploration expenses	6	-	-47.7	-	-	-47.7	-	-47.7
Operating profit/loss		**52.4**	**181.4**	**11.9**	**-8.3**	**237.4**	**-19.1**	**218.3**
Net financial income/expense	7	-50.2	-6.7	0.8	0.5	-55.6	-11.4	-67.0
Tax income/expense	8	-	-132.7	-	-	-132.7	-	-132.7
Net profit/loss		**2.2**	**42.1**	**12.7**	**-7.9**	**49.1**	**-30.5**	**18.6**
FINANCIAL POSITION INFORMATION								
Non-current assets		855.1	639.0	67.9	-	1,562.0	14.2	1,576.2
Current assets		219.2	334.4	-	3.3	556.9	505.2	1,062.1
Total assets		**1,074.3**	**973.4**	**67.9**	**3.3**	**2,118.9**	**519.4**	**2,638.3**
Non-current liabilities		69.8	508.3	-	-	578.1	410.3	988.4
Current liabilities		67.3	189.9	-	7.9	265.1	150.0	415.1
Total liabilities		**137.0**	**698.2**	**-**	**7.9**	**843.2**	**560.3**	**1,403.5**

Note 3

Revenues

Accounting policies

Revenues

Revenues presented in the consolidated statements of comprehensive income consist of Revenue from contracts with customers. Revenue from contracts with customers is recognized when the customer obtains control of the oil and gas, which normally will be when title passes at the point of delivery, based on the contractual terms of the agreements.

In general, the revenues from the Group's production of oil and gas are recognized on the basis of volumes lifted and sold to customers during the period (the sales method).

Tariff income from processing of oil and gas is related to the North Sea segment and is recognized as earned.

Revenue recognition in Kurdistan

During 2024 and most of 2023, revenues in Kurdistan were generated from local sales and recognized on the basis of volumes lifted and sold to customers during the period. Local deliveries are prepaid by the buyers directly to DNO.

Export revenues in Kurdistan were in the first three months of 2023 generated through the sale of oil produced from the Tawke and the Baeshiqa licenses which was exported by the pipeline through Türkiye. Title to the oil was considered to have passed on delivery of oil to the export pipeline at Fish Khabur terminal. Revenues generated from export sales were recognized on the basis of invoiced oil sales following monthly deliveries to the KRG. Based on business practice, the KRG was responsible for exporting the oil produced in Kurdistan and it is assessed that DNO has a customer relationship with the KRG. The price for export oil deliveries to the KRG was based on Brent prices with adjustments for oil quality and transportation fees.

Entitlement risk associated with operating in Kurdistan

DNO has interests in two licenses in Kurdistan through Production Sharing Contracts (PSCs) and has based its entitlement calculations on the terms of these PSCs.

The Company notes from public reports that on 15 February 2022, the Federal Supreme Court of Iraq (FSCI) ruled on two matters, one stemming back to 2012 and another related matter dating back to 2019. Reportedly, the FSCI found amongst other things that the Kurdistan Oil and Gas Law No. 27/2007 (KOGL) is unconstitutional, that the KRG is to hand over all oil production from areas located in the Kurdistan region of Iraq (KRI) to the Federal Government of Iraq (FGI) and that the FGI has the right to pursue the nullity of the oil contracts concluded by the KRG. DNO was not a party to these proceedings. Further, DNO learned via media reports that on 4 July 2022, the Karkh commercial court in Baghdad ruled that PSCs signed between the KRG and four international oil companies (including DNO) should be voided. Similar cases were reported as regards four other international oil companies over the ensuing weeks. Media then reported that on 21 August 2022, the KRG filed third party objections to the reported 2022 Baghdad court rulings including those understood to concern DNO. On 18 December 2024, it was reported that the Karkh Court of Appeal ruled in favor of inter alia the KRG, confirming that the PSCs in question were valid. That ruling was also reported appealed by the FGI, however, on 22 January 2025, DNO learnt, again from media reports, that the Court of Cassation dismissed the FGI's appeal and thus confirmed that the PSCs are valid. On 27 February 2025, there were reports that the FGI had requested a correction of the rulings of the Court of Cassation. The Company notes reports that this process does not allow the FGI to introduce new evidence or arguments; it merely seeks to correct perceived errors in the Court of Cassation's ruling. As far as the Company is aware, that process is still pending. Throughout the period when these cases were pending, the KRG issued repeated assurances that the PSCs remain valid and there were also several rulings in Erbil courts affirming the validity of the PSCs. In 2014, the FGI initiated an arbitration case against the Government of Türkiye and its state-owned pipeline operator BOTAS relating to the ITP. Following an arbitration ruling which became publicly known on or around 24 March 2023, and which were in parts in favor of Iraq, the ITP was closed on 25 March 2023. As of the reporting date, the ITP remains closed, despite Türkiye's announcement in October 2023 that the ITP is ready to resume operations. Timing of export resumption is uncertain. Consequently, DNO initiated cost reduction measures in Kurdistan and commenced local sales on a cash and carry basis, where the oil is transported by traders by road tanker or pipelined to local refineries. The contractor entities' entitlement is sold by DNO. Varying by contract, local selling prices were in the mid USD 30s per barrel during 2024, significantly lower than the international prices previously achieved through pipeline export. However, all local deliveries are prepaid by the buyers directly to DNO, eliminating counterparty credit risk.

The FGI's 2023-2025 Federal Iraqi Budget Law (Budget Law) entered into force in June 2023. The details of FGI-KRG budget allocations, implementation of the Budget Law and the monetary size of the budget transfers to the KRG are not clear to DNO. DNO notes however that on 2 February 2025, the Iraqi Parliament approved amendments of the Budget Law. There have been several media reports that indicate that the Budget Law amendment may enable restart of export of Kurdish oil through the ITP. DNO and other member companies of the Association of the Petroleum Industry of Kurdistan (APIKUR) have repeatedly stated that they are prepared to resume exports, contingent upon reaching agreements that provide for payment surety for past and future exports, direct payment and preservation of the legal, commercial and economic terms of their production sharing contracts (Conditions).

It is unclear to the Company how implementation of the amended Budget Law can facilitate satisfaction of the Conditions. It is also not clear how the KRG and the FGI will address these matters beyond 2025. To date, DNO continues its operations in Kurdistan, and developments are closely monitored.

Due to the disagreements between the FGI and the KRG, economic conditions in Kurdistan and limited oil export channels, DNO has historically faced constraints in fully monetizing the oil it produces in Kurdistan. There is no guarantee that oil can be exported or sold locally in sufficient quantities or at prices required to sustain DNO's operations and investment plans or that the Group will promptly receive its full entitlement payments for any oil it delivers for export if the ITP reopens. Export sales have not always followed the PSC terms. Furthermore, there has also previously been uncertainty related to receipt of payments for oil sold to the KRG but notwithstanding sometimes lengthy delays, payments have ultimately been received by DNO.

At yearend 2024, the Company was owed a total of USD 298.1 million, excluding any interest, by the KRG mainly related to export oil sales to the KRG for the months October 2022 through March 2023. These receivables are past due (see Note 15). The KRG has repeatedly stated that it is and remains committed to its PSCs. Timing of export resumption and payments for previous oil sales by the KRG is uncertain. The Company continues to engage with the KRG regarding recovery of the arrears and payment terms and conditions for any future oil exports.

The Company's PSCs include rights for the host government to audit the PSC accounts which may impact the Company's recovery of costs and financial results. During 2024 in Kurdistan, such audits were carried out with respect to the Baeshiqa 2018-2019 Accounts and the Tawke 2021 Accounts.

					1 January - 31 December	
	Kurdistan		North Sea		Total	
USD million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Sale of oil	230.8	253.2	265.2	253.0	496.0	506.2
Sale of gas	-	-	138.5	137.3	138.5	137.3
Sale of natural gas liquids (NGL)	-	-	26.9	21.6	26.9	21.6
Tariff income	-	-	5.4	2.4	5.4	2.4
Total revenues from contracts with customers	**230.8**	**253.2**	**436.0**	**414.4**	**666.8**	**667.5**
Sale of oil (bopd)	18,222	14,806	8,704	8,049	26,926	22,856
Sale of gas (boepd)	-	-	5,511	4,746	5,511	4,746
Sale of natural gas liquids (NGL) (boepd)	-	-	1,575	1,282	1,575	1,282
Total sales volume (boepd)	**18,222**	**14,806**	**15,790**	**14,078**	**34,011**	**28,885**

Prior to the ITP closure in March 2023, DNO generated revenues in Kurdistan through the sale of oil produced from the Tawke and the Baeshiqa licenses which were exported by pipeline through Türkiye. Following closure of the ITP, the Company gradually resumed operations at the Tawke license and has been selling oil to local trading companies in Kurdistan since late Q2 2023.

Note 4
Cost of goods sold

Accounting policies

Cost of goods sold

Lifting costs and Tariff and transportation expenses
Lifting costs consist of expenses related to the production of oil and gas, including operation and maintenance of installations, well intervention activities and insurances. Tariff and transportation expenses consist of charges incurred by the Group in the North Sea for the use of infrastructure owned by other companies. Lifting costs and Tariff and transportation expenses are recognized based on the Group's paying interest in the oil and gas licenses.

Movement in overlift/underlift
A liability (overlift, see Note 22) arises when the Group sells more than its share of the oil and gas production. Similarly, an asset (underlift, see Note 15) arises when the sale is less than the Group's share of the oil and gas production. In general, the overlift/underlift balances are valued at production cost including depreciation (the sales method). The movements in overlift/underlift are presented as an adjustment to Cost of goods sold.

Depreciation, depletion and amortization
Capitalized costs for oil and gas assets are depreciated using the unit-of-production (UoP) method. See Note 10 for more details.

	1 January - 31 December	
USD million	**2024**	**2023**
Lifting costs	-175.5	-191.7
Tariff and transportation expenses	-49.4	-32.4
Production costs based on produced volumes	**-224.9**	**-224.1**
Movement in overlift/underlift	2.1	5.6
Production costs based on sold volumes	**-222.7**	**-218.4**
Depreciation, depletion and amortization	-184.1	-146.4
Total cost of goods sold	**-406.9**	**-364.8**

Note 5

Administrative/Other expenses

Accounting policies

Pensions and share-based payments

Pensions
The Group's pension obligations in Norway are limited to certain defined contribution plans which are paid to pension insurance plans and charged to profit or loss in the period in which they are incurred. Once the contributions are paid there are no further obligations.

Share-based payments
Cash-settled share-based payments are recognized in the income statement as expenses during the vesting period and as a liability. The liability is measured at fair value and revaluated using the Black & Scholes pricing model at each balance sheet date and at the date of settlement, with any change in the fair value recognized in the income statement for the period.

	1 January - 31 December	
USD million	**2024**	**2023**
Salaries, bonuses, etc.	-50.3	-53.1
Employer's payroll tax expenses	-6.8	-7.6
Pensions	-4.2	-4.6
Other personnel costs	-7.0	-4.3
General and administration expenses	-27.7	-27.8
Reallocation of salaries and social expenses to lifting costs and exploration costs/PP&E and intangible assets	72.5	74.1
Total administrative expenses	**-23.5**	**-23.3**
Other expenses	-2.5	-7.9
Total other operating expenses	**-2.5**	**-7.9**

Salaries and social expenses directly attributable to license activities are reclassified to lifting costs and exploration costs, or tangible assets and capitalized exploration.

DNO has a defined contribution scheme for its Norway-based employees, with USD 4.2 million expensed in 2024 (USD 4.6 million in 2023). The Group's obligations are limited to the annual pension contributions. DNO meets the Norwegian legal requirements for mandatory occupational pension *("obligatorisk tjenestepensjon")*.

At yearend 2024, the Company's liability for synthetic shares as part of other variable remuneration amounted to USD 8.4 million (USD 5.0 million at yearend 2023). For more information about remuneration to senior management, see Note 3 in the parent company accounts.

Movement in synthetic Company shares during the year

	1 January - 31 December	
Number of shares	**2024**	**2023**
Outstanding as of 1 January	10,829,494	11,453,638
Granted during the year	3,553,754	4,288,935
Forfeited/reversed during the year	809,584	624,141
Settled during the year	576,473	4,288,938
Outstanding as of 31 December	**12,997,191**	**10,829,494**
Unrestricted as of 31 December	690,043	1,032,058
Weighted average remaining contractual life for the synthetic shares (years)	2.12	2.54
Weighted average settlement price for synthetic shares settled during the year (NOK)	10.66	10.20
Settlement price for synthetic shares at the end of the year (NOK)	10.47	10.70

Remuneration to Board of Directors and senior management

USD million	1 January - 31 December 2024	2023
Managing Director		
Salary	-0.65	-0.58
Bonus	-0.12	-0.16
Pension	-0.02	-0.02
Other remuneration	-0.13	-0.41
Remuneration to Managing Director	**-0.92**	**-1.17**
Other senior management		
Salary	-3.59	-1.69
Bonus	-0.47	-0.40
Pension	-0.17	-0.06
Other remuneration	-0.79	-0.78
Remuneration to other senior management	**-5.02**	**-2.93**
Total remuneration to senior management	**-5.95**	**-4.09**
Number of managers included	11	5
Total remuneration to Board of Directors	**-1.59**	**-1.61**
Total remuneration to Board of Directors and senior management	**-7.54**	**-5.71**

The list of leading personnel, now referred to as senior management, has been expanded compared to the previous year.

Shares and options held by Board of Directors and senior management

	Years ended 31 December 2024		2023	
Directors and senior management	**Shares**	**Options**	**Shares**	**Options**
Bijan Mossavar-Rahmani, Executive Chairman*	125,683,241	-	125,683,241	-
Gunnar Hirsti, Deputy Chairman (Hirsti Invest AS)	350,000	-	350,000	-
Elin Karfjell, Director (Elika AS)	33,000	-	33,000	-
Anita Marie Hjerkinn Aarnæs, Director	-	-	-	-
Najmedin Meshkati, Director	-	-	-	-
Chris Spencer, Managing Director (Chris's Corporation AS)	32,000	-	32,000	-
Haakon Sandborg, Chief Financial Officer	-	-	-	-
Geir Arne Skau, Chief Human Resources and Corporate Services Officer	75,000	-	50,750	-
Sameh Hanna, General Manager Kurdistan region of Iraq	-	-	-	-
Linn Hoel, Chief Commercial Officer	-	-	-	-
Erlend Wollan Einum, Chief Business Development Officer	-	-	-	-
Elisabeth Femsteinevik, General Manager North Sea	-	-	-	-
Tonje Pareli Gormley, General Counsel - Middle East	-	-	-	-
Erling Moen Synnes, Chief Information Officer	-	-	-	-
Wieske Paulissen, Group Head of Exploration and Subsurface	-	-	-	-
Kjersti Kaurin, Corporate Counsel and Secretary	-	-	-	-

* Bijan Mossavar-Rahmani held interests in the Company through nominee accounts held by Goldman Sachs & Co. LLC, representing 12.89 percent of the total number of outstanding Company shares at yearend 2024.

Senior management and the members of the Board of Directors have been awarded synthetic shares during the year as part of their variable remuneration, see Note 3 in the parent company accounts.

Auditor fees

USD million (excluding VAT)	1 January - 31 December 2024	2023
Auditor fees	-0.65	-0.65
Other financial auditing	-0.03	-0.03
Tax advisory services	-0.08	-0.16
Other advisory services	-	-
Total auditor fees	**-0.76**	**-0.84**

Note 6

Exploration expenses

Accounting policies

Exploration expenses

The Group uses the successful efforts method to account for its exploration and evaluation assets. All exploration costs (including purchase of seismic, geological and geophysical costs and general and administrative costs), except for acquisition costs of licenses and drilling costs of exploration wells, are expensed as incurred.

Acquisition costs of licenses and drilling costs of exploration wells are temporarily capitalized pending the determination of oil and gas resources. These costs include directly attributable employee remuneration, materials and fuel used, rig costs and payments to contractors. Continued capitalization of such costs is assessed for impairment at each reporting date. The main criterion is that there must be plans for future activity in the license or that a development decision is expected in the near future. If reserves or resources are not found, or if discoveries are assessed not technically or commercially recoverable, the costs of exploration wells and licenses are expensed. Furthermore, 3D seismic cost over a discovery area is capitalized when the objective is to learn more about the reservoir and to support the determination of new well locations within the discovery area.

USD million	1 January - 31 December 2024	2023
Exploration expenses (G&G and field surveys)	-16.5	-15.0
Seismic costs	-16.5	-9.9
Exploration expenses capitalized in previous years carried to cost	-0.8	-
Exploration expenses capitalized during the year carried to cost	-36.8	-6.0
Other exploration expenses	-18.3	-16.8
Total exploration expenses	**-88.9**	**-47.7**

Exploration expenses in 2024 were related to exploration activities in the North Sea, including expensing of exploration wells (Falstaff prospect in the Falstaff/Othello well and Angel and Hummer wells). Exploration expenses in 2023 were related to exploration activities in the North Sea, including expensing of exploration wells (Eggen and Litago wells).

Note 7

Financial income and financial expenses

Accounting policies

Financial income and expenses

Accretion expenses from unwinding of the discount related to the ARO provision and lease liability are further detailed in Notes 19 and Note 20. Accounting effects from IFRS 9 (expected credit loss model) assessment related to the KRG arrears is further detailed in Note 15.

	1 January - 31 December	
USD million	**2024**	**2023**
Interest income	38.1	36.5
Currency exchange gains recognized in the income statement (net)	9.2	8.4
Other financial income	-	0.1
Financial income	**47.3**	**45.0**
Interest expenses	-54.3	-44.6
Capitalized interest	4.1	-
Time value effect trade debtors (Note 14)	11.6	-44.3
Amortization of borrowing issue costs	-3.8	-3.3
Accretion expense ARO (unwinding of discount rate, Note 20)	-20.4	-17.4
Currency exchange loss recognized in the income statement (net)	-0.0	-
Other financial expenses	-3.9	-2.3
Financial expenses	**-66.7**	**-112.0**
Net financial income/expenses	**-19.4**	**-67.0**

Note 8

Income taxes

Accounting policies

Income taxes

Tax income/expense consists of taxes receivable/payable and changes in deferred taxes. Taxes receivable/payable are based on the amount receivable from or payable to the tax authorities. Deferred tax liability is calculated on all taxable temporary differences unless there is a recognition exception. A deferred tax asset is recognized only to the extent that it is probable that the future taxable income will be available against which the asset can be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and deferred tax liabilities are recognized at their nominal value and classified as non-current assets/liabilities in the statements of financial position. Tax payable and deferred tax are recognized directly in the equity to the extent that they relate to items charged directly to equity.

Estimation uncertainty: Notional corporate income tax/deferred taxation in Kurdistan

DNO's PSCs in Kurdistan provide that the corporate income tax to which the contractor is subject is deemed to have been paid to the government as part of the payment of profit oil to the government or its representatives. Current and deferred taxation arising from such notional corporate income tax is not calculated for Kurdistan, as there is uncertainty related to the tax laws of the KRG and there is currently no well-established tax regime for international oil companies. As such, it has not been possible to reliably measure such notional corporate income taxes deemed to have been paid on behalf of the Company's subsidiary, DNO Iraq AS. For accounting purposes, if such notional income tax is to be classified as income tax in accordance with IAS 12 *Income Taxes*, the Group would present this as an income tax expense with a corresponding increase in revenues. Furthermore, it would be assessed whether any deferred tax asset or liability is required to be recognized equal to the difference between book values and the tax values of the qualifying assets and liabilities, multiplied by the applicable tax rate.

Tax income/expense

	1 January - 31 December	
USD million	**2024**	**2023**
Changes in deferred taxes	-57.9	-125.8
Income taxes receivable/payable	44.1	-6.9
Total tax income/expense (-)	**-13.8**	**-132.7**

Income tax receivable/payable

	Years ended 31 December	
USD million	**2024**	**2023**
Tax receivables	27.5	-
Income taxes payable	-	-4.6
Net tax receivable/payable (-)	**27.5**	**-4.6**

The tax balances relate to the activity on the Norwegian Continental Shelf (NCS) and the UK Continental Shelf (UKCS).

During 2024, DNO paid net USD 0.8 million in taxes in Norway related to taxable profits in 2023.

Reconciliation of tax income/expense

	1 January - 31 December	
USD million	**2024**	**2023**
Profit/loss before income tax	**-13.3**	**151.3**
Expected income tax according to nominal tax rate in Norway, 22 percent	-66.0	8.0
Expected income tax according to nominal petroleum tax rate in Norway, 78 percent	3.6	-136.8
Expected income tax according to nominal tax outside Norway	13.1	0.0
Taxes paid in kind under PSCs	-0.4	-
Exploration tax refund NCS	9.1	-
Foreign exchange variations between functional and tax currency	-11.9	-6.8
Adjustment of previous years	-1.2	0.3
Adjustment of deferred tax assets not recognized	63.3	-1.1
Change in previous years	-0.1	-
Other items including other permanent differences	-25.0	3.7
Change in tax rate	1.7	-
Tax income/expense (-)	**-13.8**	**-132.7**
Effective income tax rate	**-103.8%**	**-87.7%**
Taxes charged to equity	**-**	**-**

Adjustment of deferred tax assets not recognized mainly relates to initial recognition of tax losses from the acquisition of Arran (USD 61.7 million). Other items above consist mainly of permanent differences on impairments which are not tax deductible, and permanent differences on tax exempted profits/losses from upstream activities outside of Norway carried out by the Company's Norwegian subsidiaries.

Tax effects on temporary differences

	Years ended 31 December	
USD million	**2024**	**2023**
Tangible assets	-399.2	-275.9
Intangible assets (including capitalized exploration expenses)	-166.8	-145.4
ARO provisions	298.2	238.0
Losses carried forward	214.8	174.4
Non-deductible interests carried forward	23.0	25.7
Other temporary differences	2.7	-0.6
Net deferred tax assets/liabilities	-27.3	16.2
Valuation allowance	-190.3	-208.6
Net deferred tax assets/liabilities (-)	**-217.6**	**-192.4**
Recognized deferred tax assets	39.6	-
Recognized deferred tax liabilities	-257.2	-192.4

A valuation allowance was recognized relating to carried forward losses in Norway (ordinary tax regime, USD 93.7 million) and the UK (USD 96.6 million) due to the uncertainty regarding future taxable profits.

Profits/losses by Norwegian companies from upstream activities outside of Norway are not taxable/deductible in Norway in accordance with the General Tax Act, section 2-39. Under these rules, only certain financial income and expenses are taxable in Norway.

There are no tax consequences attached to items recorded in other comprehensive income.

The following nominal tax rates apply in the jurisdictions where the subsidiaries of the Group are taxable: Ordinary tax regime in Norway (22 percent), the NCS (78 percent), ordinary tax regime in the UK (25 percent), the UKCS (40 percent) and UAE (9 percent). Additionally, in the UK, Energy Profits Levy (EPL) applies which is a 38 percent temporary levy on oil and gas ringfenced profits, adjusted for decommissioning spend.

Reconciliation of change in deferred tax assets/liabilities

	Years ended 31 December	
USD million	**2024**	**2023**
Net deferred tax assets/liabilities at 1 January	-192.4	-62.4
Change in deferred taxes in the income statement	-57.9	-125.8
Deferred taxes related to business combinations and other transactions	9.9	1.3
Currency and other movements	22.8	-5.5
Net deferred tax assets/liabilities (-) at 31 December	**-217.6**	**-192.4**

Reconciliation of change in tax receivable/payable

	Years ended 31 December	
USD million	**2024**	**2023**
Net tax receivable/payable at 1 January	-4.6	-99.9
Tax receivable/payable related to transactions posted directly to balance sheet	-12.2	0.1
Tax receivable/payable in the income statement	44.1	-6.9
Tax payment/refund	0.8	89.5
Currency and other movements	-0.6	12.6
Net tax receivable/payable (-) at 31 December	**27.5**	**-4.6**

Pillar Two

DNO is subject to OECD Pillar Two model rules, with Norway and the UK having enacted legislation applicable from 1 January 2024. There is still some uncertainty regarding the detailed application of these rules, but based on our current assessment, we do not expect any material impact on DNO's financial position or tax obligations.

Note 9

Intangible assets

Accounting policies

Intangible assets

General
Intangible assets are stated at cost, less accumulated amortization and accumulated impairment charges. Intangible assets include acquisition costs for oil and gas licenses, expenditures on the exploration for oil and gas resources, technical goodwill and other intangible assets. Goodwill is not depreciated.

The useful lives of intangible assets are assessed as either finite or infinite. Amortization of intangible assets is based on the expected useful economic life and assessed for impairment whenever there is an indication that the intangible asset might be impaired. The impairment assessment of intangible assets with infinite lives is undertaken annually or more often if indicators exist.

Goodwill
The goodwill that is recognized by the Group is related to technical goodwill and is recognized due to the requirement to recognize deferred tax for the difference between the assigned fair values and the related tax base. Although not an IFRS term, “technical goodwill” is commonly used in the oil and gas industry to describe a category of goodwill arising as an offsetting amount to deferred tax recognized in business combinations. There are no specific IFRS guidelines about the allocation of technical goodwill, and the Group has therefore applied the general guidelines for allocating goodwill. In general, technical goodwill is allocated to a cash-generating unit (CGU) or group of CGUs that give rise to the technical goodwill, while any residual goodwill may be allocated across all CGUs based on facts and circumstances in the business combination.

Exploration and evaluation assets
The Group uses the successful efforts method to account for its exploration and evaluation assets. Acquisition costs of licenses and drilling costs of exploration wells are temporarily capitalized pending the determination of oil and gas resources. These costs include directly attributable employee remuneration, materials and fuel used, rig costs and payments to contractors. Continued capitalization of such costs is assessed for impairment at each reporting date. The main criterion is that there must be plans for future activity in the license or that a development decision is expected in the near future. If reserves or resources are not found, or if discoveries are assessed not technically or commercially recoverable, the costs of exploration wells and licenses are expensed. Furthermore, 3D seismic costs over a discovery area is capitalized when the objective is to learn more about the reservoir and to support the determination of new well locations within the discovery area.

Estimation uncertainty: Impairment assessment of capitalized exploration expenditures
The Group’s accounting policy is to temporarily capitalize drilling expenditures related to exploration wells, pending an evaluation of potential oil and gas discoveries. If resources are not discovered, or if recovery of the resources is not considered technically or commercially viable, the costs of the exploration wells are expensed in the income statement. Decisions as to whether an exploration well should remain capitalized or expensed during the period may have a material effect on the financial results for the period.

INTANGIBLE ASSETS

2024 - USD million	Goodwill	License interest	Exploration assets	Other	Total Other intangible assets	Total
As of 1 January 2024						
Acquisition costs	397.5	97.8	443.2	15.8	556.9	954.4
Accumulated impairments	-354.3	-8.8	-262.1	-	-270.9	-625.2
Accumulated depreciation	-	-71.1	-	-12.8	-83.9	-83.9
Net book amount	**43.2**	**18.0**	**181.1**	**3.0**	**202.1**	**245.2**
Period ended 31 December 2024						
Opening net book amount	43.2	18.0	181.1	3.0	202.1	245.2
Translation differences	-6.3	-0.1	-23.2	-0.4	-23.7	-30.0
Additions	-	-	87.9	-	87.9	87.9
Additions through business combinations	113.8	-	-	-	-	113.8
Transfers	-	-	-	-	-	-
Exploration cost previously capitalized carried to cost	-	-	-35.9	-	-35.9	-35.9
Impairments	-47.7	-	-	-	-	-47.7
Depreciation	-	-1.1	-	-0.8	-1.9	-2.0
Closing net book amount	**102.1**	**16.7**	**209.9**	**1.8**	**228.5**	**330.6**
As of 31 December 2024						
Acquisition costs	466.5	97.6	484.4	15.5	597.5	1,064.0
Accumulated impairments/exploration write-offs	-364.4	-8.7	-274.5	-	-283.1	-647.5
Accumulated depreciation	-	-72.2	-	-13.7	-85.9	-85.9
Net book amount	**102.1**	**16.7**	**209.9**	**1.8**	**228.5**	**330.6**
Depreciation method		UoP		Linear (3-7 years)		

INTANGIBLE ASSETS

2023 - USD million	Goodwill	License interest	Exploration assets	Other	Total Other intangible assets	Total
As of 1 January 2023						
Acquisition costs	407.2	97.5	335.3	15.4	448.2	855.4
Accumulated impairments/exploration write-offs	-351.1	-8.8	-260.5	-	-269.3	-620.3
Accumulated depreciation	-	-70.1	-	-11.7	-81.8	-81.8
Net book amount	**56.1**	**18.7**	**74.8**	**3.8**	**97.2**	**153.3**
Period ended 31 December 2023						
Opening net book amount	56.1	18.7	74.8	3.8	97.2	153.3
Translation differences	-1.9	0.3	1.4	-	1.7	-0.3
Additions	-	-	114.2	0.4	114.6	114.6
Transfers*	-	-	-3.3	-	-3.3	-3.3
Exploration cost previously capitalized carried to cost	-	-	-6.0		-6.0	-6.0
Impairments	-11.0	-	-	-	-	-11.0
Depreciation	-	-1.0	-	-1.2	-2.2	-2.2
Closing net book amount	**43.2**	**17.9**	**181.1**	**3.0**	**202.1**	**245.3**
As of 31 December 2023						
Acquisition costs	397.5	97.8	443.2	15.8	556.8	954.3
Accumulated impairments/exploration write-offs	-354.3	-8.8	-262.1	-	-270.9	-625.2
Accumulated depreciation	-	-71.1	-	-12.8	-83.9	-83.9
Net book amount	**43.2**	**18.0**	**181.1**	**3.0**	**202.1**	**245.3**

Depreciation method	UoP	Linear (3-7 years)

* Transfers were related to reclassification of the book value of the Fenja license from exploration phase (intangible assets) to development phase (tangible assets).

Note 10

Property, plant and equipment

Accounting policies

Property, plant and equipment (PP&E)

General
PP&E are recognized at historical cost and adjusted for depreciation, depletion and amortization (DD&A) and impairment charges. Depreciation of PP&E other than oil and gas assets are generally depreciated on a straight-line basis over expected useful lives, normally varying from three to seven years. Expected useful lives are reviewed at each balance sheet date and, where there are changes in estimates, depreciation periods are changed accordingly.

Exploration and development costs
Capitalized exploration expenditures are classified as intangible assets and reclassified to tangible assets (i.e., PP&E) at the start of the development. For accounting purposes, an oil and gas field is considered to enter the development phase when the technical feasibility and commercial viability of extracting oil and gas from the field are demonstrable. All costs of developing commercial oil and gas fields are capitalized, including indirect costs. Capitalized development costs are classified as tangible assets.

Acquired license rights are recognized as intangible assets at the time of acquisition. Acquired license rights related to fields in the exploration phase remain as intangible assets when the related fields enter the development or production phase. Furthermore, 3D seismic cost over a discovery area is capitalized when the objective is to learn more about the reservoir and to support the determination of new well locations within the discovery area.

Oil and gas assets in production
Capitalized costs for oil and gas assets are depreciated using the UoP method. The rate of depreciation is equal to the ratio of oil and gas production for the period over the estimated remaining 2P reserves at the beginning of the period. The future development expenditures necessary to bring those reserves into production are included in the basis for depreciation and are estimated by the management based on current period end un-escalated price levels. The reserve basis used for depreciation purposes is updated at least once a year. Any changes in the reserves affecting UoP calculations are reflected prospectively. Reserves and resources, along with associated estimation uncertainty, are described in detail in Note 27.

*Right-of-use (RoU) asset*s
The RoU assets in the balance sheet are mainly related to office rent and are measured to cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The RoU assets are depreciated linearly over the lifetime of the related lease contract. For measurement of lease liabilities, see Note 19. In the consolidated statements of comprehensive income, operating lease costs, relating to contracts that contain a lease, are replaced by depreciation and interest expense.

PROPERTY, PLANT AND EQUIPMENT

2024 - USD million	Development assets	Production assets	Total oil & gas assets	Other PP&E	RoU assets	Total
As of 1 January 2024						
Acquisition costs	286.7	3,304.6	3,591.3	14.9	45.1	3,651.3
Accumulated impairments	-137.5	-345.0	-482.6	-0.1	-	-482.7
Accumulated depreciation	-	-1,993.3	-1,993.3	-13.6	-28.5	-2,035.4
Net book amount	**149.1**	**966.3**	**1,115.4**	**1.3**	**16.3**	**1,133.2**
Period ended 31 December 2024						
Opening net book amount	149.1	966.3	1,115.4	1.3	16.3	1,133.2
Translation differences	-19.7	-29.4	-49.2	-0.1	-0.3	-49.5
Additions*	113.9	111.0	224.9	1.2	0.3	226.4
Business combinations	28.4	84.1	112.5	-	-	112.5
Transfers**	-	-	-	-	-	-
Impairments (net)	-	-98.3	-98.3	-	-	-98.3
Depreciation	-	-179.5	-179.5	-0.7	-3.8	-184.1
Closing net book amount	**271.6**	**823.3**	**1,094.9**	**1.6**	**12.7**	**1,109.4**
As of 31 December 2024						
Acquisition costs	399.2	3,344.2	3,743.4	15.1	32.0	3,790.6
Accumulated impairments	-127.6	-412.0	-539.5	-	-	-539.5
Accumulated depreciation	-	-2,109.0	-2,109.0	-13.5	-19.2	-2,141.7
Net book amount	**271.7**	**823.3**	**1,094.9**	**1.6**	**12.8**	**1,109.4**

Depreciation method	UoP	Linear (3-7 years)

* Includes changes in estimate of asset retirement, see Note 21.

PROPERTY, PLANT AND EQUIPMENT

2023 - USD million	Development assets	Production assets	Total oil & gas assets	Other PP&E	RoU assets	Total
As of 1 January 2023						
Acquisition costs	358.3	3,072.1	3,430.5	14.3	34.2	3,479.0
Accumulated impairments	-140.6	-332.0	-472.6	-0.1	-	-472.7
Accumulated depreciation	-	-1,861.0	-1,861.0	-13.1	-23.3	-1,897.4
Net book amount	**217.7**	**879.1**	**1,096.9**	**1.1**	**10.9**	**1,108.9**
Period ended 31 December 2023						
Opening net book amount	217.7	879.1	1,096.9	1.1	10.9	1,108.9
Translation differences	-4.4	-4.4	-8.9	-0.1	-1.1	-10.1
Additions*	53.9	123.7	177.6	0.7	10.7	189.1
Transfers**	-118.1	121.3	3.3	-	-	3.3
Disposal cost price	-	-	-	-	-	-
Disposal impairments/depreciations	-	-	-	-	-	-
Depreciation of RoU recognized against ARO	-	-	-	-	-	-
Impairments	-	-13.9	-13.9	-	-	-13.9
Depreciation	-	-139.6	-139.6	-0.6	-4.0	-144.1
Closing net book amount	**149.1**	**966.3**	**1,115.4**	**1.2**	**16.6**	**1,133.2**
As of 31 December 2023						
Acquisition costs	286.7	3,304.6	3,591.3	14.9	45.1	3,651.2
Accumulated impairments	-137.5	-345.0	-482.6	-0.1	-	-482.7
Accumulated depreciation	-	-1993.3	-1993.3	-13.6	-28.5	-2,035.4
Net book amount	**149.1**	**966.3**	**1,115.4**	**1.2**	**16.6**	**1,133.2**
Depreciation method			UoP	Linear (3-7 years)		

* Includes changes in estimate of asset retirement, see Note 21.

** Transfers were related to reclassification of the book value of Fenja license from development phase to production phase.

Depreciation, depletion and amortization (DD&A) is charged to cost of goods sold in the statement of comprehensive income.

Note 11
Impairments

Accounting policies

Impairments
At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. If an impairment indicator is concluded to exist, an impairment test is performed.

Indications of impairment may include a decline in the long-term oil and gas price (or short-term oil and gas price for late-life oil and gas fields), changes in future investments or significant downward revision of reserve and resource estimates. For the purposes of impairment assessment, assets are grouped at the lowest levels for which there are separable identifiable cash inflows. For oil and gas assets, a CGU may be individual oil and gas fields, or a group of oil and gas fields that are connected to the same infrastructure/production facilities, or a license.

An impairment loss is recognized when the carrying amount exceeds the recoverable amount of an asset. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. Fair value less costs to sell determined through either the discounted cash flow method (income approach) or the market transactions method (market approach). The value in use can only be determined through the discounted cash flow method.

Technical goodwill
Technical goodwill is tested for impairment annually or more frequently when there are impairment indicators. Those indicators may be specific to an individual CGU or groups of CGUs to which the technical goodwill is related. Goodwill is not depreciated and hence, impairment of technical goodwill is expected on a recurring basis, unless there are positive changes in underlying assumptions that more than offset the production from the CGU (or groups of CGUs).

When performing the impairment test for technical goodwill, deferred tax recognized in relation to the acquired assets in a business combination reduces the net carrying value prior to the impairment charges. After initial recognition, depreciation of values calculated in the purchase price allocations from business combinations will result in decreased deferred tax liability. When deferred tax from the initial recognition decreases, more goodwill is exposed for impairment.

Estimation uncertainty: Impairment/reversal of impairment of oil and gas assets
The estimation of the recoverable amount for the oil and gas assets includes assessments of expected future cash flows and future market conditions, including entitlement production, future oil and gas prices, cost profiles, country risk factors (i.e., discount rate) and the date of expiration of the licenses.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value. The fair value of oil and gas assets is normally based on discounted cash flow models (income approach), where the determination of different inputs in the model requires significant judgment from management, as described in the section above regarding impairment.

Climate considerations in impairment assessments
Certain climate considerations are factored into the Group's estimation of cash flows that are applied in the calculation of recoverable amount. This includes factoring in current legislation (e.g., environmental taxes/fees) and estimation of future levels of environmental taxes/fees. For DNO's oil and gas assets on the NCS, carbon pricing is in line with current legislation and reflects the operators forecasts for individual assets. As proposed in the Norwegian Government's Climate Plan for 2021-2030, a steady increase in the total carbon price (quota plus CO2 tax) to NOK 2,000 per tonnes (in 2020 real terms) is expected by 2030. In Kurdistan, the KRG introduced in 2021 a requirement for oil companies to put plans in place to curb gas flaring to reduce emissions. The Company has run sensitivities for its Kurdistan oil assets with the CO2 tax assumptions as described in the scenarios described by the International Energy Agency (IEA).

An energy transition is likely to impact future oil and gas prices which in turn may affect the recoverable amount of the oil and gas assets. Indirectly, climate considerations are also assessed in the forecasting of oil and gas prices where supply and demand are considered.

Impairment testing

Impairment assessment of DNO's assets in Kurdistan is based on the value in use approach. For oil and gas assets and goodwill recognized in relation to the acquisitions, the impairment assessment is based on the fair value approach (level 3 in fair value hierarchy, IFRS 13). For both the value in use and fair value, the impairment testing is performed based on discounted cash flows. The expected future cash flows are discounted to the net present value by applying a discount rate after tax. Cash flows are projected for the estimated lifetime of the fields or license, which may exceed periods longer than five years.

Below is an overview of the key assumptions applied for impairment assessment purposes as of 31 December 2024.

Oil and gas prices

Forecasted oil and gas prices are based on management's estimates and market data. The near-term price assumptions are based on forward curve pricing over the period for which there is deemed to be a sufficient liquid market and observable broker and analyst consensus. The long-term price assumptions reflect management's best estimate of the oil and gas price development over the life of the Group's oil and gas fields based on its view of current market conditions and future developments. Management's assessment also includes comparison with long-term oil and gas price assumptions communicated by peer companies and other external forecasts. Oil and gas price assumptions applied for impairment testing are reviewed and, where necessary, adjusted on a periodic basis.

The nominal oil and gas price assumptions applied for impairment assessments at yearend 2024 were as follows (yearend 2023 in brackets):

	2025	2026	2027	2028
Brent (USD/bbl)	71.5 (84.0)	74.4 (75.5)	72.0 (73.6)	71.9 (71.8)
NBP (pence/therm)	110.7 (115.0)	87.6 (96.5)	85.6 (86.5)	80.9 (76.4)

For periods after year 2029, the long-term oil and gas price assumptions applied were USD 65 per barrel and 69 pence sterling per therm, respectively (in real terms, basis year 2024).

Oil and gas price differential

The estimated net oil and gas price is based on the above nominal price assumptions adjusted for price differentials due to quality and transportation for each individual field.

Oil and gas reserves and resources

Future cash flows are calculated on the basis of expected production profiles and estimated proven and probable remaining reserves, and additional risked contingent resources when the impairment assessments are based on the fair value approach. For more information about reserves and resources estimate, see Note 1 and Note 27.

Discount rate

The discount rate is derived from the Company's weighted average cost of capital (WACC). Main elements of the WACC include:

- For the value in use calculations, the capital structure considered in the WACC calculation is derived from DNO's debt and equity to enterprise value ratio at yearend. For the fair value calculations, the capital structure considered in the WACC calculation is derived from the capital structures of an identified peer group and market participants.
- The cost of equity is calculated on a country-by-country basis using the Capital Asset Pricing Model (CAPM) and adding a country risk premium. The beta factor is based on publicly available data about the Company's beta in the value in use calculations, whereas the beta factors used for the fair value calculations are based on publicly available market data about the identified peer group.
- For the value in use calculations, the cost of debt is based on yield-to-maturity on the Company's outstanding bond loans with an upward adjustment to reflect a potential extension, whereas for fair value calculations the cost of debt is based on an identified peer group's bond loan issues.

For the value in use calculations, the relevant post-tax nominal discount rate at yearend 2024 was 13.3 percent (13.7 percent at yearend 2023) for the Kurdistan assets. For the fair value calculations, the relevant post-tax nominal discount rates at yearend 2024 was 8.9 percent for the Norwegian North Sea assets (9.8 percent at yearend 2023) and 8.6 percent for the UK North Sea assets (7.1 percent at yearend 2023).

Inflation and currency rates

The long-term inflation rate is assumed to be 2 percent independent of the underlying country or currency (unchanged from yearend 2023). DNO has applied the forward curve and observable broker and analyst consensus as basis for assessment of currency rates. The USD/NOK applied for impairment testing at yearend 2024, was USD/NOK 11.0 for 2025, USD/NOK 10.5 for the years 2026-2027, USD/NOK 10.0 for the years 2028-2029 and thereafter kept constant at USD/NOK 10.0 from the year 2029 onwards.

Impairment charge and/or reversal

The following table shows the recoverable amounts and net impairment charges or reversal for the CGUs which were impaired in 2024 and 2023, and how it was recognized in the income statement and the balance sheet.

Full-Year ended 31 December 2024 (in USD million)		Income statement:			Balance sheet:				
CGU, segment	Recoverable amount (post-tax)	Impairment -charge/ reversal (pre-tax)	Tax income -expense	Impairment -charge/ reversal (post-tax)	Goodwill	Other intangible assets	Property, plant and equipment	Deferred tax asset/ -liability	Currency effects
Baeshiqa, Kurdistan	82.0	-89.0	-	-89.0	-	-	-89.0	-	-
Arran, North Sea	20.1	-41.6	-	-41.6	-41.3	-	-	-	-0.3
Vilje, North Sea	5.3	-2.2	-	-2.2	-2.2	-	-	-	-0.0
Ula area, North Sea	-	-6.7	5.2	-1.5	-	-	-6.6	5.2	-0.0
Other CGUs, North Sea	-	-6.4	-	-6.4	-2.4	-	-2.6	-	-1.4
Total		**-146.0**	**5.2**	**-140.8**	**-46.0**	**-**	**-98.2**	**5.2**	**-1.8**

Full-Year ended 31 December 2023 (in USD million)		Income statement:			Balance sheet:				
CGU, segment	Recoverable amount (post-tax)	Impairment -charge/ reversal (pre-tax)	Tax income -expense	Impairment -charge/ reversal (post-tax)	Goodwill	Other intangible assets	Property, plant and equipment	Deferred tax asset/ -liability	Currency effects
Ula area, North Sea	-	-14.9	12.7	-2.2	-	-	-15.6	13.2	0.2
Vilje, North Sea	9.4	-10.9	-	-10.9	-11.3	-	-	-	0.4
Other CGUs, North Sea	-	1.0	-	1.0	-	-	1.1	-	-0.1
Total		**-24.9**	**12.7**	**-12.1**	**-11.3**	**-**	**-14.5**	**13.2**	**0.5**

During 2024, a total impairment charge of USD 146.0 million (USD 140.8 million post-tax) was recognized, mainly driven by:
- The results of well testing programs (Baeshiqa CGU);
- Recognition of a deferred tax asset which triggered a partial impairment of goodwill (Arran CGU, see Note 12)
- Updated economic profiles (Vilje CGU); and
- Upward revision in the cost estimate for decommissioning (Ula area CGU).

At yearend 2024, total book value of goodwill of USD 102.1 million is mainly related to technical goodwill from the Norne area acquisition (USD 54.5 million), Arran acquisition (USD 20.2 million) and Alve CGU (USD 26.2 million).

During 2023, a total impairment charge of USD 24.9 million (USD 12.1 million post-tax) was recognized, mainly driven by:
- Downward revision of the oil price assumption and reserves estimates, and updated cost profiles (Vilje CGU); and
- Upward revision in the cost estimate for decommissioning (Ula area CGU).

The Company performed testing of its Kurdistan assets following the ITP closure in March 2023 (Note 3). The estimated recoverable amounts were higher than the carrying amounts and thus no impairment charges were recognized at yearend 2023.

At yearend 2023, total book value of goodwill of USD 43.2 million was mainly related to technical goodwill on Alve CGU (USD 29.2 million).

Sensitivities
The table below illustrates how the net profit/loss in 2024 would have been affected by changes in the various assumptions, holding the remaining assumptions unchanged. The estimated recoverable amounts related to the Tawke license in Kurdistan are substantially higher than the carrying amounts and the same sensitivity tests would not imply any impairment charges.

		Change in reported net profit/loss (net)	
Assumption (USD million)	**Change**	**Increase in assumption:**	**Decrease in assumption:**
Oil and gas price	+/- 15%	90.1	-94.6
Reserves (2P) and resources (2C)	+/- 5%	32.7	-31.7
Discount rate (WACC)	+/- 1%	-11.0	12.0
Currency rate (USD/NOK)	+/- 1.0 NOK	0.8	-0.9

Climate considerations in impairment assessment
To assess the robustness of the Group's oil and gas assets, the Company has run sensitivities with the oil and gas price assumptions described by three scenarios outlined by the IEA: the Net Zero Emissions Scenario by 2050, the Announced Pledges Scenario and the Stated Policies Scenario. These scenarios are commonly applied by peer companies and the Company believes that these are useful for investors and other stakeholders in assessing portfolio resilience across companies in the industry. The oil and gas price assumptions in the scenarios have been provided by the IEA for the years 2030 and 2050 (in 2023 real terms), and for the sensitivity calculation a linear development between average actual 2024 and IEA 2030, as well as between IEA 2030 and IEA 2050 have been applied. The table below summarizes how the reported net profit would be impacted by an increase (+) or decrease (-) in impairment charge using the oil and gas price assumptions in the following scenarios:

	Oil price USD/bbl (assumption)		Gas price USD/MMBTU (assumption)		Change in reported
IEA scenario (USD million)	**2030**	**2050**	**2030**	**2050**	**net profit/loss (net):**
Stated Policies	79.0	75.0	6.5	7.7	0.1
Announced Pledges	72.0	58.0	6.0	5.2	-3.7
Net Zero Emissions by 2050	42.0	25.0	4.4	4.0	-125.2

A significant reduction in the oil and gas price assumptions could also affect the estimated economic cut-off of the projects. These illustrative impairment sensitivities assume no changes to assumptions other than oil and gas prices. The illustrative sensitivities on climate change are not considered to represent a best estimate of an expected impairment impact. Moreover, a significant and prolonged reduction in oil and gas prices would likely result in mitigating actions by DNO and its license partners; for example it could have an impact on drilling plans and production profiles for new and existing assets. Quantifying such impacts is considered impracticable, as it requires detailed evaluations based on hypothetical scenarios and not based on existing business or development plans.

License expiry and economic cut-off dates for development and production assets

In Kurdistan, the Tawke license expires in 2026 but DNO has the right to one automatic five-year extension (i.e., to 2031) and, if commercial production is still possible at the end of this extended period, DNO is entitled to, upon request to the KRG, a further five-year extension (i.e., to 2036). Based on DNO's current assessments, the production from Tawke license will be commercial for the duration of its contractual term and through subsequent extensions. On the Baeshiqa license, commerciality was declared by the contractor on 1 August 2021, terminating the exploration period and moving into the PSC development period, which has as a 20-year duration. If commercial production is still possible at the end of the 20-year period, DNO is entitled to a five-year extension.

In the North Sea, the following relevant license expiry and economic cut-off (in brackets) dates were applied in relation to yearend 2024 impairment assessments; the Ula area CGU have license expiry dates that ranges between 2029 and 2036 (economic cut-off assumed to be at the end of 2028); the Norne area CGU have license expiry dates that ranges between 2029 and 2036 (2032); the Brage area CGU license expiry dates ranges between 2030 and 2031 (2031); the Trym license expires in 2027 (2027); the Vilje license expires in 2032 (2032); the Fenja license expires in 2039 (2038); the Arran field expires in 2028 (2029); and the Berling license expires 2043 (2036).

Note 12
Business combinations

Accounting policies

Business combinations
In accordance with IFRS 3 Business Combinations, an acquisition is considered a business combination, when the acquired asset or groups of assets constitute a business (i.e., an integrated set of operations and assets conducted and managed for the purpose of providing a return to the investors).

Acquired businesses are included in the financial statements from the transaction date. The transaction date is defined as the date on which the Group achieves control over the financial and operating assets. This date may differ from the actual date on which the assets are transferred.

For accounting purposes, the acquisition method is used in connection with the purchase of businesses. Acquisition cost equals the fair value of the assets used as consideration, including contingent consideration, equity instruments issued and liabilities assumed in connection with the transfer of control. Acquisition cost is measured against the fair value of the acquired assets and assumed liabilities. Identifiable intangible assets are included in connection with acquisitions if they can be separated from other assets or meet the legal contractual criteria. If the acquisition cost at the time of the acquisition exceeds the fair value of the acquired net assets (when the acquiring entity achieves control of the transferring entity), goodwill arises. If the fair value of the acquired net assets exceeds the acquisition cost on the acquisition date, the excess amount is taken to profit or loss immediately.

Goodwill is allocated to the CGUs or groups of CGUs that are expected to benefit from synergy effects of the acquisition. The allocation of goodwill may vary depending on the basis of its initial recognition.

The goodwill that is recognized by the Group is related to technical goodwill and is recognized due to the requirement to recognize deferred tax for the difference between the assigned fair values and the related tax base. The fair values of the Group's licenses in the North Sea are based on cash flows after tax. This is because these licenses are sold only on an after-tax basis. The purchaser is therefore not entitled to a tax deduction for the consideration paid above the seller's tax values. In accordance with IAS 12, a provision is made for deferred tax corresponding to the tax rate multiplied by the difference between the fair values of the acquired assets and the transferred tax depreciation basis. The offsetting entry to this deferred tax is goodwill. Hence, goodwill arises as a technical effect of deferred tax. Technical goodwill is tested for impairment separately for each CGU which gives rise to the technical goodwill. A CGU may be individual oil fields, or a group of oil fields that are connected to the same infrastructure/production facilities, or a license.

The estimation of fair value may be adjusted up to 12 months after the acquisition date if new information emerges about facts and circumstances that existed at the time of the takeover and which, had they been known, would have affected the calculation of the amounts that were included from that date.

Acquisition-related costs, except costs to issue debt or equity securities, are expensed as incurred. Taxes payable and deferred taxes are recognized directly in the equity to the extent that they relate to items charged directly to the equity.

Estimation uncertainty
The Group applies the acquisition method for transactions involving business combinations and applies the principles of the acquisition method when an interest or an additional interest is acquired in a joint operation which constitutes a business. Application of the acquisition method may require significant judgement in, among other matters, determining and measuring the fair value of the transaction consideration including contingent consideration elements, identifying all assets acquired and liabilities assumed, establishing their fair values, determining deferred taxes, and allocating the purchase price accordingly, including measurement and allocation of goodwill.

The assets acquired through business combinations are recognized at fair values and, as such, are sensitive to adverse changes in a number of often volatile economic factors, including future oil and gas prices and the underlying performance of the assets.

The Company has completed two transactions during 2024 as described below. The transactions are regarded as business combinations and accounted for using the acquisition method. Purchase price allocations (PPA) have been performed to allocate the consideration to fair value of assets acquired and liabilities assumed. No material changes booked during the measurement period.

Arran acquisition
On 6 February 2024, the Company announced that its wholly owned subsidiary DNO Exploration UK Limited had entered into an agreement to acquire a 25 percent interest in the Arran field on the UKCS from ONE-Dyas E&P Limited. The transaction completed on 15 May 2024 which is also the acquisition date for accounting purposes. The goodwill recognized relates mainly to technical goodwill and tax synergies. No contingent consideration is to be paid. Transaction costs of USD 0.7 million were incurred and expensed in the profit/loss statement.

Since the acquisition, DNO has included in its consolidated statement of comprehensive income a revenue of USD 34.3 million and a profit of USD 4.3 million. If the business combination had occurred in the beginning of 2024, DNO would have included in its consolidated statement of comprehensive income a revenue of USD 66.2 million and a profit of USD 9.2 million.

USD million	Fair value at acquisition date
Deferred tax assets	8.4
Producing asset	37.5
Other current assets	0.3
Total assets	**46.2**
Deferred tax liabilities	20.3
Asset retirement obligation	21.1
Other current liabilities	6.4
Total liabilities	**47.8**
Total identifiable net assets at fair value	-1.6
Consideration (cash)	60.1
Goodwill	**61.7**

After the recognition of the PPA, a reassessment of the utilization of tax losses in the acquiring entity was carried out, which triggered the recognition of a deferred tax asset and a partial impairment of goodwill. The overall impact on the Net profit/loss is positive but the adjustments are reported through different lines in the accounts.

Impairment of goodwill	-41.3
Tax income due to recognition of deferred tax asset	61.7
Impact on Net profit/loss	**20.4**

Norne Area acquisition

On 8 May 2024, the Company announced that its wholly owned subsidiary DNO Norge AS had entered into an agreement to acquire stakes in five oil and gas fields, including an operatorship, in the Norne area in the Norwegian Sea from Vår Energi ASA. The transaction included interests in four producing fields, Norne (6.9 percent), Skuld (11.5 percent), Urd (11.5 percent) and Marulk (20 percent and operatorship) plus the ongoing Verdande development (10 percent). The transaction completed on 30 August 2024 which is also the acquisition date for accounting purposes. The goodwill recognized relates mainly to technical goodwill. No contingent consideration is to be paid. Transaction costs of USD 0.2 million were incurred and expensed in the profit/loss statement.

Since the acquisition, DNO has included in its consolidated statement of comprehensive income a revenue of USD 12.7 million and a profit of USD 1.9 million. If the business combination had occurred in the beginning of 2024, DNO would have included in its consolidated statement of comprehensive income a revenue of USD 71.7 million and a profit of USD 9.1 million.

USD million	Fair value at acquisition date
Deferred tax assets	55.6
Producing asset	75.0
Other current assets	3.0
Total assets	**133.6**
Deferred tax liabilities	54.5
Asset retirement obligation	67.0
Other current liabilities	11.4
Tax payable	12.9
Total liabilities	**145.8**
Consideration (cash)	28.3
Ringhorne East transfer at fair value	11.6
Total consideration	**39.9**
Net assets excluding goodwill	-12.2
Consideration	39.9
Goodwill	**52.1**

The transfer of DNO's 22.6 percent interest in Ringhorne East to Vår Energi ASA, the other element of the swap, was also completed on 30 August 2024. The gain on the disposal is the difference between the proceeds and the carrying amount and has been recognized in the profit/loss statement.

Net asset derecognized	12.3
Consideration received	15.3
Gain	**3.0**

Note 13

Joint Venture

Accounting policies

Joint Venture

The Group's investments in a joint venture are accounted for using the equity method. The income statement reflects the Group's share of the results of operations in the joint venture. The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

DNO holds 100 percent of the shares in Mondoil Enterprises LLC (Mondoil Enterprises) which has a 33.33 percent indirect interest in privately-held Foxtrot International whose principal assets are operated stakes in offshore production of gas and associated liquids in Côte d'Ivoire. Foxtrot International holds a 27.27 percent interest in and operatorship of Block CI-27 containing reserves of gas, produced together with condensate and oil, from four offshore fields tied back to two fixed platforms.

Foxtrot International's summarized statement of financial position **USD million**	Year ended 31 December **2024**	 **2023**
Non-current assets	159.3	199.9
Current assets	50.1	64.3
Total assets	**209.4**	**264.2**
Non-current liabilities	67.6	68.8
Current liabilities	24.8	27.5
Total liabilities	**92.5**	**96.3**
Equity	**116.9**	**167.9**
Group's share of net assets (33.33 percent)	**38.1**	**56.0**
Goodwill	0.8	0.8
Fair value uplift on PP&E and ARO (net of related deferred tax)	10.0	11.1
Carrying amount Investment in Joint Venture	**48.8**	**67.9**

Foxtrot International's summarized statement of comprehensive income **USD million**	1 January - 31 December **2024**	 **2023**
Revenues	75.7	79.4
Expenses	-35.6	-17.6
Depreciation	-33.7	-30.8
Other income/finance income	6.2	8.6
Tax income/expense	-	-
Net profit/loss	**12.6**	**39.6**
Group's share of net profit (33.33 percent)	**4.2**	**13.2**
Depletion of fair value uplift of PP&E and ARO (net of related deferred tax)	-0.9	-1.3
Share of profit/loss from Joint Venture	**3.3**	**11.9**

Movement in the carrying amount of Investment in Joint Venture **USD million**	1 January - 31 December **2024**	 **2023**
Opening balance	67.9	76.1
Share of profit/loss from Joint Venture	3.3	11.9
Equity contribution into Joint Venture	9.4	6.9
Dividends from Joint Venture	-31.8	-27.1
Carrying amount Investment in Joint Venture	**48.8**	**67.9**

Note 14

Inventory

Accounting policies

Inventories

Inventories comprise of drilling equipment, spare parts and consumables for own use and are valued at the lower of cost and net realizable value. Inventories that meet the definition of PP&E are presented under the PP&E and are depreciated as part of the underlying capitalized asset using the UoP method.

Years ended 31 December

	Kurdistan		North Sea		Total	
USD million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Drilling equipment, spare parts and consumables	70.9	80.4	23.4	14.8	94.3	95.2
Provision for obsolete inventory	-15.2	-15.0	-4.3	-2.3	-19.4	-17.4
Total inventories	**55.7**	**65.3**	**19.1**	**12.5**	**74.8**	**77.8**

Note 15

Other non-current receivables/Trade and other receivables

Accounting policies

Trade debtors

Trade debtors are recognized at nominal value less any provisions for expected credit losses (ECL). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the (discounted) cash flows that are expected to be received (i.e., cash shortfalls). ECLs on trade receivables are measured by applying either the general model or the simplified model. A company must apply the simplified model for trade receivables, which, when invoiced, were without a significant financing component. This applies to the Company's oil and gas sales and hence the simplified model is applied in respect of the ELC assessment of the Kurdistan trade debtors (see below).

Overlift/underlift

An underlift arises when the sale is less than the Group's share of the oil and gas production. In general, the overlift/underlift balances are valued at production cost including depreciation (the sales method). For overlift, see Note 22.

	Years ended 31 December	
USD million	**2024**	**2023**
Trade debtors (non-current portion)	98.2	129.8
Other long-term receivables	-	-
Total other non-current receivables	**98.2**	**129.8**
Trade debtors	185.0	149.5
Underlift	7.1	12.1
Other short-term receivables	146.1	103.8
Total trade and other receivables	**338.1**	**265.4**

At yearend 2024, the Company was owed over USD 298.1 million, excluding any interest, by the KRG mainly related to sales of DNO's entitlement shares of oil to the KRG for the months October 2022 through March 2023 plus part of the amount invoiced for oil sold to the KRG in September 2022. These receivables are past due. Since 2017, DNO has consistently invoiced the KRG for such oil sales based on an agreed Brent-based pricing mechanism. For September 2022, the KRG unilaterally decided to pay based on a purported price realized by the KRG during the delivery month. The KRG proposed such change to the agreed pricing mechanism in September 2022 to which DNO has not agreed. DNO therefore continues to request payment of the full invoiced amount. During 2024, DNO recognized that USD 16.9 million of these arrears had been settled by way of offsetting against payables due to the KRG.

The Company continues to engage with the KRG regarding collection of the arrears and expects that it will recover the full invoiced amount (as has occurred in the past), but the timing of recovery is uncertain. Nonetheless, due to the IFRS 9 Financial Instruments requirement to incorporate the time value of money, the Company reduced the book value of the KRG arrears in 2023 by USD 44.6 million (presented under *Financial expenses* in the income statement) when comparing the book value of these arrears with the present value of the estimated future cash flows. As of 31 December 2024, the Company re-estimated the present value with updated assumptions, resulting in an accumulated increase of USD 11.9 million to the book value of KRG arrears during 2024. The calculation of present value in accordance with IFRS 9, considers a range of possible scenarios with assigned weighting, involving estimation of the timing of receipt of the arrears which will be dependent upon uncertain future events, in particular the assumed timing of the re-opening of the ITP which has been shut-down since end of March 2023. A discount rate of 12 percent has been applied.

The underlift receivable of USD 7.1 million at yearend 2024 relates to North Sea. Other short-term receivables mainly relate to working capital items in licenses in Kurdistan and the North Sea and accrual for earned income not invoiced in the North Sea.

Note 16

Cash and cash equivalents

Accounting policies

Cash and cash equivalents

Cash and short-term deposits in the statements of financial position comprise cash held in banks, cash in hand and short-term deposits with an original maturity of three months or less and held to meet short term commitments. Restricted cash is cash reserved for a specific purpose and therefore not available for immediate and general use by the Group.

	Years ended 31 December	
USD million	**2024**	**2023**
Cash and cash equivalents, restricted	17.5	14.3
Cash and cash equivalents, non-restricted	881.5	704.5
Total cash and cash equivalents	**899.0**	**718.8**

Restricted cash consists of deposits on escrow account, employees' tax withholdings and deposits for rent. Non-restricted cash is mainly related to bank deposits in USD, NOK, GBP and EUR as of 31 December 2024.

Included in the non-restricted cash and cash equivalents as of 31 December 2024 is USD 304 million held on fixed interest time deposit contracts with different duration and maturity dates up to 14 February 2025.

Note 17
Equity

Accounting policies

Equity

Ordinary shares
Ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares are recognized as a reduction of equity.

Repurchase of share capital (treasury shares)
Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are subsequently sold or reissued, the amount received is recognized as an increase in equity and the resulting surplus or deficit of the transaction is transferred to/from retained earnings.

Dividend
A liability to pay a dividend is recognized when the distribution is authorized by the shareholders at the AGM or the Board of Directors based on authorization by the AGM. A corresponding amount is recognized directly in equity.

Share capital

USD million	Number of shares (1,000)	Ordinary shares	Treasury shares	Total
As of 1 January 2023	**1,018,008**	**34.8**	-0.9	**33.9**
Treasury shares purchased	-43,007	-	-1.0	-1.0
As of 31 December 2023	**975,000**	**32.9**	**-**	**32.9**

USD million	Number of shares (1,000)	Ordinary shares	Treasury shares	Total
As of 1 January 2024	**975,000**	**32.9**	**-**	**32.9**
Treasury shares purchased	-	-	-	-
As of 31 December 2024	**975,000**	**32.9**	**-**	**32.9**

At the 2024 AGM, the Board of Directors was given the authority to acquire treasury shares with a total nominal value of up to NOK 24,375,000 which corresponds to 97,500,000 new shares. The maximum amount to be paid per share is NOK 100 and the minimum amount is NOK 1. The authorization is time-limited until the 2025 AGM, and not beyond 30 June 2025.

The Board of Directors was also given the authority to increase the Company's share capital by up to NOK 24,375.000 which corresponds to 97,500,000 shares. The authorization is time-limited until the 2025 AGM, and not beyond 30 June 2025.

In addition, the Board of Directors was given the authority to raise convertible bonds with an aggregate principal amount of up to USD 300,000,000. Upon conversion of bonds issued pursuant to this authorization, the Company's share capital may be increased by up to NOK 24,375.000. The authorization is valid until the 2025 AGM, but not beyond 30 June 2025.

The Board of Directors was given the authority to approve total dividend distributions from the date of the 2024 AGM until the date of the 2025 AGM. Following this, the Board of Directors decided to distribute quarterly dividends, NOK 0.25 per share in February and May and dividends of NOK 0.3125 per share in August and November 2024.

The Company's shareholders as of 31 December 2024	**Shares**	**Interest (percent)**
Goldman Sachs & Co. LLC	92,535,456	9.49
Folketrygdfondet	71,148,737	7.30
Clearstream Banking S.A.	63,878,853	6.55
BNP Paribas	42,956,895	4.41
RAK Gas LLC	34,311,403	3.52
Goldman Sachs & Co. LLC	33,147,785	3.40
Euroclear Bank S.A./N.V.	28,433,212	2.92
The Bank of New York Mellon	25,116,930	2.58
UBS Switzerland AG	19,583,592	2.01
JPMorgan Chase Bank, N.A., London	18,807,514	1.93
State Street Bank and Trust Comp	18,045,289	1.85
Nordnet Bank AB	12,321,500	1.26
State Street Bank and Trust Comp	10,890,560	1.12
Salt Value AS	10,660,968	1.09
Verdipapirfondet KLP Aksjenorge IN	10,035,479	1.03
Caceis Bank	8,696,391	0.89
Avanza Bank AB	7,887,883	0.81
Goldman Sachs & Co. LLC	7,678,701	0.79
Verdipapirfondet Storebrand Indeks	7,611,789	0.78
Verdipapirfondet DNB Norge Indeks	7,481,659	0.77
Other shareholders	443,769,404	45.51
Total number of shares excluding treasury shares	975,000,000	100.00
Treasury shares as of 31 December 2024 (DNO ASA)	0.00	0.00
Total number of outstanding shares	**975,000,000**	**100.00**

* At yearend 2024, DNO's Executive Chairman Bijan Mossavar-Rahmani held interests in the Company through nominee accounts at the Goldman Sachs & Co. LLC, representing 12.89 percent of the total number of outstanding shares.

Dividends of USD 101.9 million were paid in 2024 (USD 92.0 million in 2023). See Note 29 for dividend payment approved by the Board after the reporting date. See Note 5 for shares held by the Board of Directors and the senior management.

Note 18
Interest-bearing liabilities

Accounting policies

Interest-bearing liabilities
At initial recognition, the bonds are measured at its fair value minus transaction costs that are directly attributable to the issue of the financial liability. Subsequently, bonds are measured at amortized cost.

Transaction costs directly attributable to the acquisition, issuance, or restructuring of financial liabilities, are amortized over the expected life of the liability using the effective interest rate method. Amortization is recognized in the income statement, ensuring a systematic and rational allocation of these costs over the period during which the liability is outstanding.

USD million	Ticker OSE	Facility currency	Facility amount	Interest (percent)	Maturity	Effective interest rate (percent)	Fair value 2024	Fair value 2023	Carrying amount 2024	Carrying amount 2023
Non-current										
Bond loan (ISIN NO0011088593)	DNO04	USD	350.0	7.875	09.09.26	8.8	352.4	378.1	350.0	400.0
Bond loan (ISIN NO0013243766)	DNO05	USD	400.0	9.250	04.06.29	10.0	410.0	-	400.0	-
Capitalized borrowing issue costs									-9.5	-8.0
Reserve based lending facility	-	USD	230.0	see below	see below	-	50.0	-	50.0	-
Total non-current interest-bearing liabilities							**812.4**	**378.1**	**790.5**	**392.0**
Current										
Bond loan (ISIN NO0010852643)	DNO03	USD	131.2	8.375	29.05.24	9.0	-	130.9	-	131.2
Reserve based lending facility (current)	-	USD	230.0	see below	see below	-	-	35.0	-	35.0
Total current interest-bearing liabilities							**-**	**165.9**	**-**	**166.2**
Total interest-bearing liabilities							**812.4**	**544.0**	**790.5**	**558.2**

Facility and carrying amount for the bonds is presented net of bonds held by the Company.

On 22 January 2024, DNO ASA fully completed a USD 131.2 million call option redemption of the DNO03 bond at a price of 100 percent plus accrued interest.

On 4 June 2024, DNO ASA completed the placement of a new USD 400 million, five-year senior unsecured bond issued at 100 percent at par with a coupon rate of 9.25 percent. In connection with the bond placement, the Company agreed to buy back USD 50 million in nominal value of DNO04 at par plus accrued interest. The financial covenants of the bonds issued by DNO ASA require minimum USD 40 million of liquidity, and that the Group maintains either an equity ratio of 30 percent or a total equity of a minimum of USD 600 million. There is also a restriction on declaring or making any dividend payments if the liquidity of the Company is less than USD 80 million immediately following such distribution.

As of 31 December 2024, the Group has a reserve-based lending (RBL) facility for its Norway and UK production licenses with a total facility limit of USD 230 million which is available for both debt and issuance of letters of credit. Interest charged on utilizations is based on SOFR plus a margin, currently 3.50 percent. The facility will amortize over the loan life with a final maturity date of 7 November 2026. The entities that participate in the facility are required to submit quarterly a liquidity test and maintain a consolidated net debt divided by EBITDAX ratio of maximum 3.50. The security under the RBL includes, without limitation, a pledge over the shares in DNO North Sea plc and its subsidiaries, assignment of claims under shareholder loans, intra-group loans and insurances, a pledge of certain bank accounts and mortgages over the license interests. There are also restrictions on loans and dividend payments to DNO ASA. The borrowing base amount of the facility from 1 January 2025 is USD 150 million. Amount utilized as of the reporting date is disclosed in the table above. In addition, USD 18.6 million is utilized in respect of letters of credit.

There have been no breaches of the financial covenants of any interest-bearing liability in the current period.

Changes in liabilities arising from financing activities split on cash and non-cash changes

USD million	At 1 Jan 2024	Cash flows	Non-cash changes Amortization	Currency	Acquisition	Reclass	At 31 Dec 2024
Bond loans (non-current)	400.0	350.0	-	-	-	-	750.0
Bond loans (current)	131.2	-131.2	-	-	-	-	-
Borrowing issue costs	-8.0	-5.6	4.1	-	-	-	-9.5
Reserve based lending facility (non-current)	-	15.0	-	-	-	35.0	50.0
Reserve based lending facility (current)	35.0	-	-	-	-	-35.0	-
Total	**558.2**	**228.2**	**4.1**	**-**	**-**	**-**	**790.5**

USD million	At 1 Jan 2023	Cash flows	Non-cash changes Amortization	Currency	Acquisition	Reclass	At 31 Dec 2023
Bond loans (non-current)	531.2	-	-	-	-	-131.2	400.0
Bond loans (current)	-	-	-	-	-	131.2	131.2
Borrowing issue costs	-11.3	-	3.3	-	-	-	-8.0
Reserve based lending facility (non-current)	26.6	-	-	-	-	-26.6	-
Reserve based lending facility (current)	8.4	-	-	-	-	26.6	35.0
Total	**554.8**	**-**	**3.3**	**-**	**-**	**-**	**558.2**

Note 19

Lease liabilities

Accounting policies

Lease liabilities

The Group assesses at contract inception whether a contract is, or contains, a lease. The Group applies a single recognition and measurement approach for all leases, except for short-term leases (12 months or less) and leases of low-value assets. Short term leases and leases of low value assets have not been reflected in the balance sheet but expensed or capitalized as incurred, depending on the activity in which the leased asset is used.

Lease liabilities are measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the implicit interest rate and if not readily determinable, its incremental borrowing rate at the lease commencement date. Extension options are included in the lease liability when, based on the management's judgement, it is reasonably certain that an extension will be exercised.

In the consolidated cash flow, lease payments related to lease liabilities recognized in accordance with IFRS 16, are presented as cash flow used in financing activities.

	Years ended 31 December	
USD million	**2024**	**2023**
Non-current lease liabilities	9.7	14.0
Current lease liabilities	3.1	3.6
Total lease liabilities	**12.7**	**17.5**

The recognized lease liabilities in the balance sheet are mainly related to office rent.

The identified lease liabilities have no significant impact on the Group's financing, loan covenants or dividend policy. The Group does not have any residual value guarantees. Lease payments related to short-term leases and leases of low-value assets are mainly recognized under lifting costs and exploration costs, or tangible assets and capitalized exploration. Total lease payments related to short-term leases and low-value assets were USD 58.2 million as of yearend 2024 (2023: USD 49.1 million) with most of the lease payments related to drilling rigs.

The following table summarizes the Group's maturity profile of the lease liabilities based on contractual undiscounted lease payments and are related to office rent and equipment.

	1 January - 31 December	
USD million	**2024**	**2023**
Within one year	4.0	4.8
Two to five years	8.7	11.8
After five years	3.2	5.4
Total undiscounted lease liabilities end of the period	**15.9**	**22.0**

Note 20

Asset retirement obligations

Accounting policies

Provisions for asset retirement obligations (ARO)

Provisions for ARO are initially recognized at the present value of the estimated future costs determined in accordance with local conditions and requirements. A corresponding asset of an amount equivalent to the ARO provision is also recognized initially and is presented as part of the PP&E. The retirement asset is subsequently depreciated as part of the development and production asset it relates to.

The ARO provisions and the discount rates are reviewed at each balance sheet date. The discount rates used in the calculation of the present value of the ARO are pre-tax risk-free rates with the addition of a credit margin. The risk-free rate used has a maturity date that is expected to coincide with the time the removal will be affected and denominated in the same currency as the expected future expenditures. According to IFRIC 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*, changes in the measurement of the ARO resulting from a change in the timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate, are added to or deducted from the cost of the related asset. Changes in the estimated ARO provisions impact the retirement asset in the period in which the estimate is revised.

Estimation uncertainty: Estimation of the cost for decommissioning

Estimation of the costs for decommissioning is complex and requires judgement as these estimates are based on currently applicable laws, regulations and technology. Decommissioning activities will normally take place in the distant future, and the technology, regulatory requirements and related costs may change. The energy transition may bring forward the decommissioning activities and thereby increasing the present value of associated decommissioning provisions. Based on various scenario analysis performed by the Company, management does not expect any reasonable change in the expected timeframe to have a material effect on the Group's decommissioning provisions, assuming cost estimates (i.e., cash flows) remain unchanged. The estimates cover expected removal concepts based on known technology and, in the case of offshore decommissioning, estimated costs of maritime operations, hiring of heavy-lift barges and drilling rigs. As a result, the initial recognition of the liability and the capitalized cost associated with decommissioning obligations, and the subsequent adjustment of these balance sheet items, involve the application of significant judgement. Based on the described uncertainty, there may be significant adjustments in estimates of liabilities that can affect future financial results.

Asset retirement obligations (ARO)

The provisions for ARO are based on the present value of estimated future cost of decommissioning oil and gas assets in Kurdistan and the North Sea. The discount rates before tax applied at yearend 2024 were between 5.1 percent and 5.3 percent (yearend 2023: between 4.9 percent and 5.0 percent). The credit risk element included in the discount rates at yearend 2024 was 0.8 percent (yearend 2023: 0.8 percent).

Credit risk discussion

The Company note that IASB in relation to its project "Provisions – Targeted Improvements", based on a staff paper recommendation, have tentatively proposed to specify the use of a discount rate reflecting the time value of money, based on a risk-free rate without adjustments for credit risk element (non-performance risk). However, considering that no new requirements in the standard have been concluded, the Company deems it reasonable not to change its method for determining the discount rate. The Company has compared its discount rate towards peers and noted that they are within a range applied by other peer companies.

	Years ended 31 December	
USD million	**2024**	**2023**
Non-current asset retirement obligations (ARO)	467.9	382.7
Current asset retirement obligations (ARO)	12.9	10.6
Total asset retirement obligations (ARO)	**480.8**	**393.2**

	Years ended 31 December	
USD million	**2024**	**2023**
Asset retirement obligation as of 1 January	**393.2**	**388.6**
ARO provisions from business combinations	83.0	-
ARO provisions divested assets	-2.9	-
Decommissioning spend	-4.9	-17.9
Increase/decrease in existing/new provisions	-1.6	10.5
Effects of change in the discount rate	-6.4	-5.4
Accretion expenses (unwinding of discount)	20.4	17.4
Asset retirement obligation as of 31 December	**480.8**	**393.2**

Note 21
Other liabilities

Accounting policies

Provisions for other liabilities
A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, there is likely that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the obligation amount. The provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Estimation uncertainty
The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events. Management uses its judgment, and if necessary also external legal experts to evaluate certain provisions and legal disputes in order to ensure the correct accounting treatment.

	Years ended 31 December	
USD million	**2024**	**2023**
Non-current		
Other long-term obligations	6.9	7.3
Total non-current other liabilities	**6.9**	**7.3**
Current		
Accrued interest expense	4.4	2.8
Other provisions and charges	9.8	6.4
Total current other liabilities	**14.2**	**9.1**
Total other liabilities	**21.1**	**16.5**

Note 22
Trade and other payables

Accounting policies

Overlift
An overlift arises when the Group sells more than its share of the oil and gas production (the sales method). For underlift, see Note 15.

	Years ended 31 December	
USD million	**2024**	**2023**
Trade payables	84.5	70.5
Public duties payable	4.0	4.3
Prepayments from customers	4.7	21.2
Overlift and other adjustments	103.7	1.2
Other accrued expenses	126.8	123.9
Total trade and other payables	**323.7**	**221.1**

Trade payables and other accrued expenses include items of working capital related to participation in licenses in Kurdistan and the North Sea, and prepayment from customers related to oil sales in the North Sea. The overlift and other adjustments relate to North Sea overlifted volumes, valued at production cost including depreciation, and other lifting related adjustments in Kurdistan.

Note 23

Financial instruments

Accounting policies

Financial instruments

Financial assets
The Group's financial assets include trade and other receivables, tax receivables and cash and cash equivalents.

Financial assets are initially recognized at fair value. After initial recognition the measurement and accounting treatment depend on the type of instrument and classification: Financial investments at amortized cost through profit and loss, at fair value through profit and loss (FVTPL), and at fair value through other comprehensive income (FVTOCI).

A financial asset is derecognized when the Group no longer has the right to receive cash flows from the asset, and risks and rewards are of ownership are transferred through sale or the contractual rights to the cash flows expire, are redeemed or cancelled.

Financial liabilities
The Group's financial liabilities include trade and other payables and loans.

Interest-bearing loans are after initial recognition measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The amortization cost is included as finance expense in the statements of comprehensive income. This applies mainly to bond loans, see Note 18.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such a modification is treated as a derecognition of the original liability and a recognition of a new liability. The difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Financial risk management, objectives and policies

Overview
DNO is exposed to a range of risks affecting its financial performance including market risk, liquidity risk and credit risk. The Group seeks to minimize potential adverse effects of such risks through sound business practices and risk management programs. No hedge accounting is applied.

Market risk
The Group is exposed to market risks driven by fluctuations in oil and gas prices, foreign currency exchange rates and interest rates.

Oil and gas price risk
DNO's revenues are generated from the sale of oil and gas. The Group had no oil and gas price hedging arrangements at yearend 2024 although it monitors its oil and gas price risk on a continuous basis and evaluates hedging alternatives.

The following table illustrates the impact on reported 2023 and 2024 profit/loss before income tax from oil and gas price fluctuations deemed reasonable and possible, with all other variables held constant. In addition to driving revenues, price fluctuations or the expectations of price fluctuations could impact DNO's capital expenditure levels and impairment assessments. See Note 10 for a sensitivity analysis related to the impairment assessment of oil and gas assets.

	Change in yearend oil and gas price USD (percent)	Effect on profit before tax (USD mill)
2024	+/- 15.0	+/- 87.9
2023	+/- 15.0	+/- 77.9

Foreign currency exchange rate risk
Revenues from oil and gas production are primarily in USD and EUR, while operating expenses, capital and abandonment expenditures are primarily denominated in USD, NOK and GBP. Dividend distributions from the Company are in NOK. The Group had no currency hedging instruments at yearend 2024 although it monitors its foreign currency risk exposure on a continuous basis and evaluates hedging alternatives.

The following tables illustrate the impact on DNO's reported profit/loss before income tax in 2023 and 2024 from foreign currency exchange rate fluctuations deemed reasonable and possible in NOK, EUR and GBP to USD exchange rates, with all other variables held constant. The other currencies (e.g., AED, IQD) are not included as the exposure is deemed immaterial.

	Change in NOK (percent)	Effect on profit before tax (USD mill)
2024	+ 10.0	4.4
2024	- 10.0	-4.4
2023	+ 10.0	6.0
2023	- 10.0	-6.0

	Change in GBP (percent)	Effect on profit before tax (USD mill)
2024	+ 10.0	30.0
2024	- 10.0	-30.0
2023	+ 10.0	36.7
2023	- 10.0	-36.7

	Change in EUR (percent)	Effect on profit before tax (USD mill)
2024	+ 10.0	10.8
2024	- 10.0	-10.8
2023	+ 10.0	0.3
2023	- 10.0	-0.3

Interest rate risk
As most of the Group's financing derives from bond loans which are issued in USD and at fixed interest rates, the Group does not engage in interest rate hedging. Interest rate exposure on the RBL is considered limited and no hedging arrangement was in place during 2024. The Group is exposed to interest rate risk on its cash deposits held at floating interest rates.

The following table illustrates the impact on DNO's reported profit/loss before income tax in 2023 and 2024 from a change in interest rates on that portion of interest-bearing liabilities and cash deposits deemed reasonable and possible, with all other variables held constant.

	Increase/decrease in basis points	Effect on profit before tax (USD mill)
2024	+/- 100	+/-7.5
2023	+/- 100	+/-7.6

Liquidity risk
Liquidity risk is the risk that suitable sources of funding for the Group's business activities may not be available. Prudent liquidity risk management requires sufficient cash balances, credit facilities and other financial resources to maintain financial flexibility under dynamic market conditions. The Group's principal sources of liquidity are operating cash flows from its producing assets in Kurdistan and the North Sea. In addition to its operating cash flows, the Group relies on the debt capital markets for both short- and long-term funding, see Note 18. The Group's finance function prepares projections on a regular basis in order to plan the Group's liquidity requirements. These plans are updated regularly for various scenarios and form part of the basis for decision making by the Company's Board of Directors and the senior management.

Investment in joint venture
Foxtrot International issues cash calls to Mondoil Enterprises (see Note 13) to fund capital and operating requirements for Côte d'Ivoire Block CI-27, which are made on a regular basis pursuant to an approved budget and work program. The cash distributions anticipated to be received from Foxtrot International will be sufficient to enable the Company to meet all of its scheduled and anticipated obligations.

Excessive risk concentration
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. DNO's revenues in 2024 derived primarily from production in the Tawke license in Kurdistan (see also entitlement risk described in Note 3) and from several licenses in the North Sea. The Group actively seeks to reduce such risk through organic growth and asset acquisitions aimed at further diversifying its revenue sources.

The tables below summarize the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows.

USD million At 31 December 2024	On demand	Less than 3 months	3 to 12 months	1 to 3 years	Over 3 years
Interest-bearing liabilities*	-	-	-	400.0	400.0
Other provisions and charges	-	-	13.4	0.8	-
Taxes payable	-	-	-	-	-
Trade and other payables	-	223.7	100.0	-	-
Total liabilities	**-**	**223.7**	**113.4**	**400.8**	**400.0**

USD million At 31 December 2023	On demand	Less than 3 months	3 to 12 months	1 to 3 years	Over 3 years
Interest-bearing liabilities*	-	-	131.2	435.0	-
Other provisions and charges	-	-	9.1	-	-
Taxes payable	-	-	4.6	-	-
Trade and other payables	-	218.0	2.0	-	-
Total liabilities	**-**	**218.0**	**146.9**	**435.0**	**-**

* Face value of the bonds was USD 750.0 million at yearend 2024 (USD 531.2 million at yearend 2023).

For changes in liabilities arising from financing activities, see Note 18.

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Group. The Group's exposure to credit risk is mainly related to its outstanding trade debtors. Other counterparty credit risk exposure to DNO is related to its cash deposits with banks and financial institutions. The table below provides an overview of financial assets exposed to credit risk at yearend.

USD million	Years ended 31 December 2024	2023
Trade debtors (non-current portion) (Note 15)	98.2	129.8
Trade debtors (Note 15)	185.0	149.5
Other receivables (Note 15)	153.1	115.9
Tax receivables	27.5	-
Cash and cash equivalents	899.0	718.8
Total	**1,362.9**	**1,114.1**

Trade debtors from oil sales invoices in Kurdistan

The past due trade debtors are entirely related to Kurdistan. Refer to Note 15 regarding ELC assessment of the Kurdistan receivables.

The table below shows the aging of trade debtors and information about credit risk exposure using a provision matrix.

		Days past due (trade debtors)					
USD million	**Contract assets**	**Current**	**< 30 days**	**30-60 days**	**61-90 days**	**> 90 days**	**Total**
As of 31 December 2024							
Trade debtors (nominal value) (Note 15)	-	17.7	-	-	-	298.1	315.9
Expected credit loss rate (percent)	-	-	-	-	-	-	-
Expected credit loss rate (USD million)	-	-	-	-	-	-	-
As of 31 December 2023							
Trade debtors (nominal value) (Note 15)	-	12.0	-	-	-	311.6	323.6
Expected credit loss rate (percent)	-	-	-	-	-	-	-
Expected credit loss rate (USD million)	-	-	-	-	-	-	-

Cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury function. The Group limits its counterparty credit risk by maintaining its cash deposits with multiple banks and financial institutions with high credit ratings.

Capital management

For the purpose of the Group's capital management, capital is defined as the total equity and debt of DNO. The Group manages and adjusts its capital structure to ensure that it remains sufficiently funded to support its business strategy and maximize shareholder value. If required, the capital structure may be adjusted through equity or debt transactions, asset restructuring or through other measures.

The Group monitors capital on the basis of the total equity and equity ratio, which is calculated as total equity divided by total assets. The financial covenants of the bond loans require a minimum of USD 40 million of liquidity and that the Group maintain either an equity ratio of 30 percent or a total equity of a minimum of USD 600 million.

There is also a restriction on declaring or making any dividend payments if the liquidity of the Company is less than USD 80 million immediately after such distribution is made, see Note 18. The equity ratio has dropped primarily due to the issue of DNO05 bond, recognition of decommissioning liabilities in connection with acquisitions and a net loss in 2024. The table below shows the book equity ratio at yearend.

No changes were made in the objectives, policies or processes for managing capital during 2024 and 2023.

	Years ended 31 December	
USD million	**2024**	**2023**
Total equity	1,080.0	1,234.8
Total assets	2,966.1	2,638.3
Equity ratio	**36.4%**	**46.8%**

Fair value measurement

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy as described below.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the carrying amounts and fair values of financial liabilities, including their levels in the fair value hierarchy. It does not include the carrying amounts and fair value information for financial assets and financial liabilities not measured or disclosed at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount		Fair value hierarchy			
2024 - USD million	**Note**	**Financial liabilities at amortized cost**	**Total**	**Date of valuation**	**Level 1**	**Level 2**	**Level 3**
Financial liabilities measured or disclosed at fair value							
Interest-bearing liabilities (non-current)	18	790.5	790.5	31 December 2024	762.4	-	50.0
Interest-bearing liabilities (current)	18	-	-		-	-	-

		Carrying amount		Fair value hierarchy			
2023 - USD million	**Note**	**Financial liabilities at amortized cost**	**Total**	**Date of valuation**	**Level 1**	**Level 2**	**Level 3**
Financial liabilities measured or disclosed at fair value							
Interest-bearing liabilities (non-current)	18	392.0	392.0	31 December 2023	378.1	-	-
Interest-bearing liabilities (current)	18	166.2	166.2		130.9	-	35.0

Note 24
Commitments and contingencies

Accounting policies

Commitments and contingencies
A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, there is likely that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the obligation amount.

Contingent liabilities are not recognized but are disclosed unless the possibility of an outflow of resources is remote.

Estimation uncertainty: Contingencies, provisions and litigations
By their nature, contingencies will only be resolved when one or more uncertain future event occurs or fails to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events. Management uses its judgment to evaluate certain provisions and legal disputes in order to ensure the correct accounting treatment.

Contingent liabilities and contingent assets
Disputes with Ministry of Oil and Minerals of Yemen – Block 53
The Ministry of Oil and Minerals (MOM or Ministry) of Yemen filed an arbitration claim against operator Dove Energy Limited and the other partners (including DNO Yemen AS) for allegedly wrongful withdrawal from Block 53. An arbitral award was rendered in July 2019 partially in the Ministry's favor in the amount of USD 29 million (out of a USD 171 million claim). The Contractor (including DNO Yemen AS) filed for annulment proceedings in the Paris Court d'Appel which is still pending before the French Supreme Court.

In 2023, a net amount of USD 29.2 million was paid by DNO Yemen AS to MOM in connection with arbitral awards resolving disputes regarding *inter alia* Block 53. DNO has taken action against a former license partner to the amount paid, in respect of which that partner is liable, and an award has been rendered in DNO's favor.

Other claims
During the normal course of its business, the Group may be involved in other legal proceedings and unresolved claims. The Group has made provisions in its consolidated financial statements for probable liabilities related to litigation and claims based on management's best judgment and in line with IAS 37. Other than what is set out above, DNO is not aware of any governmental, legal or arbitral proceedings (including any such proceedings which are pending or threatened) initiated against DNO and which may have significant effects on DNO's results of operations, cash flows or financial position.

Capital commitments and abandonment expenditures
Based on work plans as of yearend 2024 and contingent on future market conditions including development in the oil price, and outcome of ongoing discussions related to recovery of arrears for past oil deliveries to the KRG and payment terms and conditions for any future oil exports, the Group's projected operational spend for 2025 comprising of capital and exploration expenditures, abandonment expenditures and operational expenditures amounts to USD 750 million. The projected operational spend reflects the Group's share of planned drilling and facility investments and decommissioning plan in its licenses for 2025. These work plans are subject to revisions.

Guarantees at yearend
The Company has issued parent company guarantees to authorities in Norway and the UK on behalf of certain subsidiaries that participate in licenses on the NCS and the UKCS. The Company has furthermore issued parent company guarantees in connection with surety bonds and asset transactions.

Liability for damages/insurance
Installations and operations are covered by various insurance policies.

Note 25

Earnings per share

	1 January - 31 December	
	2024	**2023**
Net profit/loss attributable to ordinary equity holders of the parent (USD million)	-27.1	18.6
Weighted average number of ordinary shares excluding treasury shares (millions)	975.00	980.04
Earnings per share, basic (USD per share)	**-0.03**	**0.02**
Earnings per share, diluted (USD per share)	**-0.03**	**0.02**

Basic earnings per share are calculated by dividing the net profit/loss attributable to equity holders by the weighted average number of outstanding ordinary shares during the period, excluding ordinary shares purchased and held as treasury shares.

The Company did not have any potential dilutive shares at yearend 2024.

Note 26

Group companies and other companies

USD million	Office	Ownership and voting interest (percent)
Shares in the Company's subsidiaries		
DNO Iraq AS	Norway	100
DNO UK Limited	United Kingdom	100
DNO Mena AS	Norway	100
DNO Technical Services AS	Norway	100
DNO Yemen AS	Norway	100
DNO North Sea plc	United Kingdom	100
Mondoil Enterprises LLC	United States	100
Shares in subsidiaries owned through subsidiaries		
DNO Mena AS		
West Limited	Bermuda	100
DNO Tunisia Limited	Guernsey	100
RAK Petroleum Public Company Limited	United Arab Emirates	100
DNO North Sea plc		
DNO Norge AS	Norway	100
DNO North Sea (U.K.) Limited	United Kingdom	100
DNO North Sea (ROGB) Limited	United Kingdom	100
DNO North Sea (Energy) Limited	United Kingdom	100
DNO Exploration UK Limited	United Kingdom	100
DNO North Sea SIP EBT Limited	United Kingdom	100
Shares in other entities, indirectly (equity accounted)		
Mondoil Côte d'Ivoire LLC	United States	50
Foxtrot International	Cayman Islands	33.33

The Group's operations in Kurdistan are carried out through its subsidiary DNO Iraq AS, while activities on the NCS are carried out through DNO Norge AS. UKCS activities are carried out through DNO North Sea (U.K.) Limited, DNO North Sea (ROGB) Limited and DNO Exploration UK Limited. DNO Exploration UK Limited was disposed from DNO ASA to DNO North Sea plc in 2024. Activities in Côte d'Ivoire are carried out by Foxtrot International, in which the Company's indirect ownership of 33.33 percent is accounted for using the equity method. DNO ASA, DNO Technical Services AS and DNO North Sea plc provide technical support and services to the various companies in the Group. The other subsidiaries from the table above had minimal activity during the year. In 2024 DNO Oman Limited was renamed to West Limited and DNO Oman Block 8 Limited was liquidated.

Note 27

Oil and gas reserves (unaudited)

Estimation uncertainty: Reserves and resources estimates
DNO's reserves and contingent resources are estimated and classified by the Company in accordance with the rules and guidelines of the Society of Petroleum Engineers (SPE) and are in conformity with requirements from the Oslo Stock Exchange for the reporting of reserves and resources. All estimates of reserves and resources involve uncertainty.

Important factors that could cause actual results to differ from the estimates include, but are not limited to: technical, geological and geotechnical conditions; economic and market conditions; oil and gas prices; changes in government regulations; political developments; interest rates; and currency exchange rates. Specific parameters of uncertainty related to the field/reservoir include but are not limited to: reservoir pressure and porosity; recovery factors; water cut development; production decline rates; gas/oil ratios; and oil properties.

Changes in commodity prices and costs may impact economic cut-off and remaining reserves, which may change the timing of any decommissioning activities. Future changes to estimated reserves can also have a material effect on depreciation, impairment of oil and gas fields and operating results. The Group may also not be able to commercially develop its contingent resources that are used in impairment assessments or acquisition accounting where the fair value approach is applied.

Net reserves by region/field as of 31 December 2024

	Proven (1P)				Proven and probable (2P)				Proven, probable and possible (3P)			
MMboe	**Oil**	**NGL**	**Gas**	**Total**	**Oil**	**NGL**	**Gas**	**Total**	**Oil**	**NGL**	**Gas**	**Total**
Tawke	91.6	-	-	91.6	127.1	-	-	127.1	142.1	-	-	142.1
Peshkabir	51.2	-	-	51.2	97.8	-	-	97.8	115.8	-	-	115.8
Kurdistan	**142.8**	**-**	**-**	**142.8**	**224.9**	**-**	**-**	**224.9**	**257.9**	**-**	**-**	**257.9**
Arran	0.3	-	1.4	1.7	0.4	-	2.0	2.4	0.6	-	2.9	3.6
Blane	0.3	0.0	-	0.3	0.4	0.0	-	0.4	0.5	0.0	-	0.5
Enoch	0.0	-	-	0.0	0.0	-	-	0.0	0.0	-	-	0.0
UK	**0.6**	**0.0**	**1.4**	**1.9**	**0.8**	**0.0**	**2.0**	**2.8**	**1.2**	**0.0**	**2.9**	**4.1**
Alve	0.4	0.8	3.2	4.3	0.4	0.9	3.3	4.7	0.5	1.0	3.5	5.0
Andvare	0.1	0.5	2.5	3.1	0.2	0.8	3.5	4.5	0.3	1.2	4.9	6.4
Berling	1.5	1.1	4.8	7.3	2.2	1.6	6.8	10.6	3.1	2.2	8.8	14.2
Bestla	2.0	0.2	0.7	2.9	5.7	0.5	1.4	7.6	11.2	0.7	2.5	14.4
Brage	0.8	0.0	0.0	0.8	1.4	0.0	0.1	1.6	1.9	0.1	0.3	2.3
Fenja	0.4	0.1	0.7	1.1	0.8	0.1	0.9	1.8	1.3	0.1	1.3	2.7
Marulk	0.0	0.0	0.5	0.5	0.1	0.1	1.0	1.2	0.1	0.2	1.7	2.0
Norne	0.3	0.0	0.1	0.4	0.4	0.0	0.1	0.5	0.6	0.0	0.2	0.8
Oda	0.4	0.0	0.0	0.4	0.5	0.0	0.0	0.5	0.6	0.0	0.0	0.7
Skuld	0.3	0.0	0.2	0.5	0.4	0.0	0.2	0.6	0.6	0.0	0.2	0.7
Tambar	0.4	0.0	0.1	0.5	1.1	0.1	0.2	1.4	1.8	0.1	0.3	2.1
Tambar East	0.9	0.1	0.1	1.1	1.7	0.1	0.2	2.0	2.4	0.2	0.3	2.8
Trym	0.2	-	1.0	1.1	0.3	-	1.2	1.5	0.4	-	1.5	1.8
Ula	0.5	0.0	-	0.5	0.9	0.1	-	0.9	1.2	0.1	-	1.4
Urd	0.4	-	-	0.4	0.7	-	-	0.7	0.9	-	-	0.9
Verdande	1.8	0.0	0.3	2.1	3.0	0.1	0.5	3.6	4.2	0.1	0.8	5.1
Vilje	0.6	-	0.0	0.6	1.2	-	0.1	1.3	2.5	-	0.1	2.7
Norway	**10.8**	**2.9**	**13.9**	**27.7**	**20.9**	**4.5**	**19.5**	**44.9**	**33.6**	**6.1**	**26.3**	**66.0**
Subtotal Consolidated reserves				**172.5**				**272.6**				**328.0**
Côte d'Ivoire CI-27	0.0	-	6.4	6.4	0.1	-	9.3	9.4	0.2	-	11.9	12.0
West Africa	**0.0**	**-**	**6.4**	**6.4**	**0.1**	**-**	**9.3**	**9.4**	**0.2**	**-**	**11.9**	**12.0**
Subtotal Equity accounted reserves				**6.4**				**9.4**				**12.0**
Total Group				**178.9**				**281.9**				**340.1**

Reserves development by segment (net to DNO)

	Kurdistan			North Sea			Subtotal			West Africa			Total Group		
MMboe	**1P**	**2P**	**3P**	**1P**	**2P**	**3P**	**1P**	**2P**	**3P**	**1P**	**2P**	**3P**	**1P**	**2P**	**3P**
As of 1 January 2023	**190.9**	**245.3**	**316.0**	**25.0**	**36.5**	**49.4**	**215.9**	**281.8**	**365.4**	**4.4**	**10.3**	**21.3**	**220.3**	**292.1**	**386.7**
Production	-12.7	-12.7	-12.7	-5.2	-5.2	-5.2	-17.9	-17.9	-17.9	-1.3	-1.3	-1.3	-19.1	-19.1	-19.1
Acquisitions	-	-	-	-	-	-	-	-	-	4.5	1.5	-6.9	4.5	1.5	-6.9
Divestments	-	-	-	-	-	-	-	-	-				-	-	-
Extensions and discoveries	-	-	-	-	-	-	-	-	-				-	-	-
New developments	-	-	-	-	-	-	-	-	-				-	-	-
Revision of previous estimates	-3.2	11.9	-5.3	4.0	3.8	5.1	0.9	15.7	-0.2				0.9	15.7	-0.2
As of 31 December 2023	**175.1**	**244.5**	**298.0**	**23.8**	**35.1**	**49.3**	**198.9**	**279.6**	**347.3**	**7.6**	**10.5**	**13.2**	**206.4**	**290.1**	**360.5**
Production	-21.6	-21.6	-21.6	-5.6	-5.6	-5.6	-27.1	-27.1	-27.1	-1.1	-1.1	-1.1	-28.3	-28.3	-28.3
Acquisitions	-	-	-	5.9	9.0	12.8	5.9	9.0	12.8				5.9	9.0	12.8
Divestments	-	-	-	-1.0	-1.2	-1.4	-1.0	-1.2	-1.4				-1.0	-1.2	-1.4
Extensions and discoveries	-	-	-	-	-	-	-	-	-				-	-	-
New developments	-	-	-	2.9	7.6	14.4	2.9	7.6	14.4				2.9	7.6	14.4
Revision of previous estimates	-10.7	1.9	-18.5	3.6	2.8	0.5	-7.1	4.7	-18.0				-7.1	4.7	-18.0
As of 31 December 2024	**142.8**	**224.9**	**257.9**	**29.6**	**47.7**	**70.2**	**172.5**	**272.6**	**328.0**	**6.4**	**9.4**	**12.0**	**178.9**	**281.9**	**340.1**

Net Entitlement (NE) reserves by segment

	Kurdistan			North Sea			Subtotal			West Africa			Total Group		
MMboe	**1P**	**2P**	**3P**	**1P**	**2P**	**3P**	**1P**	**2P**	**3P**	**1P**	**2P**	**3P**	**1P**	**2P**	**3P**
As of 31 December 2023	60.9	74.0	82.7	23.8	35.1	49.3	84.7	109.1	132.0	4.9	6.8	8.3	89.6	115.9	140.3
As of 31 December 2024	**50.3**	**69.4**	**75.0**	**29.6**	**47.7**	**70.2**	**80.0**	**117.1**	**145.1**	**4.2**	**6.3**	**7.8**	**84.2**	**123.4**	**152.9**

The reserves and contingent resources are according to the ASRR dated 2 April 2025. Reported reserves fall within class 1-3 of the NOD classification and 2C resources fall within class 4-7.

The Company's ASRR has been prepared in accordance with the Oslo Stock Exchange listing and disclosure requirements Circular No. 1/2013. International petroleum consultants DeGolyer and MacNaughton (D&M) carried out an independent assessment of the Tawke license (containing the Tawke and Peshkabir fields) and the Baeshiqa license (containing the Baeshiqa and Zartik structures) in the Kurdistan region of Iraq (Kurdistan). International petroleum consultants RPS Energy Consultants (RPS) carried out an independent assessment of DNO reserves and resources in Norway and the United Kingdom (UK). In Norway, contingent resources also include volumes that are classified as RC7F (production not evaluated) as reported by the NOD. In 2023, the international petroleum consultants Beicip-Franlab carried out an independent assessment of DNO's CI-27 license (held through its indirect 33.33 percent interest in the operating entity) in Côte d'Ivoire. For the P2543 license (Agar) in the UK and Block 47 in Yemen, DNO's contingent resources are internally assessed. The Dutch acreage held by DNO does not hold any reserves or resources.

At yearend 2024, DNO's net 1P reserves stood at 178.9 MMboe, compared to 206.4 MMboe at yearend 2023, after adjusting for production during the year and changes due to acquisitions and divestments, reclassifications and technical revisions. On a 2P basis, DNO's net reserves stood at 281.9 MMboe, compared to 290.1 MMboe at yearend 2023. On a 3P basis, DNO's net reserves were 340.1 MMboe, compared to 360.5 MMboe at yearend 2023. DNO's net contingent (2C) resources were 213.4 MMboe, up from 205.0 MMboe at yearend 2023 after adjusting for new discoveries, volumes moved to reserves and technical revisions.

While net production of 28.3 MMboe during 2024 drew on DNO's reserves, the impact was partially offset by acquisitions, volumes moved up from contingent resources, as well as technical revisions. Notably, DNO's 2024 acquisitions of a stake in the Arran field offshore UK and Norne area assets in Norway added a total of 4.9 MMboe in net 1P reserves, 7.8 MMboe in net 2P reserves and 11.4 MMboe in net 3P reserves (after allowing for divestment of Ringhorne East, used as part of the consideration for the Norne area assets). Volumes moved from contingent resources to reserves all relate to the 2024 sanctioning of the Bestla field development in Norway, which added 2.9 MMboe to 1P reserves, 7.6 MMboe to 2P reserves and 14.4 MMboe to 3P reserves, all on a net basis.

The Company's net yearend 2024 Reserve Life Index (R/P) stood at 6.3 years on a 1P reserves basis, 10.0 years on a 2P reserves basis and 12.0 years on a 3P reserves basis.

Net reserves in DNO's licenses governed by PSCs (Kurdistan and Côte d'Ivoire) are based on the participation interest. Net Entitlement (NE) reserves are net to DNO after royalty. Net reserves in these licenses reflect DNO's share before government take while NE reserves reflect DNO's share after government take. NE reserves are based on economic evaluation of the license agreements, incorporating projections of future production, costs and oil and gas prices. NE volumes may therefore fluctuate over time, even if there are no changes in the underlying gross and net volumes.

Net and NE reserves in DNO's licenses not governed by PSCs (Norway and the UK) are equivalent and reflect gross reserves multiplied by the Company's participating interest.

Note 28

Oil and gas license portfolio

Kurdistan licenses
At yearend 2024, DNO held interests in two licenses in Kurdistan. The Tawke license contains the producing Tawke and Peshkabir fields. The Baeshiqa license contains two large structures with multiple independent stacked target reservoirs, including in the Cretaceous, Jurassic and Triassic formations. The structures at Baeshiqa and Zartik have the potential to be part of a single accumulation of hydrocarbons at one or more of the geological formation intervals.

North Sea (Norway, the UK and other)
At yearend 2024, DNO held 85 offshore licenses in Norway, seven offshore licenses in the UK and one offshore license in the Netherlands.

West Africa (Côte d'Ivoire)
Through a one-third stake in the operating company, Foxtrot International, DNO holds a nine percent interest in Côte d'Ivoire's Block CI-27. The block contains the Foxtrot gas field, the Mahi gas field, the Marlin oil and gas field and the Manta gas field. Formerly, Foxtrot International also operated the CI-12 exploration block, from which it withdrew in October 2024 after having fulfilled the exploration obligations pertaining to the license. In accordance with IFRS, DNO's indirect interest in Foxtrot International is accounted for using the equity method (see Note 13).

Other
At yearend 2024, DNO held one onshore license in Yemen.

As is customary in the oil and gas industry, most of the Group's assets are held in partnership with other companies. Below is an overview of the Group's licenses, which are held through several wholly-owned subsidiary companies.

As of 31 December 2024

Held through DNO as a subsidiary:

Region/license	Participating interest (percent)	Operator	Partner(s)
Kurdistan			
Tawke PSC	75.0	DNO Iraq AS	Genel Energy International Limited
Baeshiqa PSC	64.0	DNO Iraq AS	Turkish Energy Company Limited, Kurdistan Regional Government
Norway			
PL006 C (SE Tor)	65.0	DNO Norge AS	Aker BP ASA
PL018ES	45.0	DNO Norge AS	Sval Energi AS, A/S Norske shell
PL019 (Ula)	20.0	Aker BP ASA	DNO Norge AS
PL019 E (Ula)	20.0	Aker BP ASA	DNO Norge AS
PL019 F (Ula)	45.0	Aker BP ASA	DNO Norge AS
PL036 D (Vilje)	28.9	Aker BP ASA	DNO Norge AS, ORLEN Upstream Norway AS
PL048 D (Enoch)	9.3	Equinor Energy AS	DNO Norge AS, Petrolia NOCO AS, Aker BP ASA
PL053 B (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia Noco AS, M Vest Energy AS
PL055 (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia Noco AS, M Vest Energy AS
PL055 B (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia Noco AS, M Vest Energy AS
PL055 D (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia Noco AS, M Vest Energy AS
PL055 E (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia Noco AS, M Vest Energy AS
PL055 FS (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia Noco AS, M Vest Energy AS
PL065 (Tambar)	45.0	Aker BP ASA	DNO Norge AS
PL065 B (Tambar)	45.0	Aker BP ASA	DNO Norge AS
PL1049	40.0	DNO Norge AS	Concedo AS, Petoro AS
PL1084	40.0	Aker BP ASA	DNO Norge AS
PL1085	25.0	Aker BP ASA	DNO Norge AS, Petoro AS
PL1086	50.0	DNO Norge AS	Source Energy AS, Petoro AS, Aker BP ASA
PL1102	30.0	Aker BP ASA	DNO Norge AS, Equinor Energy AS
PL1102 B	30.0	Aker BP ASA	DNO Norge AS, Equinor Energy AS
PL1108	40.0	DNO Norge AS	Pandion Energy AS, OKEA ASA
PL1109*	20.0	OMV (Norge) AS	DNO Norge AS, Pandion Energy AS, Aker BP ASA
PL1119*	10.0	Equinor Energy AS	OKEA ASA, Pandion Energy AS, DNO Norge AS
PL1120	40.0	DNO Norge AS	Equinor Energy AS, Vår Energi AS, Harbour Energy Norge AS
PL1145	60.0	DNO Norge AS	AkerBP ASA
PL1147	20.0	Aker BP ASA	DNO Norge AS, Equinor Energy AS,
PL1148	30.0	Wellesley Petroleum AS	DNO Norge AS, AkerBP ASA, Equinor Energy AS
PL1148 B	30.0	Wellesley Petroleum AS	DNO Norge AS, AkerBP ASA, Equinor Energy AS
PL1148 CS	30.0	Wellesley Petroleum AS	DNO Norge AS, AkerBP ASA, Equinor Energy AS
PL1150 S	40.0	OKEA ASA	DNO Norge AS
PL1151	20.0	Harbour Energy Norge AS	DNO Norge AS, AkerBP ASA, Pandion Energy AS, Equinor Energy AS
PL1158	40.0	Aker BP ASA	DNO Norge AS, Sval Energi AS
PL1171	50.0	Aker BP ASA	DNO Norge AS
PL1172	30.0	Aker BP ASA	DNO Norge AS, ORLEN Upstream Norway AS

PL1175	30.0	Aker BP ASA	DNO Norge AS, ORLEN Upstream Norway AS
PL1182 S	40.0	DNO Norge AS	AkerBP ASA, Japex Norge AS, Concedo AS
PL1186	20.0	Equinor Energy AS	DNO Norge AS, OKEA ASA, Harbour Energy Norge AS
PL1187	30.0	OKEA ASA	DNO Norge AS, M Vest Energy AS, Harbour Energy Norge AS
PL1198	20.0	Aker BP ASA	DNO Norge AS, Source Energy AS, Petoro AS
PL1203	20.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, Petoro AS
PL1204	60.0	DNO Norge AS	Equinor Energy AS
PL1205	40.0	ConocoPhillips Skandinavia AS	DNO Norge AS
PL1209	40.0	DNO Norge AS	Equinor Energy AS, Concedo AS
PL1212 S	40.0	Equinor Energy AS	DNO Norge AS, Japex Norge AS
PL1213 S	30.0	Vår Energi ASA	DNO Norge AS, Harbour Energy Norge AS
PL1216	40.0	DNO Norge AS	Harbour Energy Norge AS, Source Energy AS
PL1226	40.0	Equinor Energy AS	DNO Norge AS
PL1228	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL1229	30.0	Sval Energi AS	DNO Norge AS, Harbour Energy Norge AS, ORLEN Upstream Norway AS
PL122 (Marulk)	37.0	DNO Norge AS	Equinor Energy AS, ORLEN Upstream Norway AS
PL122 B (Marulk)	37.0	DNO Norge AS	Equinor Energy AS, ORLEN Upstream Norway AS
PL122 C (Marulk)	37.0	DNO Norge AS	Equinor Energy AS, ORLEN Upstream Norway AS
PL122 D (Marulk)	37.0	DNO Norge AS	Equinor Energy AS, ORLEN Upstream Norway AS
PL128 (Norne)	11.5	Equinor Energy AS	DNO Norge As, Petoro As
PL128 B (Norne)	11.5	Equinor Energy AS	DNO Norge As, Petoro As
PL128 D (Norne)	11.5	Equinor Energy AS	DNO Norge As, Petoro As
PL128 E (Norne)	11.5	Equinor Energy AS	DNO Norge As, Petoro As
PL147 (Trym)	50.0	DNO Norge AS	Sval Energi AS
PL159 B (Alve)	32.0	Equinor Energy AS	DNO Norge AS, ORLEN Upstream Norway AS
PL159 G (Alve)	32.0	Equinor Energy AS	DNO Norge AS, ORLEN Upstream Norway AS
PL185 (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia Noco AS, M Vest Energy AS
PL248 F	20.0	Harbour Energy Norge AS	DNO Norge AS, Petoro AS
PL248 GS	20.0	Harbour Energy Norge AS	DNO Norge AS, Petoro AS
PL248 K	20.0	Harbour Energy Norge AS	DNO Norge AS, Petoro AS
PL293 B	29.0	Equinor Energy AS	DNO Norge AS, INPEX Idemitsu Petroleum Norge AS, Japex Norge AS
PL293 CS	29.0	Equinor Energy AS	DNO Norge AS, INPEX Idemitsu Petroleum Norge AS, Japex Norge AS
PL300 (Tambar Øst)	45.0	Aker BP ASA	DNO Norge AS
PL405 (Oda)	15.0	Sval Energi AS	DNO Norge AS, Aker BP ASA
PL586 (Fenja)	7.5	Vår Energi ASA	DNO Norge AS, Sval Energi AS
PL586 B (Fenja)	7.5	Vår Energi ASA	DNO Norge AS, Sval Energi AS
PL644 (Berling)	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 B (Berling)	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 C (Berling)	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 D (Berling)	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL740 (Bestla)	39.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia Noco AS, M Vest Energy AS
PL827 S	49.0	Equinor Energy AS	DNO Norge AS
PL827 SB	49.0	Equinor Energy AS	DNO Norge AS
PL836 S	30.0	Harbour Energy Norge AS	DNO Norge AS, Equinor Energy AS
PL836 SB	30.0	Harbour Energy Norge AS	DNO Norge AS, Equinor Energy AS
PL923	20.0	Equinor Energy AS	DNO Norge AS, Petoro AS
PL923 B	20.0	Equinor Energy AS	DNO Norge AS, Petoro AS
PL929	10.0	Vår Energi ASA	DNO Norge AS, Pandion Energy AS, Harbour Energy Norge AS, Aker BP ASA
PL984	30.0	DNO Norge AS	Vår Energi AS, Source Energy AS, Equinor Energy AS, Aker BP ASA
PL984 BS	30.0	DNO Norge AS	Vår Energi AS, Source Energy AS, Equinor Energy AS, Aker BP ASA

*DNO farmed into a 10 percent stake in the PL1119 license prior to the spud of the Mistral exploration well in late December 2024. In return, DNO gave up a 10 percent stake in the PL1109 license containing the Horatio prospect, retaining 20 percent

UK			
P111	54.3	Repsol Sinopec Resources UK Ltd	DNO North Sea (U.K.) Ltd, DNO North Sea (ROGB) Ltd, Dana Petroleum (BVUK) Ltd.
P219	18.2	Repsol Sinopec North Sea Ltd	DNO North Sea (ROGB) Ltd, Dana Petroleum (BVUK) Ltd, Waldorf Production UK Ltd
P255	45.0	Shell U.K. Ltd	DNO North Sea (U.K.) Ltd, Spirit Energy Resources Ltd
P1720 (Arran)	50.0	Rockrose UKCS4 Ltd	DNO North Sea (UK) Ltd
P2543	50.0	DNO North Sea (U.K.) Ltd	Aker BP UK Ltd
P359 Area A (Arran)	18.9	Shell U.K. Ltd	DNO North Sea (UK) Ltd, Rockrose UKCS4 Ltd
P359 Area B (Arran)	18.9	Shell U.K. Ltd	DNO North Sea (UK) Ltd, Rockrose UKCS4 Ltd
Netherlands			
D18a	2.5	Neptune E&P UKCS Ltd	DNO North Sea (U.K.) Ltd, Ineos UK SNS Ltd, Premier Oil E&P UK Ltd
Yemen			
Block 47	64.0	DNO Yemen AS	The Yemen Company, Geopetrol Hadramaut Incorporated

Held through equity-accounted investment Mondoil Côte d'Ivoire/Foxtrot International as a joint venture (Note 13):

Côte d'Ivoire			
Block CI-27	27.3	Foxtrot International	SECI SA, Petroci

As of 31 December 2023

Held through DNO as a subsidiary:

Region/license	Participating interest (percent)	Operator	Partner(s)
Kurdistan			
Tawke PSC	75.0	DNO Iraq AS	Genel Energy International Limited
Baeshiqa PSC	64.0	DNO Iraq AS	Turkish Energy Company Limited, Kurdistan Regional Government
Norway			
PL006 C (SE Tor)	65.0	DNO Norge AS	Aker BP ASA
PL018 ES	45.0	A/S Norske Shell	DNO Norge AS, Sval Energi AS
PL019 (Ula)	20.0	Aker BP ASA	DNO Norge AS
PL019 E (Ula)	20.0	Aker BP ASA	DNO Norge AS
PL019 F (Ula)	45.0	Aker BP ASA	DNO Norge AS
PL036 D (Vilje)	28.9	Aker BP ASA	DNO Norge AS, PGNiG Upstream Norway AS
PL048 D (Enoch)	9.3	Equinor Energy AS	DNO Norge AS, Petrolia NOCO AS, Aker BP ASA
PL053 B (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 B (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 D (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 E (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL065 (Tambar)	45.0	Aker BP ASA	DNO Norge AS
PL065 B (Tambar)	45.0	Aker BP ASA	DNO Norge AS
PL1049	40.0	DNO Norge AS	Longboat Japex Norge AS, Petoro AS
PL1083	30.0	Aker BP ASA	DNO Norge AS, Petoro AS
PL1084	40.0	Aker BP ASA	DNO Norge AS
PL1085	25.0	Aker BP ASA	DNO Norge AS, Petoro AS
PL1086	50.0	DNO Norge AS	Source Energy AS, Petoro AS
PL1102	30.0	Aker BP ASA	DNO Norge AS, Equinor Energy AS
PL1106	40.0	DNO Norge AS	Petoro AS, Petrolia NOCO AS, Aker BP ASA
PL1108	40.0	DNO Norge AS	Pandion Energy AS, OKEA ASA
PL1109	30.0	OMV (Norge) AS	DNO Norge AS, Pandion Energy AS
PL1112	20.0	A/S Norske Shell	DNO Norge AS, Neptune Energy Norge AS, Sval Energi AS
PL1120	40.0	DNO Norge AS	Equinor Energy AS, Vår Energi ASA, Wintershall Dea Norge AS
PL1145	60.0	DNO Norge AS	Aker BP ASA
PL1146	25.0	ConocoPhillips Skandinavia AS	DNO Norge AS
PL1146B	25.0	ConocoPhillips Skandinavia AS	DNO Norge AS
PL1147	20.0	Sval Energi AS	DNO Norge AS, Equinor Energy AS, Aker BP ASA
PL1148	30.0	Wellesley Petroleum AS	DNO Norge AS, Aker BP ASA, Equinor Energy AS
PL1148B	30.0	Wellesley Petroleum AS	DNO Norge AS, Aker BP ASA, Equinor Energy AS
PL1151	20.0	Wintershall Dea Norge AS	DNO Norge AS, Aker BP ASA, Pandion Energy AS
PL1158	40.0	Aker BP ASA	DNO Norge AS, Sval Energi AS
PL1160	60.0	DNO Norge AS	Sval Energi AS
PL1171	50.0	Aker BP ASA	DNO Norge AS
PL1172	30.0	Aker BP ASA	DNO Norge AS, PGNiG Upstream Norway AS
PL1175	30.0	Aker BP ASA	DNO Norge AS, PGNiG Upstream Norway AS
PL1182S	40.0	DNO Norge AS	Aker BP ASA, Longboat Japex Norge AS
PL1186	20.0	Equinor Energy AS	DNO Norge AS, OKEA ASA, Wintershall DEA Norge AS
PL1187	30.0	OKEA ASA	DNO Norge AS, M Vest Energy AS, Wintershall DEA Norge AS
PL122 (Marulk)	17.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, PGNiG Upstream Norway AS
PL122 B (Marulk)	17.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, PGNiG Upstream Norway AS
PL122 C (Marulk)	17.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, PGNiG Upstream Norway AS
PL122 D (Marulk)	17.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, PGNiG Upstream Norway AS
PL147 (Trym)	50.0	DNO Norge AS	Sval Energi AS
PL159 B (Alve)	32.0	Equinor Energy AS	DNO Norge AS, PGNiG Upstream Norway AS
PL159 G (Alve)	32.0	Equinor Energy AS	DNO Norge AS, PGNiG Upstream Norway AS
PL169 E (Ringhorne Øst)	87.0	DNO Norge AS	Vår Energi ASA
PL185 (Brage)	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL248 F	20.0	Wintershall Dea Norge AS	DNO Norge AS, Petoro AS
PL248 GS	20.0	Wintershall Dea Norge AS	DNO Norge AS, Petoro AS
PL248 K	20.0	Wintershall Dea Norge AS	DNO Norge AS, Petoro AS
PL293 B	29.0	Equinor Energy AS	DNO Norge AS, INPEX Idemitsu Norge AS, Longboat Japex Norge AS
PL293 CS	29.0	Equinor Energy AS	DNO Norge AS, INPEX Idemitsu Norge AS, Longboat Japex Norge AS
PL300 (Tambar Øst)	45.0	Aker BP ASA	DNO Norge AS
PL405 (Oda)	15.0	Sval Energi AS	DNO Norge AS, Aker BP ASA
PL586 (Fenja)	7.5	Neptune Energy Norge AS	DNO Norge AS, Vår Energi ASA, Sval Energi AS
PL586 B (Fenja)	7.5	Neptune Energy Norge AS	DNO Norge AS, Vår Energi ASA, Sval Energi AS
PL644 (Berling)	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 B (Berling)	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 C (Berling)	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL740 (Brasse)	39.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, M Vest Energy AS
PL827 S	49.0	Equinor Energy AS	DNO Norge AS
PL827 SB	49.0	Equinor Energy AS	DNO Norge AS
PL836 S	30.0	Wintershall Dea Norge AS	DNO Norge AS, Equinor Energy AS
PL836 SB	30.0	Wintershall Dea Norge AS	DNO Norge AS, Equinor Energy AS
PL923	20.0	Equinor Energy AS	DNO Norge AS, Petoro AS

PL923 B	20.0	Equinor Energy AS	DNO Norge AS, Petoro AS
PL929	10.0	Neptune Energy Norge AS	DNO Norge AS, Pandion Energy AS, Wintershall Dea Norge AS, AkerBP ASA
PL969	45.0	A/S Norske Shell	DNO Norge AS, Sval Energi AS
PL969B	45.0	A/S Norske Shell	DNO Norge AS, Sval Energi AS
PL984	30.0	DNO Norge AS	Vår Energi ASA, Source Energy AS, Equinor Energy AS, AkerBP ASA
PL984 BS	30.0	DNO Norge AS	Vår Energi ASA, Source Energy AS, Equinor Energy AS, AkerBP ASA
UK			
P111	54.3	BRITOIL LIMITED	DNO North Sea (U.K.) Ltd, DNO North Sea (ROGB) Ltd, Dana Petroleum (BVUK) Ltd.
P219	18.2	Repsol Sinopec North Sea Ltd	DNO North Sea (ROGB) Ltd, Dana Petroleum (BVUK) Ltd, Waldorf Production UK Ltd
P255	45.0	Shell U.K. Ltd	DNO North Sea (U.K.) Ltd, Spirit Energy Resources Ltd
P2543	50.0	DNO North Sea (U.K.) Ltd	Aker BP ASA
Netherlands			
D18a	2.5	Neptune E&P UKCS Ltd	DNO North Sea (U.K.) Ltd, Ineos UK SNS Ltd, Premier Oil E&P UK Ltd
Yemen			
Block 47	64.0	DNO Yemen AS	The Yemen Company, Geopetrol Hadramaut Incorporated

Held through equity-accounted investment Mondoil Côte d'Ivoire/Foxtrot International as a joint venture (Note 13):

Côte d'Ivoire			
Block CI-27	27.3	Foxtrot International	SECI SA, Petroci
Block CI-12	24.0	Foxtrot International	SECI SA, Petroci

Note 29
Significant events after the reporting date

Accounting policies

Significant events after the reporting date
Adjusting events are those providing evidence of conditions existing at the end of the reporting period, whereas non-adjusting events are indicative of conditions arising after the reporting period (the latter being disclosed where material).

DNO receives 13 awards in Norway's APA licensing round
On 14 January 2025, the Company announced that its wholly-owned subsidiary DNO Norge AS had been awarded participation in 13 exploration licenses, of which three are operatorships, under Norway's APA 2024 licensing round. Of the 13 new licenses, 10 are in the North Sea and three in the Norwegian Sea.

The Company's Board of Directors approve dividend payment
On 6 February 2025, the Company announced that pursuant to the authorization granted at the 2024 AGM, the Board of Directors had approved a dividend payment of NOK 0.3125 per share. Payment of the dividend was made on 21 February 2025. This is considered a non-adjusting event (see also parent company accounts).

Discovery in the Mistral prospect
On 5 March 2025, the Company announced a gas/condensate discovery on the Mistral prospect in the Norwegian Sea license PL1119 in which the Company's wholly-owned subsidiary DNO Norge AS holds a 10 percent interest. Preliminary estimates of gross recoverable resources encountered are in the range of 19-44 MMboe. In addition to DNO. License partners include Equinor Energy AS (50 percent and operator), OKEA ASA and Pandion Energy AS (20 percent each).

Acquisition of Sval Energi Group AS
On 7 March 2025, the Company announced it had reached agreement to acquire 100 percent of the shares of Sval Energi Group AS from HitecVision for a cash consideration of USD 450 million based on an enterprise value of USD 1.6 billion. The transaction includes non-operated interests in 16 producing fields offshore Norway, with the largest assets being Nova, Martin Linge, Kvitebjørn, Eldfisk, Maria, Symra and Ekofisk. The effective date of the transaction is 1 January 2025, with expected completion mid-year 2025, subject to customary regulatory approvals from the Norwegian Ministry of Energy, the Norwegian Ministry of Finance and competition authorities. The acquisition will be financed with existing cash and other debt financing facilities available to DNO.

New bond placement and redemption of DNO04
On 14 March 2025, the Company announced the completion of the placement of USD 600 million of new five-year senior unsecured bonds with a coupon rate of 8.50 percent. The proceeds will be used to fully redeem DNO04, with the remainder to be used for general corporate purposes.

Discovery in the Kjøttkake prospect
On 26 March 2025, the Company announced a discovery on the Kjøttkake prospect in the Northern North Sea license PL1182 S in which the Company holds a 40 percent operated interest. Preliminary estimates of gross recoverable resources encountered are in the range of 39 to 75 MMboe. License partners include Aker BP ASA (30 percent), Concedo AS and Japex Norge AS (15 percent each).

Dry well in the Horatio prospect
On 26 March 2025, a dry well was announced on the Horatio prospect in the Northern North Sea license PL1109 in which the Company holds a 20 percent operated interest. The majority of the cost was incurred in 2025.

Parent company accounts

Income statement

USD thousand	Note	1 January - 31 December 2024	2023
Operating revenues	2, 19	25,130	25,029
Total operating revenues		**25,130**	**25,029**
Depreciation	7	-1,680	-1,559
Payroll and other social expenses	3	-22,117	-22,130
Other operating expenses	4	-16,503	-19,761
Total operating expenses		**-40,300**	**-43,450**
Operating profit/loss		**-15,170**	**-18,421**
Net financial income/expense	5	29,293	105,122
Profit/loss before income tax		**14,123**	**86,701**
Tax income/expense	6	-	-
Net profit/loss		**14,123**	**86,701**
Earnings per share, basic (USD per share)	18	0.01	0.09
Earnings per share, diluted (USD per share)	18	0.01	0.09
Weighted average number of shares outstanding (millions)		975.00	980.04

Balance sheet

ASSETS

USD thousand	Note	Years ended 31 December 2024	2023
Fixed assets			
Intangible assets	7	1,827	2,976
Property, plant and equipment	7	1,273	556
Total intangible and tangible assets		**3,100**	**3,532**
Financial assets			
Shares in subsidiaries	8	560,194	523,283
Intercompany receivables	19	105,921	158,913
Total financial assets		**666,115**	**682,196**
Total non-current assets		**669,215**	**685,728**
Current assets			
Intercompany receivables	19	10,451	6,586
Other receivables	9	6,819	6,476
Cash and cash equivalents	10	746,207	461,162
Total current assets		**763,477**	**474,224**
TOTAL ASSETS		**1,432,692**	**1,159,952**

EQUITY AND LIABILITIES

USD thousand	Note	Years ended 31 December 2024	2023
Paid-in capital			
Share capital		32,858	32,858
Share premium		343,620	343,620
Total paid-in capital	**11**	**376,478**	**376,478**
Retained earnings			
Retained earnings		119,690	211,202
Total retained earnings	**11**	**119,690**	**211,202**
Total equity	**11**	**496,168**	**587,680**
Non-current liabilities			
Intercompany liabilities	19	138,733	-
Interest-bearing liabilities	13	741,374	393,181
Other non-current liabilities		2,455	3,403
Total non-current liabilities		**882,562**	**396,584**
Current liabilities			
Trade payables and provisions for other liabilities and charges	14	20,001	15,293
Intercompany liabilities	19	7,101	6,144
Current interest-bearing liabilities	13	-	131,162
Dividend	11	26,860	23,089
Total current liabilities		**53,962**	**175,688**
Total liabilities		**936,524**	**572,272**
TOTAL EQUITY AND LIABILITIES		**1,432,692**	**1,159,952**

Oslo, 2 April 2025

Bijan Mossavar-Rahmani
Executive Chairman

Gunnar Hirsti
Deputy Chairman

Elin Karfjell
Director

Anne Marie Hjerkinn Aarnæs
Director

Najmedin Meshkati
Director

Christopher Spencer
Managing Director

Cash flow statement

USD thousand	Note	1 January - 31 December 2024	2023
Operating activities			
Profit/loss before income tax		14,123	86,701
Adjustments to add (deduct) non-cash items:			
Depreciation and impairment of tangible and intangible assets	7	1,680	1,559
Impairment/reversal of impairment (-) of financial assets	5	-34,303	33,116
Amortization of borrowing issue costs	5,13	3,834	2,942
Interest expense	5	55,898	44,597
Interest income	5	-39,456	-41,487
Other		192	184
Changes in working capital and provisions:			
- Trade and other receivables		-4,208	222
- Trade and other payables		4,708	-3,168
- Provisions for other liabilities and charges		9	3,032
Cash generated from operations		**2,477**	**127,698**
Interest received		36,513	34,441
Interest paid		-49,603	-42,485
Dividend received	5	-	20,000
Net cash from/used in operating activities		**-10,612**	**139,655**
Investing activities			
Purchases of intangible and tangible assets	7	-1,089	-890
Loans to subsidiaries	19	47,296	-100,184
Net cash from/used in investing activities		**46,207**	**-101,074**
Financing activities			
Proceeds from borrowings net of issue costs	13	350,000	-
Repayment of borrowings	13	-131,162	-
Payment debt issue costs	13	-5,599	-
Loans from subsidiaries	19	138,733	-75,735
Purchase of treasury shares	11	-	-50,688
Paid dividend	11	-102,521	-92,002
Net cash from/used in financing activities		**249,450**	**-218,425**
Net increase/decrease in cash and cash equivalents		285,045	-179,844
Cash and cash equivalents at the beginning of the period		461,162	641,007
Cash and cash equivalents at end of the period	10	**746,207**	**461,162**
Of which restricted cash		1,918	2,187

Note 1
Accounting principles

General
The financial statements of DNO ASA (the Company) are presented in accordance with the Norwegian Accounting Act and Norwegian accounting standards. The notes are an integral part of the financial statements. For more information about the accounting principles, see Note 1 in the consolidated accounts.

Use of estimates
Preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported revenues and expenses, assets and liabilities, and the disclosures. Actual results could differ from those estimates.

Currency
The financial statements are presented in USD, which is also the functional currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company. Monetary items denominated in foreign currencies are converted using exchange rates on the balance sheet date. Realized and unrealized currency gains and losses are included in the profit or loss. Foreign currency transactions are recorded using exchange rates on the date of transaction.

Consolidated financial statements
The consolidated financial statements of the Group have been prepared in accordance with IFRS as adopted by the EU and additional disclosure requirements in the Norwegian Accounting Act and have been presented separately from the parent company accounts.

Investments in subsidiaries
Investments in subsidiaries are recorded at historical cost. If the fair value of the investment is lower than the carrying value, an impairment charge is recorded and a new cost basis of the investment is established. The impairment charge is reversed if the basis for the impairment ceases to exist.

Valuation and classification of balance sheet items
Current assets and short-term liabilities include items due less than one year from drawdown and items related to the operating cycle. Other assets or liabilities are classified as fixed assets or long-term liabilities. Other financial investments including investments in bonds are classified as non-current assets. They are initially valued at cost price and subsequently may be impaired to fair value.

Fixed assets
Intangible assets and PP&E are stated at cost, less accumulated amortization and accumulated impairment charges. Intangible assets and PP&E are depreciated using a straight-line method based on estimated useful life. Estimated useful life varies between three and seven years. Impairment charge is recognized when the book value exceeds the fair value of the asset.

Income taxes
Tax income/expense consists of taxes receivable/payable and changes in deferred tax. Tax receivables/payables are based on amounts receivable from or payable to tax authorities. Deferred tax liability is calculated on all taxable temporary differences, unless there is a recognition exception. A deferred tax asset is recognized only to the extent that it is probable that the future taxable income will be available against which the asset can be utilized.

Share-based payments
Cash-settled share-based payments are recognized in the income statement as expenses during the vesting period and as a liability. The liability is measured at fair value and revaluated using the Black & Scholes pricing model at each balance sheet date and at the date of settlement, with any change in fair value recognized in the profit or loss for the period.

Pensions
The Company records pension schemes according to the Norwegian accounting standard for pension costs. The Company has contribution plans for employees as provided for under Norwegian law. For such plans, only the contributions paid during the period are expensed.

Revenue recognition
Revenues from services are recorded when the service is rendered.

Allowance for doubtful balances
Trade receivables are recognized and carried at their anticipated realizable value, which implies that a provision for a loss allowance on expected credit losses of the receivable is recognized.

Contingent assets/liabilities
Provisions are made for contingent liabilities that are probable and quantifiable, while contingent assets are not recognized.

Cash flow statement
The cash flow statement is based on the indirect method. Cash equivalents include bank deposits.

Dividend
In accordance with Norwegian accounting standards, the Company recognizes a liability for proposed ordinary dividend and additional or extraordinary dividend resolved after yearend but before or on the date of approval of the financial statements by the Board of Directors. This differs from consolidated accounts prepared under IFRS, where dividends are recognized as a liability only after formal approval by the AGM or based on its authorization.

Note 2
Operating revenues

USD thousand	1 January - 31 December 2024	2023
Operating revenues	25,130	25,029
Total operating revenues	**25,130**	**25,029**

Operating revenues relate to services provided by the Company to its subsidiaries.

Note 3
Salaries, pensions, remuneration, shares, options and severance

USD thousand	1 January - 31 December 2024	2023
Payroll and other social expenses		
Salaries, bonuses and other salary expenses	-14,222	-15,798
Employer's payroll tax expense	-3,031	-3,688
Pensions	-1,936	-2,039
Other personnel costs	-2,928	-605
Total payroll and other social expenses	**-22,117**	**-22,130**
Average number of man-labor years	57	58

Pensions
DNO has a defined contribution scheme for its Norway-based employees that meets the Norwegian requirements for mandatory occupational pensions *("obligatorisk tjenestepensjon").*

Remuneration to the Board of Directors and senior management

Remuneration to the Board of Directors (USD thousand)	2024	2023
Bijan Mossavar-Rahmani, Executive Chairman, member of the nomination and remuneration committees	1,281.7	1,327.1
Gunnar Hirsti, Deputy Chairmen, chairs the audit committee and is a member of the remuneration committee	92.8	95.4
Elin Karfjell, Director, member of the audit committee	72.2	74.8
Anita Marie Hjerkinn Aarnæs, Director, member of the HSSE committee	72.2	74.8
Najmedin Meshkati, Director and member of the HSSE committee	72.2	40.5
Lars Arne Takla, former Deputy Chairman and member of the HSSE (until May 2022) and nomination (until May 2023) committees	-	1.6
Total	**1,591.0**	**1,614.2**

Total remuneration to the Board of Directors consists of regular fees (USD 1,540,340) and fees for participation in the board committees (USD 49,959). 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. The Company reimburses travel expenses and other relevant expenses incurred by the members of the Board of Directors in connection with the performance of their duties.

Remuneration to Managing Director and senior management (USD thousand)	Salary	Bonus	Synthetic shares*	Other	Total	Pension
Chris Spencer, Managing Director	648.9	122.5	49.3	81.4	902.1	19.6
Haakon Sandborg, Chief Financial Officer	438.5	49.0	37.3	40.9	565.7	19.6
Geir Arne Skau, Chief Human Resources and Corporate Services Officer	434.6	65.1	27.1	44.1	571.0	19.6
Erlend Wollan Einum, Chief Business Development Officer**	338.8	-	-	33.2	372.0	18.1
Linn Hoel, Chief Commercial Officer**	363.1	-	-	36.2	399.3	18.9
Sameh Hanna, General Manager Kurdistan region of Iraq	522.5	83.3	215.1	184.6	1,005.5	-
Elisabeth Femsteinevik, General Manager North Sea	304.0	46.5	-	39.6	390.1	19.6
Tonje Pareli Gormley, General Counsel - Middle East	434.7	81.4	29.1	45.3	590.5	19.6
Erling Moen Synnes, Chief Information Officer	269.8	54.7	-	23.4	348.0	19.6
Wieske Paulissen, Group Head of Exploration and Subsurface	269.9	54.7	-	23.8	348.4	19.6
Kjersti Kaurin, Corporate Counsel and Secretary	213.2	32.5	-	13.8	259.5	19.6

* Synthetic share awards that vested during the year.
** Linn Hoel and Erlend Wollan Einum joined DNO on 15 January and 1 February 2024, respectively.

Note 3

Salaries, pensions, remuneration, shares, options and severance

The following table is an overview of synthetic shares that have been awarded to the directors of the Board and members of the senior management during the year. For an overview of total synthetic shares of employees at yearend 2024, see Note 5 in the consolidated accounts.

Movement in synthetic Company shares during 2024

Number of shares	Opening balance at 1 Jan	Movements (full-year) Granted	Settled	Closing balance at 31 Dec	Unresrict. at 31 Dec	Weight. average price
Bijan Mossavar-Rahmani, Executive Chairman	347,156	402,824	-	749,980	-	-
Gunnar Hirsti, Deputy Chairmen	20,693	24,837	-	45,530	-	-
Elin Karfjell, Director	17,262	20,715	-	37,977	-	-
Anita Marie Hjerkinn Aarnæs, Director	17,262	20,715	-	37,977	-	-
Najmedin Meshkati, Director	20,693	21,083	-	41,776	-	-
Chris Spencer, Managing Director	1,558,831	308,129	29,336	1,837,624	373,056	9.57
Haakon Sandborg, Chief Financial Officer	876,996	134,635	239,946	771,685	-	11.39
Geir Arne Skau, Chief Human Resources and Corporate Services Officer	678,859	148,846	15,202	812,503	22,191	9.57
Sameh Hanna, General Manager Kurdistan Region of Iraq	263,999	132,055	-	396,054	-	-
Elisabeth Femsteinevik, General Manager DNO North Sea	193,832	265,359	-	459,191	-	-
Linn Hoel, Chief Commercial Officer	-	226,558	-	226,558	-	-
Erlend Wollan Einum, Chief Business Development Officer	-	271,759	-	271,759	-	-
Wieske Paulissen, Group Head of Exploration and Subsurface	213,646	56,108	-	269,754	-	-
Tonje Pareli Gormley, General Counsel - Middle East	675,195	168,391	32,684	810,902	-	9.57
Erling Moen Synnes, Chief Information Officer	213,646	56,167	-	269,813	-	-
Kjersti Kaurin, Corporate Counsel and Secretary	169,137	37,569	-	206,706	-	-

The weighted average settlement price for synthetic shares settled during 2024 was NOK 10.95. The weighted average remaining contractual life of the synthetic shares was 2.5 years.

For more information regarding remuneration of senior management and the Board of Directors, please refer to the Company's remuneration guidelines that were approved at the 2023 AGM and a separate 2024 remuneration report, both reports published on the Company's website.

Auditor fees

All figures are exclusive of VAT (USD thousand)	1 January - 31 December 2024	2023
Auditor fees	-273	-284
Other financial audit services	-17	-17
Total auditing fees	**-290**	**-301**
Tax assistance	-65	-100
Other assistance	-	-
Total auditor fees	**-355**	**-401**

See Note 5 in the consolidated accounts for further information on administrative expenses.

Note 4
Other operating expenses

USD thousand	1 January - 31 December 2024	2023
Lease expense on buildings and equipment	-2,555	-2,831
Other office expenses	-69	19
IT expenses	-8,913	-9,187
Travel expenses	-1,541	-2,538
Legal expenses	-331	-880
Consultant fees	-2,002	-2,637
Other general and administrative costs	-1,092	-1,707
Total other operating expenses	**-16,503**	**-19,761**

Note 5
Net financial income/expenses

USD thousand	1 January - 31 December 2024	2023
Dividend and group contribution received from group companies	18,230	145,641
Interest income	28,812	25,742
Interest income from group companies	10,644	15,745
Other financial income	-	2,325
Total financial income	**57,686**	**189,453**
Interest expenses	-51,132	-42,490
Interest expenses group companies	-4,766	-2,107
Loss on foreign exchange	-2,741	-3,521
Reversal of impairment/impairment of financial assets	34,303	-33,116
Other financial expenses	-4,057	-3,097
Total financial expenses	**-28,393**	**-84,331**
Net financial income/expenses	**29,293**	**105,122**

In 2024, the reversal of impairment on financial assets was related to shares in DNO North Sea plc, while the impairment was related to shares in DNO Yemen AS. In 2023, the impairment of financial assets was related to shares in DNO Yemen AS. Other financial expenses in 2024 and 2023 were mainly related to amortization of bond issue costs.

Note 6
Taxes

Tax income/expense

USD thousand	1 January - 31 December 2024	2023
Change in deferred taxes	-	-
Income tax receivable/payable	-	-
Tax income/expense	**-**	**-**

Reconciliation of tax income/expense

USD thousand	1 January - 31 December 2024	2023
Profit/loss before income tax	**14,123**	**86,701**
Expected income tax according to nominal tax rate of 22 percent	-3,107	-19,074
Foreign exchange variations between functional and tax currency	-805	-929
Adjustment of deferred tax assets not recognized	-3,566	-4,357
Impairment financial assets	7,985	-7,016
Tax-free dividend from subsidiaries	-	21,915
Other items	-507	9,462
Tax income/expense	**-**	**-**
Effective income tax rate	**0%**	**0%**

Tax effects of temporary differences and losses carried forward

USD thousand	Years ended 31 December 2024	2023
Losses carried forward	67,741	78,528
Non-deductible interests carried forward	22,885	25,541
Other temporary differences	489	-270
Deferred tax assets/liabilities	91,115	103,799
Valuation allowance	-91,115	-103,799
Net deferred tax assets/liabilities	**-**	**-**
Recognized deferred tax assets	-	-
Recognized deferred tax liabilities	-	-

The corporate tax rate in Norway is 22 percent.

The carry forward period for unused losses in Norway is indefinite. Non-deductible interest expense can be carried forward for a period of up to 10 years and will expire in the period 2026 to 2031. A deferred tax asset has not been recognized for these losses as there is uncertainty regarding future taxable profits. The losses cannot be used towards petroleum activities on the NCS. The petroleum activities carried out abroad by Norwegian subsidiaries are tax exempt in Norway and under the exemption method dividends from subsidiaries are not taxable in Norway.

Note 7

Property, plant and equipment/Intangible assets

USD thousand	Intangible assets	PP&E	Total
Costs as of 1 January 2024	15,626	4,132	19,758
Additions	-	1,089	1,089
Costs as of 31 December 2024	**15,626**	**5,221**	**20,847**
Accumulated depreciation as of 1 January 2024	-12,491	-3,576	-16,067
Depreciation	-1,308	-372	-1,680
Accumulated depreciation and impairments as of 31 December 2024	**-13,799**	**-3,948**	**-17,747**
Book value as of 31 December 2024	**1,827**	**1,273**	**3,100**
Book value as of 31 December 2023	2,976	556	3,532

Intangible assets and PP&E are depreciated using the linear method based on estimated useful life of three to seven years.

Note 8

Investment in shares

Subsidiaries owned by the Company	Office	Ownership and voting interest (percent)	Share capital in 1,000	Book equity in USD 1,000	Net profit/ -loss in USD 1,000	Book value of shares USD 1,000
DNO Yemen AS*	Norway	100	NOK 291,000	-9,461	-2,287	-
DNO UK Limited	UK	100	GBP 100	-139	-8	-
DNO Iraq AS	Norway	100	NOK 1,200	816,265	-48,204	279,848
DNO Mena AS	Norway	100	NOK 2,000	2,800	1,068	1,904
DNO Technical Services AS	Norway	100	NOK 200	5,122	295	4,982
DNO North Sea plc	UK	100	GBP 37,289	194,517	54,333	194,485
Mondoil Enterprises LLC	United States	100	USD 1	102,639	4,763	78,976
Total				**1,111,743**	**9,960**	**560,194**

* Production start-up at the Block 47 in Yemen remains on hold due to force majeure.

The equity and profit/loss figures for the subsidiaries listed in the table above are presented as reported for consolidation purposes. For subsidiaries that own other entities, the figures also include the equity and profit/loss of those subsidiaries. Statutory accounts for the subsidiaries are finalized after the release of the parent company accounts.

Note 9
Other receivables

USD thousand	Years ended 31 December 2024	2023
Prepayments and accrued income	5,837	5,908
Other short-term receivables	982	568
Other receivables	**6,819**	**6,476**

Note 10
Cash and cash equivalents

USD thousand	Years ended 31 December 2024	2023
Cash and cash equivalents, restricted	1,918	2,187
Cash and cash equivalents, non-restricted	744,289	458,975
Total cash and cash equivalents	**746,207**	**461,162**

Restricted cash relates to employees' tax withholdings and deposits for rent.

Non-restricted cash is mainly related to bank deposits in USD as of 31 December 2024.

Included in the non-restricted cash and cash equivalents as of 31 December 2024 is USD 304.0 million held on fixed interest time deposit contracts with different duration and maturity dates up to 14 February 2025.

Note 11
Equity

USD thousand	Share capital registered	Treasury shares	Total share capital	Share premium	Retained earnings	Total equity
Shareholders' equity as of 1 January 2023	34,777	-869	33,908	343,620	263,270	640,798
Purchase of treasury shares	-	-1,050	-1,050	-	-49,546	-50,596
Dividend	-	-	-	-	-66,133	-66,133
Additional dividend	-	-	-	-	-23,089	-23,089
Profit/loss for the year	-	-	-	-	86,701	86,701
Cancellation of treasury shares	-1,919	1,919	-	-	-	-
Shareholders' equity as of 31 December 2023	**32,858**	**-**	**32,858**	**343,620**	**211,202**	**587,680**
Shareholders' equity as of 1 January 2024	32,858	-	32,858	343,620	211,202	587,680
Dividend	-	-	-	-	-78,775	-78,775
Additional dividend	-	-	-	-	-26,860	-26,860
Profit/loss	-	-	-	-	14,123	14,123
Shareholders' equity as of 31 December 2024	**32,858**	**-**	**32,858**	**343,620**	**119,690**	**496,168**

See Note 17 in the consolidated accounts for further information regarding the Company’s equity and shareholders.

During 2024, the Board of Directors based on AGM authorizations, approved four dividend distributions, respectively two with NOK 0.25 and two with NOK 0.3125 per share, each. The dividends were paid in May, August and November 2024.
On 6 February 2025, the Company announced that pursuant to the authorization granted at the 2024 AGM, the Board of Directors approved a dividend payment of NOK 0.3125 per share which was made on 21 February 2025.
The Company has made an accrual for this dividend in the parent company accounts at yearend 2024.

Note 12
Guarantees, leasing liabilities and commitments

See Note 24 in the consolidated accounts for information regarding other guarantees and commitments.

The Company's future minimum lease payments under non-cancellable operating leases are related to office rent. The lease period expires on 31 December 2031 and the yearly rent is USD 1.6 million.

Note 13
Interest-bearing liabilities

USD thousand	Ticker OSE	Facility currency	Facility amount	Interest (percent)	Maturity	Effective interest rate (percent)	Fair value 2024	Fair value 2023	Carrying amount 2024	Carrying amount 2023
Non-current										
Bond loan (ISIN NO0011088593)	DNO04	USD	350,000	7.875	09.09.26	8.8	352,405	378,140	350,000	400,000
Bond loan (ISIN NO0013243766)	DNO05	USD	400,000	9.250	04.06.29	10.0	410,020	-	400,000	-
Capitalized borrowing issue costs							-	-	-8,626	-6,819
Total non-current interest-bearing liabilities							**762,425**	**378,140**	**741,374**	**393,181**
Current										
Bond loan (ISIN NO0010852643)	DNO03	USD	131,162	8.375	29.05.24	9.0	-	130,895	-	131,162
Total current interest-bearing liabilities							**-**	**130,895**	**-**	**131,162**
Total interest-bearing liabilities							**762,425**	**509,035**	**741,374**	**524,343**

See Note 18 in the consolidated accounts for further information on interest-bearing liabilities.

Note 14
Current liabilities

USD thousand	Years ended 31 December 2024	2023
Trade payables	1,856	1,986
Public duties payable	1,709	2,007
Accrued expenses and other current liabilities	16,436	11,300
Trade payables and provisions for other liabilities and charges	**20,001**	**15,293**

Accrued expenses and other current liabilities include accrued interest for bond loans of USD 4.3 million (USD 2.8 million in 2023) and accruals for incurred costs of USD 12.2 million (USD 8.5 million in 2023).

Note 15
Financial instruments

See Note 23 in the consolidated accounts for information on financial instruments.

Note 16

Related party disclosure

Overhead expenses and IT-services in the parent company are allocated to the subsidiaries based on their proportional use of the services provided by the parent company.

See Note 19 for intercompany transactions during the year and balances at yearend.

Note 17

Significant events after the reporting date

See Note 24 and Note 29 in the consolidated accounts for information on contingencies and events after the balance sheet date.

Note 18

Earnings per share

	1 January - 31 December	
USD thousand	**2024**	**2023**
Net profit/loss attributable to ordinary equity holders of the parent	14,123	86,701
Weighted average number of ordinary shares (excluding treasury shares) (millions)	975.00	980.04
Earnings per share, basic (USD per share)	0.01	0.09
Earnings per share, diluted (USD per share)	0.01	0.09

The Company did not have any potential dilutive shares at yearend 2024.

Note 19
Intercompany

Long-term intercompany receivables/liabilities

Years ended 31 December

USD thousand	Functional currency	Receivables 2024	Receivables 2023	Liabilities 2024	Liabilities 2023
DNO Iraq AS	USD	-	61,586	138,733	-
DNO Mena AS	USD	3,022	2,684	-	-
DNO Norge AS	NOK	19,617	10,823	-	-
DNO North Sea plc	USD	83,282	83,514	-	-
DNO Technical Services AS	USD	-	306	-	-
Total long-term intercompany receivables and liabilities		**105,921**	**158,913**	**138,733**	**-**

Except for loans to companies with exploration activities, the intercompany receivables and liabilities are interest bearing. The intercompany interest rates used by DNO ASA and its subsidiaries are set at arm's length.

Short-term intercompany receivables/liabilities

Years ended 31 December

USD thousand	Functional currency	Receivables 2024	Receivables 2023	Liabilities 2024	Liabilities 2023
DNO Iraq AS	USD	5,649	3,665	-	-
DNO Mena AS	USD	123	98	-	-
DNO Norge AS	USD/NOK	2,436	437	-	-
DNO North Sea Plc	GBP	1,972	2,109	-	-
DNO North Sea (U.K.) Limited	GBP	44	19	-	-
DNO Technical Services AS	USD	217	-	-	896
West Limited	USD	-	-	7,067	-
South Limited	USD	-	222	-	5,248
Other	USD	10	37	34	-
Total short-term intercompany receivables and liabilities		**10,451**	**6,586**	**7,101**	**6,144**

Intercompany sales/purchases

1 January - 31 December

USD thousand	Functional currency	Sales 2024	Sales 2023	Purchases 2024	Purchases 2023
DNO Iraq AS	USD	17,760	9,140	-59	-
DNO Norge AS	USD	5,651	3,139	-1,904	-1,864
DNO North Sea plc	USD	171	276	-	-
DNO North Sea (U.K.) Limited	USD	122	29	-	-
DNO North Sea (ROGB) Limited	USD	-	12	-	-
West Limited	USD	38	5	-	-
South Limited	USD	20	27	-	-
DNO Technical Services AS	USD	944	12,120	-2,351	-2,936
DNO Yemen AS	USD	341	207	-	-
Other	USD	83	75	-	-
Total intercompany sales/purchases		**25,130**	**25,029**	**-4,314**	**-4,800**

The Company's other related parties consist of other subsidiaries in the Group.

Intercompany interest income/expense, dividend and group contribution

1 January - 31 December

USD thousand	Functional currency	Interest income, dividend and group contribution 2024	2023	Interest expense 2024	2023
DNO Technical Services AS	USD	154	306	-	-
DNO Iraq AS	USD	8,364	142,078	-4,206	-1,648
DNO North Sea Plc	USD	-	-	-	-459
DNO Mena AS	USD	351	193	-	-
DNO Norge AS	USD	12,078	10,255	-	-
DNO North Sea Plc	USD	7,927	8,554	-	-
West Limited	USD	-	-	-163	-
South Limited	USD	-	-	-397	-
Total intercompany interest income/expense		**28,874**	**161,386**	**-4,766**	**-2,107**

See Note 5 for more details on financial items.

Country-by-Country report 2024

In line with the Norwegian Accounting Act and Norwegian Securities Trading Act, the Company has prepared a country-by-country report for its activities in the extractive industries, including information on investments, revenue, production, cost and the number of employees in each country of operation by subsidiary. Among other requirements, total payments to governmental bodies during the financial year must be broken down by country and by payment type.

Additional information regarding the Group's performance in each geographic area can be found in Note 2 Segment information. A complete list of the Group's oil and gas license portfolio is disclosed in Note 28.

(USD million) License, legal entity level and country/region of operation[1]	Country of incorpor-ation[2]	Royalty[3]	Net produc-tion[4]	Corporate income tax[5]	Special tax[6]	Area fee[7]	Contractual bonuses[8]	Invest-ments[9]	Revenue[10]	Expend-iture[11]	Net inter-comp-any interest[12]	Profit/loss before tax[10]	Tax income/expense[13]	Equity[10]	Employees[14]
Tawke		-99.6	58,961	-	-471.4	-0.0	-1.0	-	-	-	-	-	-	-	
Baeshiqa		-0.0	3	-	-0.0	-0.0	-0.6	-	-	-	-	-	-	-	
DNO Iraq AS	Norway	-	-	-	-	-	-	45.4	230.8	-201.6	-	-48.2	-	816.3	
Total Kurdistan region of Iraq		**-99.6**	**58,965**	**-**	**-471.5**	**-0.1**	**-1.6**	**45.4**	**230.8**	**-201.6**	**-**	**-48.2**	**-**	**816.3**	**796**
DNO Norge AS	Norway	-	13,057	-0.8	-	-1.9	-0.2	263.0	387.3	-275.0	2.2	108.6	-72.9	229.9	
Total Norway (NCS)		**-**	**13,057**	**-0.8**	**-**	**-1.9**	**-0.2**	**263.0**	**387.3**	**-275.0**	**2.2**	**108.6**	**-72.9**	**229.9**	**143**
DNO North Sea (U.K.) Limited	UK	-	505	-	-	-0.0	-	4.0	13.5	-5.0	-	3.8	-	-237.7	
DNO North Sea (ROGB) Limited	UK	-	49	-	-	-	-	-1.4	1.2	-1.3	-	1.3	-	-82.5	
DNO Exploration UK Limited	UK	-	1,591	-	-	-	-	1.8	34.0	-16.5	-3.3	-28.3	51.9	21.9	
Total United Kingdom (UKCS)		**-**	**2,144**	**-**	**-**	**-0.0**	**-**	**4.4**	**48.7**	**-22.8**	**-3.3**	**-23.2**	**51.9**	**-298.4**	**-**
DNO Yemen AS	Norway	-	-	-	-	-	-	-	-	-2.3	-	-2.3	-	-9.5	
Total Yemen		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-2.3**	**-**	**-2.3**	**-**	**-9.5**	**2**
DNO Mena AS	Norway	-	-	-	-	-	-	-	-	-0	-	-0.0	-	1.7	-
DNO ASA	Norway	-	-	-	-	-	-	0.8	25.1	-39.5	7.4	15.1	-	523.5	55
DNO Technical Services AS	Norway	-	-	-	-	-	-	0.1	22.0	-21.9	-	0.3	-	5.1	71
DNO North Sea plc	UK	-	-	-	-	-	-	-	-	-0.3	-7.9	-21.1	-	333.7	3
DNO UK Limited	UK	-	-	-	-	-	-	-	-	-0.0	-	-0.0	-	-0.1	
Mondoil Enterprises LLC	US	-	3,103	-	-	-	-	-	-	-0.0	-	4.8	-	88.9	
Other *		-	-	-	-	-	-	-	-	-0.1	0.6	3.6	-	5.9	-
Total Other		**-**	**3,103**	**-**	**-**	**-**	**-**	**0.8**	**47.2**	**-61.8**	**0.1**	**2.7**	**-**	**958.6**	**129**
Eliminations/ Intercompany		-	-	-	-	-	-	-	-47.2	42.6	1.0	-50.9	7.2	-616.9	
GRAND TOTAL		**-99.6**	**77,269**	**-0.8**	**-471.5**	**-2.0**	**-1.8**	**313.6**	**666.8**	**-520.9**	**-**	**-13.3**	**-13.8**	**1,080.0**	**1,070**

* Other includes subsidiaries of DNO ASA that did not hold oil and gas licenses during the year and equity accounted investments.

1 Country/region of operation is the country where the company carries out its main activity
2 Country of incorporation is the jurisdiction in which the legal entity is registered
3 Royalty is a fee payable to the Kurdistan Regional Government (KRG) before distribution of cost oil and profit oil
4 Net production in barrels of oil equivalent per day (boepd)
5 Corporate tax received/paid during the year
6 Special tax received/paid during the year. In Kurdistan, special tax represents Group's share of government take
7 Area fee in Kurdistan and Norway
8 Contractual bonuses include environment funds, training funds and rental fees in Kurdistan. In Norway, the amount is related to environmental fund (NOx fund)
9 Investments as presented in the consolidated financial statements and include estimate changes in asset retirement obligations
10 Revenues, expenditure, profit/loss before tax and equity at entity level in accordance with the accounting principles in the consolidated financial statements and include intercompany transactions. Audit of statutory financial statements has not been completed at the time of issuing this report
11 Expenditure as presented in accordance with the accounting principles in the consolidated financial statements and includes cost of goods sold, administrative expenses, other operating expenses and exploration costs expensed including intercompany transactions
12 Net intercompany interest income/expense to/from Group companies incorporated in another jurisdiction
13 Tax income/expense for the year
14 Number of employees at yearend

Auditor's report 2024

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Medlemmer av Den norske Revisorforening

To the General Meeting in DNO ASA

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of DNO ASA (the Company) which comprise:

- The financial statements of the Company, which comprise the balance sheet as at 31 December 2024. the income statement and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of the Group, which comprise the statement of financial position as at 31 December 2024, statement of comprehensive income, cash flow statement and statement of changes in equity for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group 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)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 54 years from the election by the general meeting of the shareholders on 6 August 1971 for the accounting year 1971 (with at renewed election on the June 2002).

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Auditor's report 2024

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverable amount of Kurdistan Regional Government ("KRG") trade receivables

Basis for the key audit matter

DNO has interests in two licenses in Kurdistan through Production Sharing Contracts ("PSCs") and has based its entitlement calculations on the terms of these PSCs. On 25 March 2023, the Iraq-Türkiye Pipeline ("ITP") was shut down. As of the reporting date, the ITP remains closed, and the production from the Tawke license is sold locally. As of 31 December 2024, the outstanding KRG trade receivables, related mainly to past oil sales in 2022 and 2023, amounted to USD 335.7 million. These receivables are past due, but the Company expects full recovery and has thus not recognized any allowance for expected credit loss. After adjusting for the time value effect of USD 32.4 million and offsetting of trade payable/ liabilities of USD 37.6 million, the total book value of the KRG trade receivables is USD 265.4 million. Of the total receivables, USD 98.2 million is classified as non-current.

Management performed an assessment of recoverability of the notional outstanding amount including any expected credit loss and the estimated present value of future cash inflows. The key inputs applied in the calculation of the present value of these trade receivables included forecasted production, oil prices and discount rate.

Because of the magnitude of the outstanding receivables as well as the significant judgement involved in management's estimation of present value and if any expected credit loss should be recognized, we determined the valuation of the KRG trade receivables to be a key audit matter.

Our audit response

As part of our audit procedures, based on relevant external and internal information, we obtained an understanding about management's assessment of KRG's ability and willingness to repay the outstanding arrears entirely and whether there is any expected credit loss. We further assessed management's scenario based present value calculation. We evaluated management's present value calculation with assumed commencement of export sale, forecasted oil prices and applied discount rate. Further, we tested the mathematical accuracy of the model, including the time value effect. Moreover, we assessed the presentation and classification in the Consolidated statements of financial position.

Refer to the disclosures included in Note 3 Revenues, Note 15 Other non-current receivables/Trade and other receivables, Note 23 Financial Instruments and Note 29 Significant events after the reporting date.

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Acquisition of Arran and Norne Area

Basis for the key audit matter
On 15 May 2024, the Group completed the acquisition of a 25 % interest in the producing Arran field on UK Continental Shelf for a cash consideration. On 30 August 2024, the Group completed the acquisition of interests in five oil and gas fields in the Norne Area on the Norwegian continental shelf) for a cash consideration and transfer to the seller of the Group's interest in the Ringhorne East field ("RHE").

The acquisitions were determined to constitute business combinations and have been accounted for using the acquisition method in accordance with IFRS 3. The disposal of the interest in RHE resulted in a gain of USD 3 million, measured based on the fair value of the interest

The purchase price allocations ("PPA") and the measurement and determination of fair values required financial modelling of the cash flows relating to each tangible assets acquired or disposed, and abandonment provision assumed, including tax effects. This required a number of estimates and judgements to be applied including:

- Oil and gas reserves and forecasted production profiles,
- Price curves for oil and gas,
- Forecasted operating, abandonment and tax expenditures,
- Future foreign exchange rates and discount rates

Due to the significant value the investments represent in the balance sheet, and the applied level of management judgement in determining the fair value of the assets acquired and liabilities assumed from the transaction, including the valuation of the transfer of interest in RHE this was considered to be a key audit matter.

Our audit response
We obtained and read the purchase agreements and discussed the details of the transactions and the related accounting impacts with management. We evaluated the methodology used against the requirements under IFRS.

For the values allocated to property, plant and equipment based on the net present value after tax of future estimated cash flows, we assessed for used near term oil and gas prices applied, we compared prices for the first years to market forward prices and the long-term prices were compared against peers and other external sources. We assessed the future foreign exchange rates and discount rates applied with reference to market data. We performed selected procedures to assess the estimated future cash flows related to production profiles and operating expenditures in the Group's internal valuation model.

We reconciled management estimates for abandonment provision against estimates from operators and tested for mathematical accuracy.

We obtained a calculation from management of deferred and payable taxes as part of the business combinations. We tested the mathematical accuracy of the tax calculations, and the assumptions used and examined the application of tax regulations. We further tested the technical goodwill equaled the deferred taxes.

We evaluated the appropriateness of the related note disclosures against IFRS requirements. Refer to the disclosures included in Note 12 Business combinations for a description of the business combination and how the Group has accounted for the PPAs.

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Valuation of oil & gas PPE assets and related goodwill

Basis for the key audit matter

Property, plant & equipment ("PPE") and related goodwill amounts to USD 1,211.5 million as of 31 December 2024, of which USD 645.2 million relates to the North Sea segment and USD 552.2 relates to the Kurdistan segment. During 2024, impairments of USD 57 million have been recognized related to the North Sea segment. In the Kurdistan segment, an impairment amounting to USD 89 million was recorded on the Baeshiqa license.

Oil and gas assets and related goodwill in the North Sea segment were initially recognized at fair value as part of a business combinations in 2019 related to the Faroe acquisition and in 2024 for the Arran and Norne acquisitions.

Management concluded that impairment indicators existed due to results from well testing programs on the Baeshiqa license and impairment test was performed. The estimated recoverable amount was below the carrying amount and an impairment charge was recognized. In the North Sea segment, there were impairment indicators on certain assets that were tested for impairment. Triggers related mostly to upward revision of cost estimates related to decommissioning on certain licenses as well as update of assumptions for economic profile.

Because of the significant value of the oil and gas assets and the related goodwill, and the significant judgement and estimation uncertainty in the valuation, we have considered this a key audit matter.

Our audit response

We evaluated the estimated future production volumes and used in the forecasted cash flows against external and internal reserve reports, and we assessed commodity prices against available market information. Furthermore, we involved internal specialists in assessing management's estimated weighted average cost of capital including country risk premiums, and we compared the input against available market information.

Additionally, we evaluated the professional qualifications and objectivity of the external reserve experts used by management by among others conducting meetings with the external experts. We also analyzed the sensitivity of key assumptions used in the valuation model and assessed historical accuracy of cash flows applied by management. We tested the mathematical accuracy of the valuation models.

Refer to the disclosures included in Note 9 Intangible assets, Note 10 Property, plant and equipment and Note 11 Impairments.

Other information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises annual report, except the financial statements and the associated auditor's report. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or

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our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly for the statement on Corporate Governance and for the report on payments to governments.

Our statement that the Board of Directors' report contains the information required by applicable law does not cover the sustainability report, for which a separate assurance report is issued.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of DNO ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXH3K072-2024-12-31-0-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (the ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

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Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 2 April 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Jon-Michael Grefsrød
State Authorised Public Accountant (Norway)

Sustainability auditor's limited assurance report 2024

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Statsautoriserte revisorer
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Medlemmer av Den norske Revisorforening

To the General Meeting in DNO ASA

INDEPENDENT SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of DNO ASA («the Company») included in Sustainability Statement of the Board of Directors' report (the "Sustainability Statement"), as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in the IRO management section, and
- compliance of the disclosures in the Taxonomy disclosure section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Sustainability auditor's responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, 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.

Other matter

The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Responsibilities for the Sustainability Statement

The Board of Directors and Managing Director (management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance

Sustainability auditor's limited assurance report 2024

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with the ESRS and for disclosing this Process in the IRO management section of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Company's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in the Taxonomy disclosure section of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability auditor's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in description of the process set out in the in the IRO management section.

Our other responsibilities in respect of the Sustainability Statement include:

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- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents), and
  - reviewing the Company's internal documentation of its Process, and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in in the IRO management section.

In conducting our limited assurance engagement, with respect to the consolidated Sustainability Statement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Sustainability Statement by
  - obtaining an understanding of the Company's control environment, processes, control activities and information system relevant to the preparation of the consolidated Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control; and
  - obtaining an understanding of the Company's risk assessment process.
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;

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- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and
- Performed inquiries of relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Oslo, 2 April 2025
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The assurance report has been signed electronically

Jon-Michael Grefsrød
State Authorised Public Accountant (Norway) - Sustainability Auditor

Alternative performance measures

DNO discloses alternative performance measures (APMs) as a supplement to the Group's financial statements prepared based on issued guidelines from the European Securities and Markets Authority (ESMA). DNO believes that the APMs provide useful supplemental information to management, investors, securities analysts and other stakeholders and are meant to provide an enhanced insight into the financial development of DNO's business operations, financing and future prospects and to improve comparability between periods. Reconciliations of relevant APMs, definitions and explanations of the APMs are provided below.

EBITDA

USD million	2024	2023
Revenues	666.8	667.5
Lifting costs	-175.5	-191.7
Tariffs and transportation	-49.4	-32.4
Movement in overlift/underlift	2.1	5.6
Share of profit/loss from Joint Venture	3.3	11.9
Exploration expenses	-88.9	-47.7
Administrative expenses	-23.5	-23.3
Other operating income/expenses	-1.6	-6.2
EBITDA	**333.3**	**383.8**

EBITDAX

USD million	2024	2023
EBITDA	333.3	383.8
Exploration expenses	88.9	47.7
EBITDAX	**422.2**	**431.5**

Lifting costs

	2024	2023
Lifting costs (USD million)	-175.5	-191.7
Net production (MMboe)*	27.1	17.9
Lifting costs (USD/boe)	**6.5**	**10.7**

* For accounting purposes, the net production from equity accounted investments is not included.

Capital expenditures

USD million	2024	2023
Purchases of intangible assets	-87.2	-114.6
Purchases of tangible assets	-199.8	-163.6
Capital expenditures*	**-287.0**	**-278.3**

* Exclude estimate changes on asset retirement obligations.

Operational spend

USD million	2024	2023
Lifting costs	-175.5	-191.7
Tariff and transportation expenses	-49.4	-32.4
Exploration expenses	-88.9	-47.7
Exploration cost previously capitalized carried to cost (Note 6 in the consolidated accounts)	37.7	6.0
Capital expenditures	-287.0	-278.3
Payments for decommissioning	-4.9	-17.9
Operational spend	**-568.0**	**-561.9**

Alternative performance measures

Equity

USD million	2024	2023
Total equity	1,080.0	1,234.8
Total assets	2,966.1	2,638.3
Equity ratio	**36.4%**	**46.8%**

Free cash flow

USD million	2024	2023
Net cash from/used in operating activities*	413.0	194.1
Capital expenditures	-287.0	-278.3
Payments from license transactions	-84.8	-5.1
Payments for decommissioning	-4.9	-17.9
Equity contribution into Joint Venture (Note 13)	-9.4	-6.9
Dividends from Joint Venture (Note 13)	31.8	27.1
Free cash flow	**58.8**	**-86.8**

Net debt

USD million	2024	2023
Cash and cash equivalents	899.0	718.8
Bond loans and reserve based lending	800.0	566.2
Net cash/debt (-)	**99.0**	**152.7**

Reserve Life Index (R/P)*

	2024	2023
Net production (MMboe)	28.3	19.1
1P reserves	178.9	206.4
2P reserves	281.9	290.1
3P reserves	340.1	360.5
1P Reserve Life Index (R/P in years)	**6.3**	**10.8**
2P Reserve Life Index (R/P in years)	**10.0**	**15.2**
3P Reserve Life Index (R/P in years)	**12.0**	**18.8**

* Net production and net reserves includes West Africa segment (equity accounted investment).

Definitions and explanations of APMs

ESMA issued guidelines on APMs that came into effect on 3 July 2016. The Company has defined and explained the purpose of the following APMs:

EBITDA (Earnings before interest, tax, depreciation and amortization)

EBITDA, as reconciled above, can be found by excluding the DD&A and impairment of oil and gas assets from the profit/loss from operating activities. Management believes that this measure provides useful information regarding the Group's ability to fund its capital investments and provides a helpful measure for comparing its operating performance with those of other companies.

EBITDAX (Earnings before interest, tax, depreciation, amortization and exploration expenses)

EBITDAX, as reconciled above, can be found by excluding the exploration expenses from the EBITDA. Management believes that this measure provides useful information regarding the Group's profitability and ability to fund its exploration activities and provides a helpful measure for comparing its performance with those of other companies

Alternative performance measures

Lifting costs (USD/boe)
Lifting costs comprise of expenses related to the production of oil and gas, including operation and maintenance of installations, well intervention activities and insurances. DNO's lifting costs per boe are calculated by dividing DNO's share of lifting costs across producing assets by net production for the relevant period. Management believes that the lifting cost per boe is a useful measure because it provides an indication of the Group's level of operational cost effectiveness between time periods and with those of other companies.

Capital expenditures
Capital expenditures comprise the purchase of intangible and tangible assets irrespective of whether paid in the period. Management believes that this measure is useful because it provides an overview of capital investments used in the relevant period.

Operational spend
Operational spend is comprised of lifting costs, tariff and transportation expenses, exploration expenses, capital expenditures and payments for decommissioning. Management believes that this measure is useful because it provides a complete overview of the Group's total operational costs, capital investments and payments for decommissioning used in the relevant period.

Equity
Management uses total equity and equity ratio to monitor capital and financial covenants. The equity ratio is calculated by dividing total equity by the total assets.

Free cash flow
Free cash flow comprises net cash from/used in operating activities less capital expenditures, payments for decommissioning and net cash received/paid from equity accounted investments. Management believes that this measure is useful because it provides an indication of the profitability of the Group's operating activities excluding the non-cash items of the income statement and includes operational spend. This measure also provides a helpful measure for comparing with that of other companies.

Net debt
Net debt comprises cash and cash equivalents less bond loans. Management believes that net debt is a useful measure because it provides indication of the minimum necessary debt financing (if the figure is negative) to which the Group is subject at the balance sheet date.

Reserve Life Index
The Reserve Life Index measures the length of time it will take to deplete a resource at given production rates. The ratio is used to measure how long an oil and gas field will last, or more precisely how long the Group's oil and gas reserves will last, and is calculated by dividing the quantity of reserves by the production of petroleum from those reserves during the relevant period.

Glossary and definitions

AED
United Arab Emirates dirham

AGM
Annual General Meeting

APIKUR
Association of the Petroleum Industry of Kurdistan

ASRR
Annual Statement of Reserves and Resources

bbls
Barrels of oil

bcf
billion cubic feet

Board of Directors
The Board of Directors of the Company

boe
Barrels of oil equivalent

bopd or boepd
Barrels of oil per day or barrels of oil equivalent per day

CAPM
Capital Asset Pricing Model

Company
DNO ASA

Contingent resources
Quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations but not currently considered to be commercially recoverable or where a field development plan has not yet been submitted

Contractor
A company or companies operating in a country under a PSC on behalf of the host government for which it receives either a share of production or a fee

Cost oil
Share of oil produced which is applied to the recovery of costs under a Production Sharing Contract

Crude oil, crude or oil
A mixture that consists mainly of pentanes and heavier hydrocarbons, which may contain sulphur and other non-hydrocarbon compounds, that is recoverable at a well from an underground reservoir and that is liquid at the conditions under which its volume is measured or estimated

DKK
Danish kroner

D&M
DeGolyer and MacNaughton

DD&A
Depreciation, depletion and amortization

DMA
Double materiality assessment

DNO
DNO ASA and its consolidated subsidiaries

Group
The Company and its consolidated subsidiaries

E&P
Exploration and production

EBITDA
Earnings before interest, tax, depreciation and amortization

EBITDAX
Earnings before interest, tax, depreciation, amortization and exploration expenses

ESMA
European Securities and Markets Authority

ESRS
European Sustainability Reporting Standards

EU
The European Union

EUR
Euros

Farm-in
To acquire an interest in a license from another party

Farm-out
To assign an interest in a license to another party

Gas
A mixture of light hydrocarbons that exist either in the gaseous phase or in solution in crude oil in reservoirs but are gaseous at atmospheric conditions

GBP
Pound sterling

HSSE
Health, safety, security and environment

Hydrocarbons
Compounds containing only the elements of hydrogen and carbon, which may exist as solid, liquid or gas

IAS/IFRS
International Financial Reporting Standards

IQD
Iraqi dinar

IRO
Impact, risk and opportunity

KRG
Kurdistan Regional Government

Kurdistan
Kurdistan region of Iraq

License or permit
Area of specified size licensed to a company by the government for production of oil or gas

MMbbls
Million barrels of oil

MMboe
Million barrels of oil equivalent

NCS
Norwegian Continental Shelf

Net entitlement
The portion of future production (and thus resources) legally accruing to a contractor under the terms of the development and production contract

Net entitlement reserves
Reserves based on net entitlement production

Net production
Production based on the participation interest in the license

Net reserves and resources
Reserves and resources based on the participation interest in the license

NOK
Norwegian kroner

Norwegian Public Limited Liability Companies Act
The Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 ("allmennaksjeloven")

Operator
A company responsible for managing an exploration, development, or production operation

Oslo Stock Exchange
Oslo Børs ASA

Petroleum
A complex mixture of naturally occurring hydrocarbon compounds found in rocks.

Glossary and definitions

PP&E
Property, plant and equipment

Profit oil
Production remaining after royalty and cost oil, which is split between the government and the contractors under a Production Sharing Contract

PSC
A Production Sharing Contract or PSC is an agreement between a contractor and a host government, whereby the contractor bears all risk and cost for exploration, development and production in return for a stipulated share of production

Royalty
Royalty refers to payments that are due to the host government or mineral owner in return for depletion of the reservoirs and the producer contractor for having access to the petroleum resources

RPS
RPS Energy Consultants

SPE
Society of Petroleum Engineers

UAE
The United Arab Emirates

UK
The United Kingdom

UKCS
The United Kingdom Continental Shelf

USD
United States dollar

WACC
Weighted Average Cost of Capital

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