Annual Report 2024

vår energi

Table of contents

Vår Energi

A leading pure-play E&P

Vår Energi ASA is committed to remain a long term, reliable provider of energy to Europe. It is a leading independent upstream oil and gas company on the Norwegian Continental Shelf (NCS), established in 2018. The Company, which is founded on more than 50 years of NCS operations, is set for growth and value creation; a robust and diversified asset portfolio with ongoing development projects centred around strategic hubs, and a strong exploration track record.

Vår Energi has around 1 400 employees, equity stakes in 41 producing fields and produced net 280 kboepd of oil and gas in 2024.

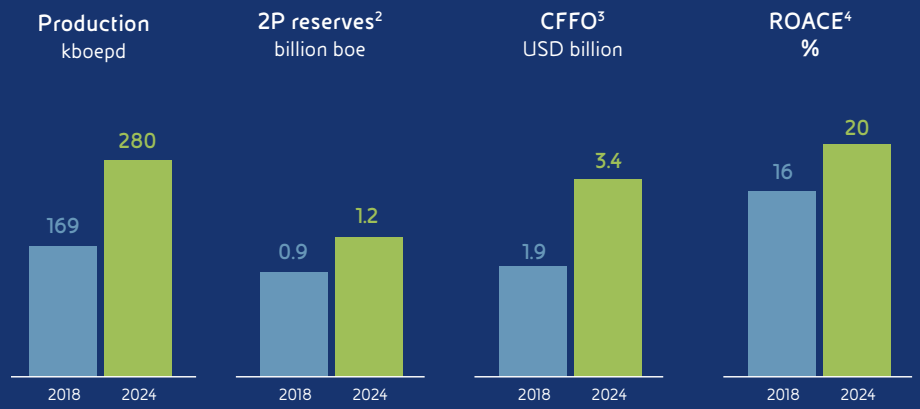
The Company is one of the world's fastest growing E&P companies globally, targeting to double production from 2023 levels to above 400 kboepd[1] in the fourth quarter of 2025. While rapidly increasing output, the target is to reduce unit production cost to approximately USD 10 per boe from around USD 13 per boe in 2024, as new projects come on stream and effects from improvement measures are realised.

Material cash flow generation and an investment grade balance sheet enable attractive and predictable dividend distributions. The Company declared USD 1 080 million in dividend for 2024. For 2025, Vår Energi further plans to distribute a dividend of USD 300 million for the first quarter. From 2025 and onwards, the Company has raised the dividend guidance to 25-30% of CFFO after tax, from 20-30% previously.

Vår Energi is listed on Oslo Stock Exchange (OSE) under the ticker "VAR". Vår Energi is committed to delivering a better future. The Company's ambition is to be the safest operator, the partner of choice and an ESG (environmental, social, governance) leader with a plan to become carbon neutral in net equity operational emissions by 2030.

To learn more, please visit: www.varenergi.no.

Track record of value creation



~85%

Total shareholder return since IPO[5]

[1]Net
[2]Proved plus probable (2P) reserves from Annual Statement of Reserves
[3]Earnings Before Interest, Taxes, Depreciation, Amortisation and Exploration Expense
[4]Return On Average Capital Employed
[5]Share price gain plus dividends reinvested in Vår Energi from 16 February 2022 to 31 December 2024

Building on more than 50 years of experience on the NCS

The name "Vår Energi" symbolises growth and a new beginning. Vår means both "our" and "spring" in Norwegian. Spring is the season for growth. The name also implies that the Company's employees and partners work together as a team to produce resources - and create value for shareholders and the Norwegian society.

The Company's heritage is built on over 50 years of operations on the NCS, including the very first licence issued in 1965 (PL001). Vår Energi AS was established in 2018 through the merger of Eni Norge AS and Point Resources AS.

Eni Norge AS was founded in 1965, while Point Resources AS was created through the merger of the HitecVision portfolio companies in 2016, which then acquired the Norwegian operated business of ExxonMobil in 2017. In 2019, the Company further proved its ability to execute complex transactions, with the acquisition of substantially all of ExxonMobil's non-operated assets on the NCS. Vår Energi was listed on the Oslo Stock Exchange in February 2022.

On 31 January 2024, Vår Energi ASA completed the acquisition of Neptune Energy Norge AS with 100% of the shares in Neptune Energy Norge AS transferred to Vår Energi ASA. Neptune Energy Norge AS changed name to Vår Energi Norge AS and subsequently merged with Vår Energi ASA. The combined company is the third largest producer on the NCS and one of the largest suppliers of gas from Norway to Europe. The transaction adds scale, diversification, and further longevity to Vår Energi's portfolio.

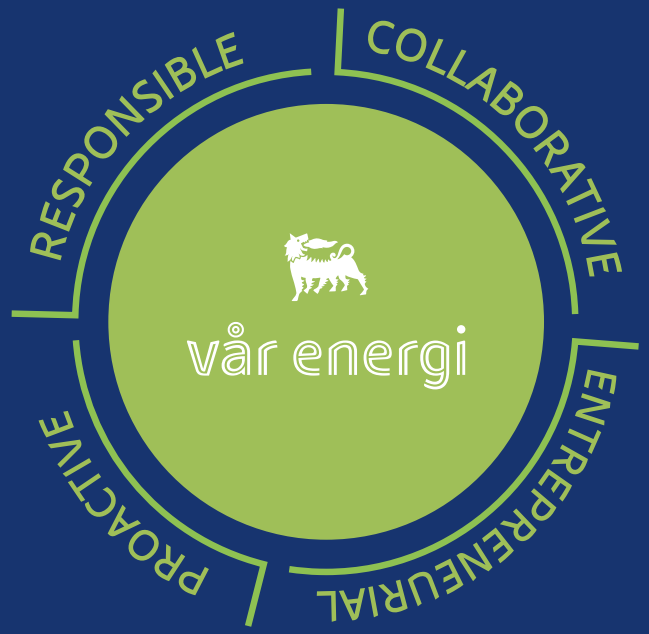
Vår Energi's strengths, competencies and best practices have been developed over time, and draws on the capabilities and expertise of Eni, the Company's majority shareholder.

2018
Vår Energi established

2019
Acquisition of ExxonMobil's non-operated NCS portfolio

2022
Vår Energi listed on Oslo Stock Exchange

2024
Acquisition of Neptune Energy Norge



Values

Vår Energi's values define the Company. They aim to support a common direction and reflect expected behaviour. The core values provide the foundation for how employees in Vår Energi work as one team and how the Company behaves and makes decisions. They set expectations for how results are achieved. The values also guide external partners on how the Company does business, and contractors and partners are expected to adhere to the values when cooperating with Vår Energi.

Vår Energi's four core values are;

Collaborative
We are one team, recognising one another's strengths - embracing diversity.
Our goal is to be partner of choice.

Entrepreneurial
We are bold, creative and new thinking.
We empower our people, giving them all the freedom and the challenge
to come up with new ideas.

Proactive
We challenge status quo, take initiative and address issues before they escalate.
We chase opportunities, manage risk and have clear priorities.

Responsible
We deliver on our promises and carry out duties with integrity
- with respect and in a safe and sustainable manner.

2024 highlights

January
- The Neptune Energy Norge acquisition closed 31 January 2024, and consolidated from 1 January 2024
- Awarded 16 new production licences, of which four as operator, in the 2023 Awards in Predefined Areas (APA)

April
- Confirmation of oil discovery in Ringhorne North exploration well in production licence PL 956

May
- Vår Energi joins the UN led initiative agreement with the Oil & Gas Methane Partnership (OGMP) to improve accuracy and transparency of methane emissions reporting
- Production start of the Eldfisk North project in the Ekofisk area
- Neptune Energy Norge integrated into Vår Energi, becoming one team

June
- Commercial oil and gas discovery in the Vår Energi operated Cerisa exploration well in production licence PL 636 in the Gjøa area in the North Sea
- Vår Energi extends gas sales agreement with VNG for an additional 12 years

July
- Start-up of production from Lavrans in the Kristin South project in the Norwegian Sea
- Vår Energi extends gas sales agreement with Eni for an additional 12 years

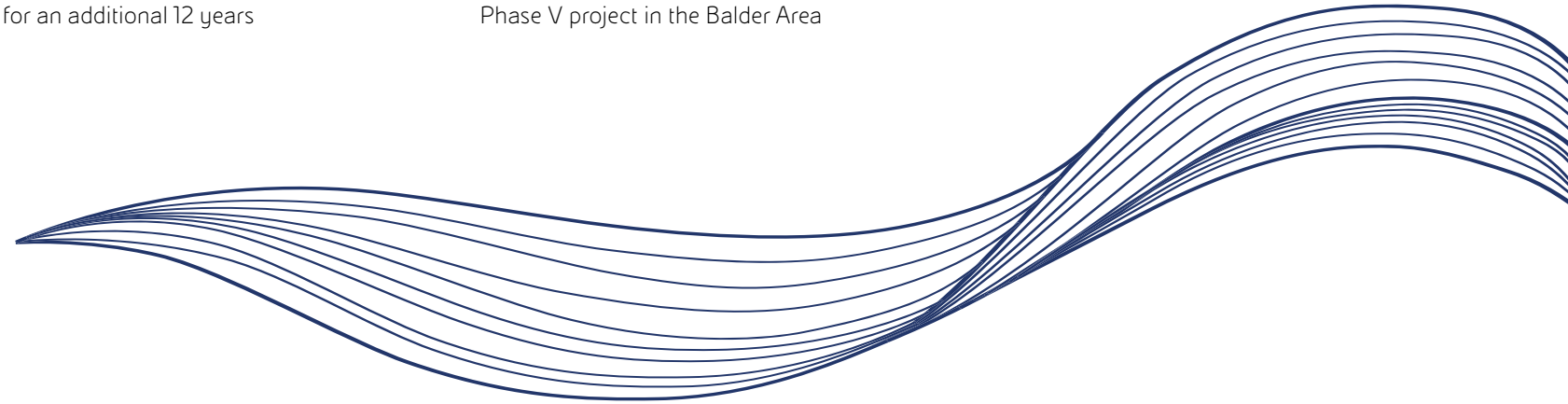
August
- Transaction of disposal for Norne area assets in the Norwegian Sea with an increased stake in the Ringhorne East unit as part of portfolio optimisation

September
- Successful anchoring of Johan Castberg at the field in the Barents Sea

October
- Final investment decision for the Balder Phase V project in the Balder Area

November
- Disposal of the mature producing Bøyla field located in the North Sea, as part of portfolio optimisation
- Commercial oil and gas discovery in the Equinor operated Rhombi well in the Fram licence (PL 090) in the North Sea

December
- Oil discovery in the operated Countach appraisal well in licence PL 229, near the Goliat field in the Barents Sea



2024 key figures

(2023)

Production
(kboepd)
280
(213)

Petroleum revenues
(USD million)
7 372
(6 816)

EBIT
(USD million)
3 790
(3 517)

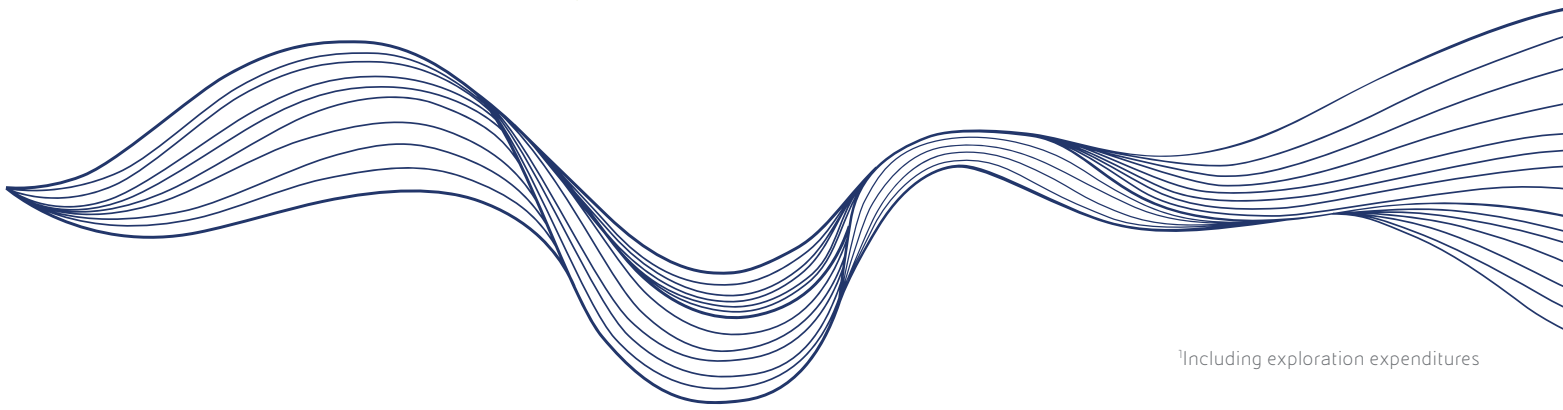
Profit before tax
(USD million)
3 313
(3 357)

CFFO
(USD million)
3 408
(3 420)

Capex
(USD million)
2 874[1]
(2 641)

FCF
(USD million)
533
(779)

NIBD/EBITDAX
0.8
(0.5)



[1]Including exploration expenditures

On track for transformational growth and value creation

2024 marks a year of impressive achievements for Vår Energi. As one of the world's fastest growing pure play E&P's we delivered strong financial and operational results, and we positioned the Company for transformational growth and value creation in 2025 - to be sustained long term.

Vår Energi is Norway's third largest oil and gas producer, with a well-balanced commodity mix and is a significant provider of natural gas to Europe, perfectly set to meet an ever-growing demand for energy. We are taking the necessary steps to ensure long term competitiveness by increasing efficiency, developing high quality projects, reducing both costs and climate emissions, as well as developing our highly skilled people and the organisation.

Our success is based on five key drivers.

- Firstly, we have an amazing, high-quality portfolio of assets across the attractive Norwegian Continental Shelf (NCS). This is our foundation to organically sustain production long term.
- Secondly, we are incrementally improving all parts of our business, with a dedication to become better, more streamlined and efficient.
- Thirdly, we are stepping up the pace - our mantra is "more, faster".
- Fourthly, we have an amazing team with an entrepreneurial focus and the capability to deliver on our strategy.
- Lastly, we have significant flexibility in our capital program.

The world is characterised by high geopolitical tension and uncertainty. Our response is building a company with the resilience and flexibility to prosper through oil and gas price cycles, ensuring continued high value creation for all stakeholders, which remains our strong commitment. Being able to navigate the complexities of today will be more important than ever.

The energy transition is happening, but we are increasingly of the view of that it will take longer than expected. The world needs access to reliable, decarbonised and affordable energy. Recent years have demonstrated the need for the for the latter, as affordable energy is vital for security, economic growth and prosperity. The political and social tensions of balancing these objectives are evident, as is the world's reliance on oil and gas.

In any scenario, significant investments in oil and gas developments are needed to secure the world's energy supply for decades.

CEO message continued

The NCS is one of best places in the world to invest in oil and gas. The reasons are very clear. It is characterised by some of the lowest costs and emissions in the world, with significant remaining resources and with a reliable and supportive fiscal and regulatory regime. Popular support remains strong as our industry contributes with significant industrial activity, employment and income to the nation, sustaining an attractive welfare system for all.

Furthermore, the NCS is close to key markets and is a significant supplier of gas to Europe, representing around 30% of supply.

In this context our strategy for growth and value creation remains simple and consistent: We are a pure play Norwegian oil and gas company and a reliable and secure supplier of energy to millions of Europeans and countless businesses. And we do it in a safe and responsible way.

In everything we do, value creation is our key focus. When we move more projects forward faster, step up exploration – recognised as the most successful explorer on the NCS in 2024 – implement new technology, invest to decarbonise and develop our people, we do it to create and maximise value for all stakeholders. Since listing on the Oslo Stock Exchange (OBX) in February 2022, we have consistently delivered high returns to our shareholders.

With strong cost discipline we continue to improve our business. In 2024 we reduced capital and operational expenditure below guided levels and we increased the synergies from the highly attractive Neptune Energy Norge acquisition to 600 million USD post tax. This means we can do more for less, increasing resilience and flexibility.

Creating value, however, only has real purpose as long as people return from work safely, and our ambition to be the safest operator remains firm. This is a strong focus across the organisation and we are pleased to see that our overall safety performance continued to improve in 2024, with no material safety or environmental incidents. While this is encouraging, it takes dedication and commitment from everyone every day.

We believe that those who can produce hydrocarbons with as little emissions and with as low cost as possible, will have a competitive advantage. That is why we will continue to decarbonise, and we aim to become carbon neutral in our net operational emissions by end of this decade. We are pleased to be recognised for our ESG leadership, ranked a "Top Rated Company", by Sustainalytics, placing Vår Energi among the top 10% of all global oil and gas companies. Also we are the only company in our industry included in the OBX ESG index – the top 40 ESG rated OBX companies.

With the Johan Castberg, Halten East and Balder X projects being the main drivers, Vår Energi is set for transformational growth in 2025, growing production to over 400 thousand barrels of oil equivalent per day (kboepd) in the fourth quarter, adding around 180 kboepd of new volumes at peak. However, this is just the start of a long and prosperous journey to sustain growth and value creation towards 2030 and beyond. Over the next five years we plan to invest up to USD 15 billion on the NCS, with a plan to drill over 130 infill wells and progress a pipeline of over 25 early phase short time to market subsea tie back projects accounting for resources of around 500 million barrels of oil equivalent. And we are stepping up the pace of exploration, with an ambition to drill 15 – 20 wells per year in the next period. All of this will be happening while we continue to optimise and improve.

We are indeed doing more, faster. And we have the people, equipment, partners and contracts in place to deliver.

The future for Vår Energi looks bright, we just need to deliver what is in our hands.

Nick Walker

CEO

Growth and value creation

Consistent strategy for growth and value creation

Oil and gas will remain essential for world energy supply for the next decades. Alternative sources alone will not cover the increasing global energy needs. Forecasts suggest demand for oil and gas will remain close to current levels towards 2050[1] and natural gas will become increasingly important as a transition fuel. In a turbulent and uncertain world, providing energy security is more important than ever. Preventing production decline and energy shortage due to natural depletion of reservoirs requires investments in new exploration and project developments.

At the same time, decarbonising the oil and gas industry is fundamental to maintain Vår Energi's position in the future energy picture. The winners will be those who can produce hydrocarbons with as little emissions and at the lowest cost possible.

Vår Energi believes the NCS is one of the best places in the world to produce hydrocarbons. The region is characterised by low cost, low emissions, a reliable framework and fiscal regime, combined with a significant resource base.

Vår Energi's strategy is a strong response to this context, ensuring growth and value creation, in a safe and responsible way, for all stakeholders in the long term.

This while providing Europe with secure and reliable energy, at a low cost, with low emissions and robust financials.

Pure play oil and gas company on the NCS

Reliable and secure supplier of energy to Europe

Safe and responsible

[1]IEA World Energy Outlook 2024, Stated policies scenario

The Norwegian Continental Shelf is highly attractive

The NCS is a unique place for value creation. It is demonstrated through a well-regulated oil and gas industry with industry-leading safety standards, fair working conditions and high ethical and governance frameworks.

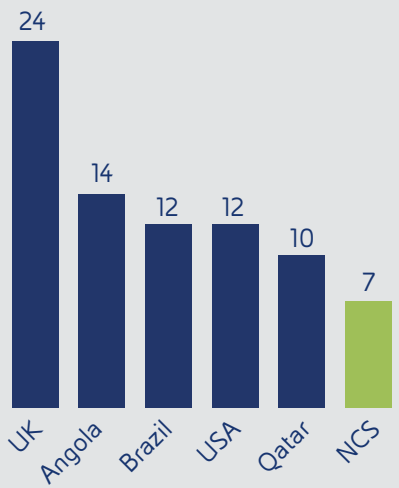
The NCS is also characterised by a reliable framework and fiscal regime, with strong public and political support.

The NCS is a solid ground for a pure play E&P company. After approximately 50 years of production, around 50% of the estimated oil and gas resources are yet to be produced, amounting to close to 50 billion barrels of oil equivalents. The NCS has potential for continued long-term value creation from the vast resources remaining.

Further, the NCS offers low production costs and carbon emissions per barrel, well below the global averages. The Transparency International's Corruption Perception Index ranks Norway among the most transparent countries in the world. The combination is distinctive and represents longevity. Vår Energi believes the NCS will bring energy security and value for decades to come.

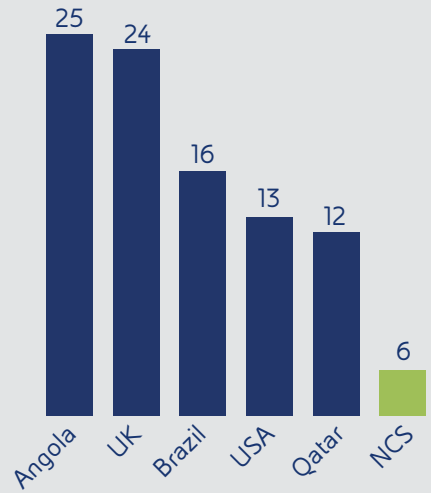
Low cost

Opex 2024 (USD/boe)[1]



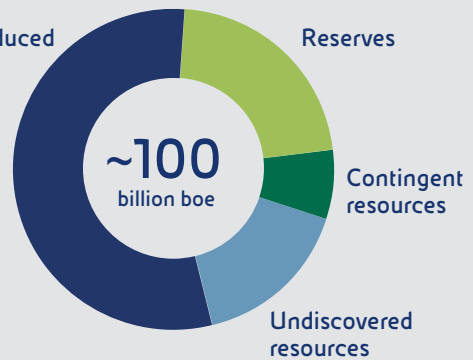
Low emissions

Carbon intensity 2024
(kg CO_2/boe produced)[1]



Significant resources[2]

(billion boe)



[1] Source: Rystad Energy estimates
[2] Source: Norwegian Offshore Directorate, Reserves Report 2024

Safe and responsible

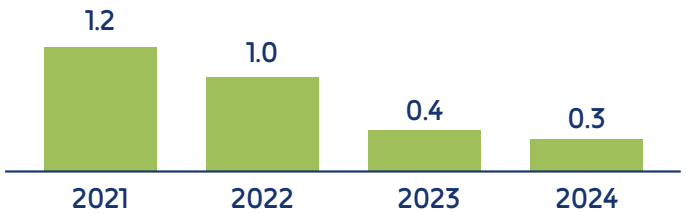
Safe and responsible operations is at the core of Vår Energi's strategy. Safety is a prerequisite for Vår Energi, and our licence to operate. The Company's ambition is to be the safest operator on the NCS. In 2024, the Company exhibited a reduction in the serious incidents frequency (SIF), a result of focused and relentless follow-up of key improvement areas.

Vår Energi collaborates with peer companies on the NCS on the Always Safe initiative to strengthen the industry's safety behaviour and culture. Through this joint effort, Vår Energi utilises the strength of standardisation, increasing the impact in the industry with partners, suppliers, and contractors.

Always Safe is a key enabler for becoming the safest operator on the NCS and the Company is proud to contribute with its expertise and experience in developing targeted learning packages.

Vår Energi believe in and support the Life Saving Rules as stated by the International Association of Oil & Gas Producers. The clear and internationally recognised rules are embedded in the Company's management system to provide workers with a simple set of actions to protect themselves and others from incidents and fatalities.

Serious incident frequency[1]



Zero
material safety or environmental incidents in 2024

[1] Per million manhours worked

The NCS exhibits low CO_2 emissions from production with an average of 6 kg CO_2 per barrel as compared to the global average of around 19 kg CO_2 per barrel[1]. The NCS is a global leader in electrified installations offshore, with an outlook of more than 80% of the production electrified in 2030[5].

Sustainability is an essential part of how Vår Energi conducts its business and is integrated in the Company strategy through the corporate governance system. Vår Energi supports the UN Sustainable Development Goals (SDGs) and use them as a framework for its sustainability approach; to create value for the Company's stakeholders, while respecting the environment, people, and the society.

It is Vår Energi's ambition to be an ESG leader on the NCS through safe, healthy and secure operations throughout the value chain, with minimal impact on the environment. This goes hand-in-hand with efficient operations, well executed projects and strong drilling and well operations. With safety comes quality, and with quality comes safety. Vår Energi achieve this through extensive collaborations and dialogue with highly skilled partners, suppliers, trade unions, and the authorities.

Vår Energi is committed to deliver a better future, working towards:

- a stable and secure energy supply with low greenhouse gas emissions
- responsible management of natural resources
- a solid flow of revenue for owners and the broader Norwegian society – based on increased energy production for customers in Europe

In January 2025, Vår Energi was recognised by Sustainalytics as an ESG Industry Top Rated company being top 10% in the industry, and the Company was, as the only E&P company, included on the ESG Index at the Oslo Stock Exchange in 2024.

Scope 1

Near zero
methane emission since 2024[2]

>50%
emission reduction by 2030[3,4]

Carbon neutrality
through quality carbon offsets by 2030

Scope 2

Zero emissions
since 2024

100%
of electricity consumption from operated assets certified renewable[5]

Scope 3

Carbon offsets
for own emissions in the value chain since 2024[6]

CCS optionality
Two operated licences

Inclusion in
OSEBX
ESG index

[1] Rystad Energy [2] Key performance indicator for Oil and Gas Climate Initiative's 2025 upstream methane target is well below 0.2%
[3] Equity share Scope 1 [4] Compared to 2005 baseline [5] Operational control net [6] Operational control net, up- and downstream transportation

"One team" entrepreneurial culture

Vår Energi is run by people. With the values and strategy as the foundation, people are working together as a strong team pulling in the same direction to achieve the Company's goals and to ensure growth and value creation. The Company and employees make a constant effort every day to achieve great things and to remain an attractive company to work for, to invest in and to partner with.

It's all about creating "One team" and fostering the entrepreneurial energy, where everyone can make a difference and contribute to value creation.

Vår Energi's team members are invaluable. Appreciating diversity in skills and employee development is crucial to the Company's success. Individual skill sets in teams are essential to high performance and long-term growth. The Company supports an entrepreneurial mindset and wants to create an environment where people can learn and develop.

That is why Vår Energi:

- Believes in learning and development
- Rewarding people with fair and adequate compensation that motivates and retain them
- Support and encourage mobility and development

Leadership in Vår Energi means driving success by providing direction, inspiration and empowering people, thereby building trust and high performing teams. Vår Energi continuously works to develop and maintain highly competent leaders who strive to obtain the business targets and Company vision.

Vår Energi is committed to making its workplace an environment where different perspectives are not just respected, but celebrated and included. The Company values each person's dignity and makes sure everyone has the same opportunities without any discrimination. Vår Energi is committed to creating a safe workplace and acknowledges the need for employees to have a balanced work-life.

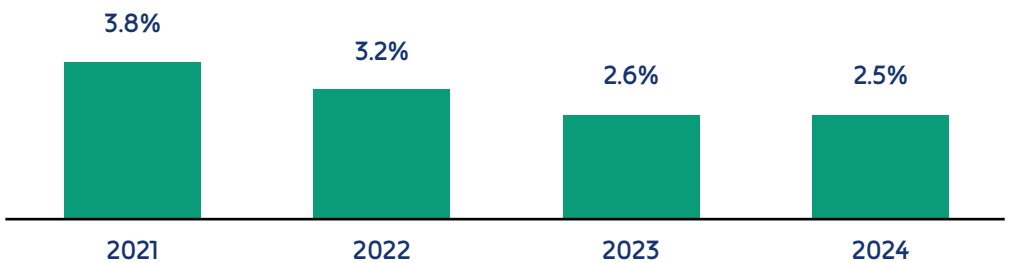
At year-end 2024, the total number of employees was around 1 400. More than 28% of the employees and 33% of the Executive Committee were female. Diversity and inclusion remain integral to the corporate agenda, including monitoring to ensure that equal work is compensated with equal pay.

Vår Energi's organisational model provides flexibility and productivity while developing individual capabilities. The model enables the Company to prioritise resources where they are needed the most, and at the same time provide growth and personal development.

The 2024 People Survey highlighted that Vår Energi's values and strategy are well-recognised and endorsed by employees. The overall company culture is perceived positively, with a high level of employee engagement reflected in an 82% response rate.

In 2024, Vår Energi welcomed over 300 new employees from Neptune Energy Norge, making the Company even bigger and stronger. New employees have reinforced the Company's culture and given valuable contributions to the ways of working.

Sick leave



Leveraging strong partnerships

Vår Energi aims to be the preferred partner in all activities. Vår Energi's suppliers and business partners are key to the Company's success and play a strong role in carrying out safe operations and delivering high-quality products and services.

Vår Energi

- Draws on the capabilities and expertise of the Company's major shareholder, Eni
- Has strong relationships with licence partners, in particular Equinor
- Works closely with suppliers and utilise strategic partnerships with top tier suppliers, amongst the best in their fields

The Company's strategic partnerships will help to accelerate its extensive subsea development portfolio, incrementally improve well deliveries and leverage standardisation and technology adoption. This will provide high flexibility, improved efficiency and quality, and cost-effectiveness across the value chain.

Photo: Lars Morken/Equinor

Johan Castberg FPSO

Delivering growth

Vår Energi has a tangible plan for growth and high value creation long into the future from a diversified high quality asset portfolio with a significant reserves and resource base.

In 2024, the Company delivered strong operational and financial performance and grew its annual production to 280 kboepd. A significant lever in the 2024 performance was the completion of the acquisition of Neptune Energy Norge AS, a transaction that added scale, diversification, and further longevity to Vår Energi's portfolio.

The Company has significantly expanded the reserves and resource base in 2024 to a total of 2.1 billion boe, with a 2P reserve replacement ratio of around 300% for the year, and a total resource replacement ratio (2P reserves + 2C resources) of around 600%. The increase was driven by early phase development projects, life-time extensions of existing fields, exploration successes, technical revisions as the Company is actively de-risking and progressing resources into new development projects and inclusion of the Neptune Energy Norge assets.

The operational performance at Vår Energi's operated fields were strong in 2024, with production efficiency at around 93%, up from 90% in 2023, continuing the positive trend since 2018. Production costs were reduced to USD 12.8 per boe, a clear improvement from 2023 at USD 14.1 per boe.

2025 will be transformational for Vår Energi, when the Company will deliver significant production growth, targeting more than 400 kboepd in the fourth quarter of 2025. The production growth comes from 9 projects start-ups, with Balder X, Johan Castberg and Halten East as major contributors.

Vår Energi has a high focus on incrementally improving across the business and is targeting a continued reduction in production costs per barrel. This will be delivered through an increasing production volumes, cost synergies and improvements, and a continuous high grading of the portfolio. For 2025 the Company is targeting a production cost of around USD 10 per boe[1] from the fourth quarter 2025, and the ambition is to sustain this over time.

Production
kboepd

[1] In real 2025-terms and NOK/USD at 10.5 flat

Sustaining production

With a substantial undeveloped resource base of around 900 mmboe of 2C contingent resources, resulting in a large and flexible project portfolio, Vår Energi is set up to sustain production of 350-400 kboepd towards 2030. The portfolio is diversified across hubs and consists of more than 25 early phase projects.

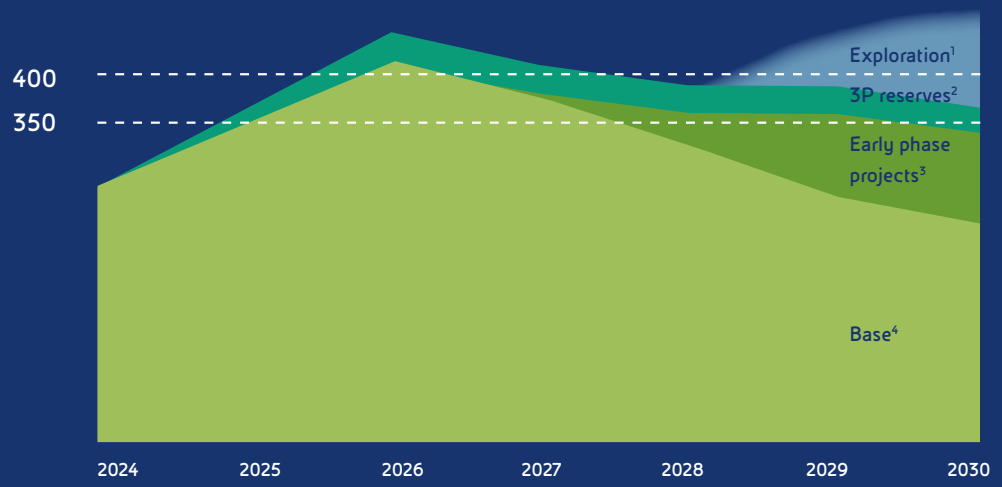
In the future, Vår Energi is shifting from reliance on a few major, capital-intensive projects to delivering a significant number of standardised, flexible and high value subsea tie-back projects, with short time to market. The target is to sanction around 8 development projects in 2025, moving more than 100 mmboe into the execution phase. The Company's portfolio is set up to deliver with fit for purpose project and drilling delivery models, strong strategic partnerships, and a disciplined investment approach.

The Company's project portfolio is resilient and meets defined investment criteria, with payback in less than 2 years. The portfolio-target internal rate of return (IRR) is more than 25%, with portfolio-target break-evens of around USD 35 per barrel. This will enable the Company to sustain high value production in the longer-term.

Vår Energi was created through an active acquisition strategy, and will continue to take an opportunistic approach to further acquisitions. Where there is a strategic fit and value can be created, the Company has the track record and financial capacity to do more.

Production outlook

kboepd



[1]Net risked exploration resources
[2]Possible upside on 2P reserves
[3]2C contingent resources
[4]2P reserves

Unlocking future value

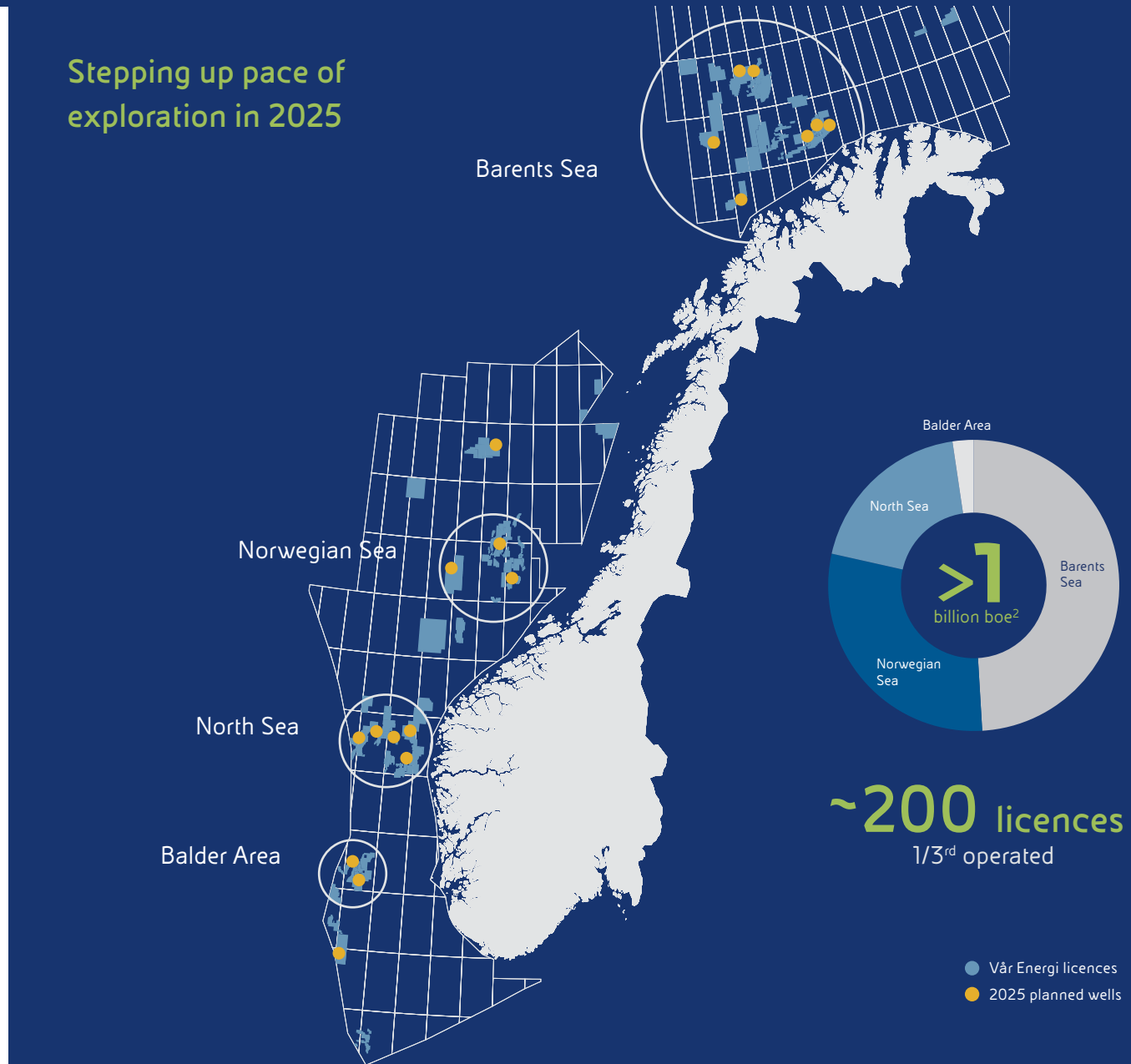
Vår Energi has a strong exploration track record and has over the last six years discovered more than 200 mmboe of net contingent resources with finding cost of less than USD 1 per boe[1]. The success rate has over the same period been around 50%. This is driven by unique exploration capabilities, longstanding NCS knowledge, an entrepreneurial mindset, technological innovation and Eni partnership.

Vår Energi's exploration strategy is mainly focused on identifying additional near-field drilling prospects at established assets and core hubs, with a disciplined approach. This provides low-cost barrels with short time to market, and prolonged field life of existing infrastructure.

In January 2025, Vår Energi was awarded 16 new production licences, of which five as operator, in the 2024 Awards in Predefined Areas (APA) covering mature areas.

The Company is increasing exploration activity in 2025 from 2024, with involvement in around 20 planned wells targeting around 125 mmboe of net risked resources and with estimated annual spend of approximately USD 350 million net.

[1]2019 to 2024, 2C resources, post-tax
[2]Net risked exploration resources



Resilient returns

Vår Energi's unique asset portfolio and material resource base represents a solid foundation for material value creation for shareholders, underpinned by an investment grade balance sheet. The Company has a clear and balanced capital allocation framework to support growth and resilient returns. Vår Energi has BBB and Baa3 credit ratings with a stable outlook from S&P and Moody's, respectively, and is committed to maintaining an investment grade rating. The Company targets a net leverage through-cycle of below 1.3x, where NIBD to EBITDAX ratio was 0.8x at the end of 2024.

The Company also delivers value to shareholders through an attractive shareholder distribution policy and has distributed a total dividend of around USD 3.2 billion since the IPO in February 2022, of which USD 1 080 million was related to 2024 declared dividends. The Company further plans to distribute a dividend of USD 300 million for the first quarter of 2025. The Company has raised the long-term dividend policy to a range of 25-30% of CFFO after tax in the future, and the range dividend level for the full year of 2025 is planned at low-end of 25-30% of CFFO after tax.

Vår Energi's conservative financial risk policy aims to secure full funding for all committed and planned activities, a sufficient liquidity buffer with headroom to manage market fluctuations and a diversified debt structure, aligned with the business needs. The Company further maintains a conservative risk profile through long-term sales agreements, extensive insurance coverage and investment flexibility.

1.08
USD billion
Dividends paid full year 2024

25-30%
CFFO after tax
Long-term dividend guidance[1]

[1] Increased from previously guided range of 20-30% of CFFO after tax

Sustaining higher production

Hub strategy

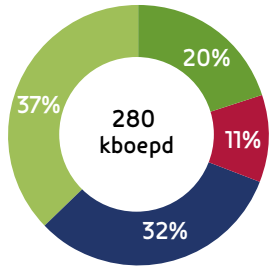
Vår Energi's high-quality assets extend over the entire NCS, with interest in 41 producing fields, around half of all producing assets on the NCS, and interest in around 200 licences.

Vår Energi has divided its portfolio and diversified asset base into four areas to maximise value and drive area developments in a holistic manner to ensure long-term growth and value creation.

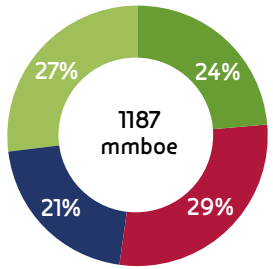
- Barents Sea
- Norwegian Sea
- North Sea
- Balder area

Through 2024 Vår Energi's resource base has grown organically in all four areas, adding up to a total reserves and resource base of around 2.1 billion boe (1.2 billion boe of 2P reserves and 0.9 billion boe of 2C resources). This puts the Company in a good position to sustain production at 350-400 kboepd towards 2030.

Production split FY 2024



2P reserves split 2024



- Barents Sea area
- Norwegian Sea area
- Balder Area
- North Sea area

Barents Sea

The Barents Sea hub accounted for 11% of the Company's production for 2024 and had around 340 mmboe (net) in 2P reserves at the end of the year. The area has a significant upside potential and Vår Energi is carrying 310 mmboe in contingent resources and 530 mmboe in risked prospective resources for future value creation.

Vår Energi have a strong presence in all producing assets, Goliat (operated), Snøhvit and Johan Castberg, and is well positioned to further expand and maintain high production with the material resource base.

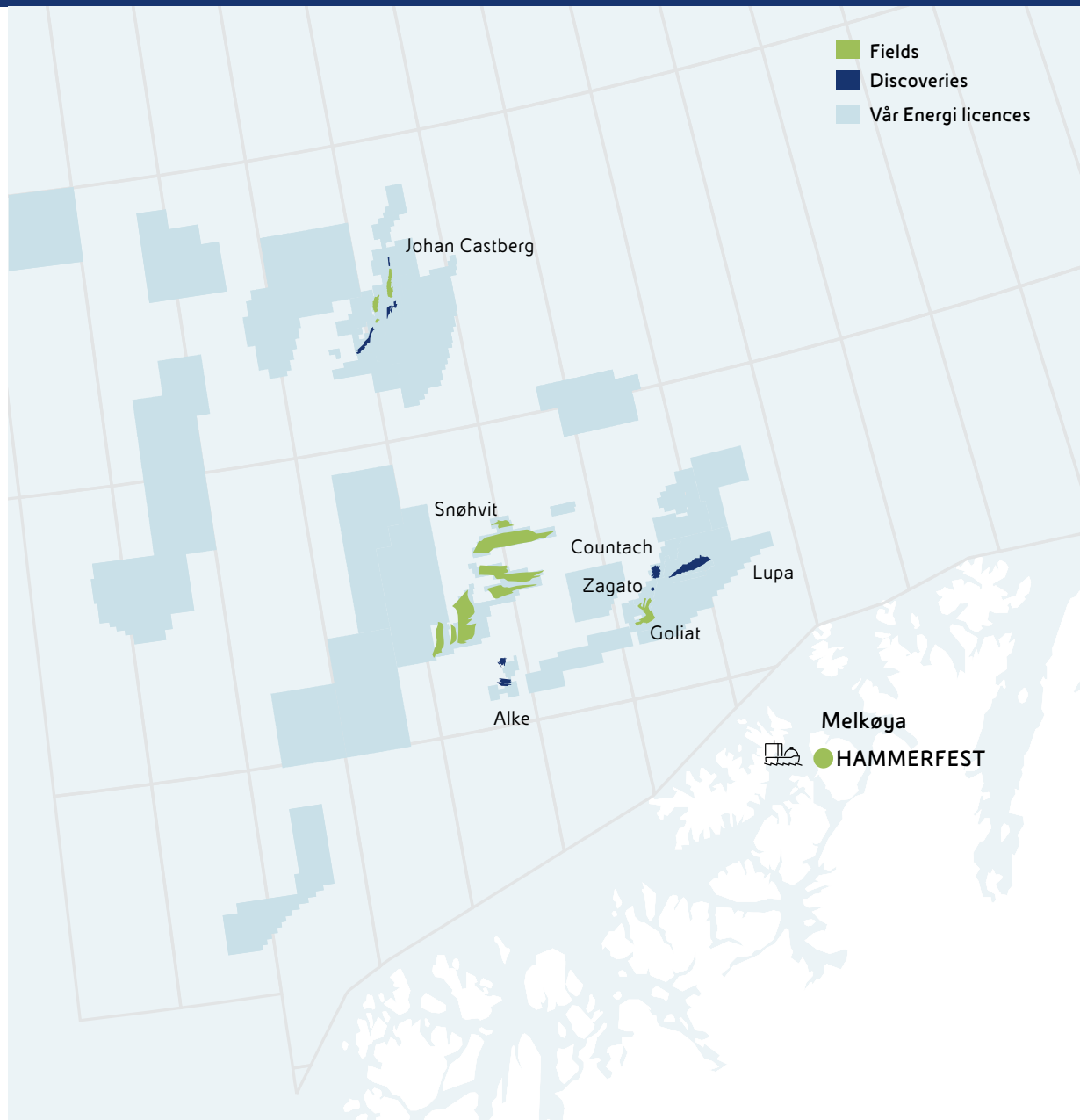
In 2024 Vår Energi doubled production from the area through the addition of Snøhvit, a highly strategic long-life LNG asset. In 2025, the Company will expand further and triple the 2024 production level from the area as Johan Castberg will start up.

Vår Energi's early phase project portfolio is targeting more than 170 mmboe (net), and includes primarily development projects close to existing fields. The Countach and Zagato discoveries are key developments to ensure long-term production from the operated Goliat field.

Targeted exploration near existing fields will continue in 2025, following continued exploration success near Goliat and Johan Castberg in the recent years.

Key producing assets:

- Goliat
- Snøhvit
- Johan Castberg



The Norwegian Sea

The Norwegian Sea, which accounted for 32% of the Company's production in 2024 and held around 250 mmboe in 2P reserves at the end of 2024, features multiple fields with high activity. The area is Vår Energi's main gas producer, and holds around 50% gas share[1]. The contingent resource base is 180 mmboe and the risked prospective resource base 320 mmboe, of which 200 mmboe is planned drilled out over the next four years. Vår Energi is positioned for large additional value potential from the area in the years to come.

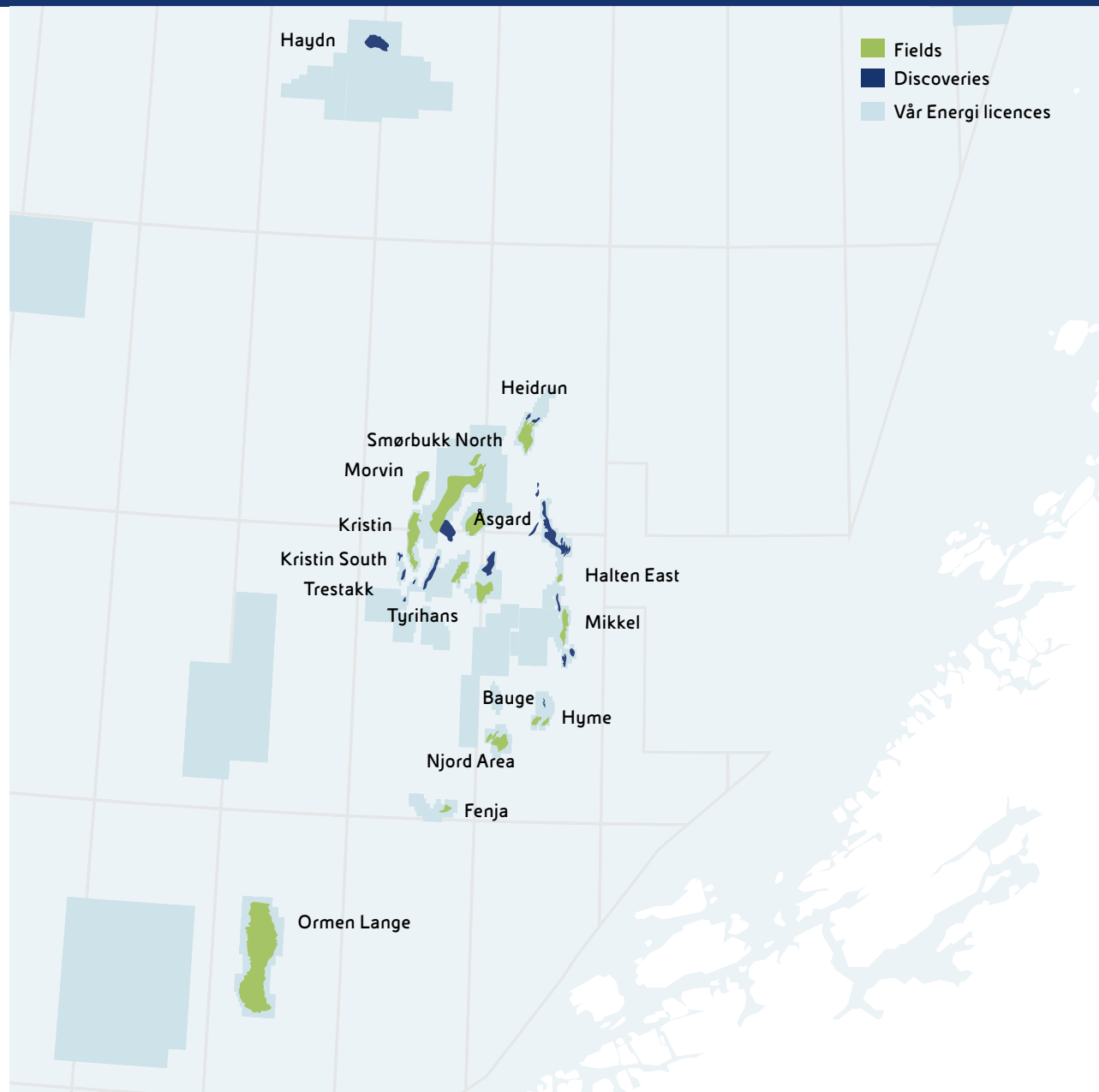
Four project start-ups in 2025 will deliver near-term production growth, including the Halten East project, a subsea tie back delivering high value barrels through existing infrastructure. At the same time several early phase projects targeting more than 60 mmboe, as well as intensified infill drilling, is being progressed to sustain long term production.

In 2024 Vår Energi high graded its portfolio thorough divesting non-core assets in the Norne area. At the same time however, the total resource base grew due to successful exploration and progression of resources into new development projects.

One of the most exciting discoveries on the NCS in 2024 was Haydn, near the Aasta Hansteen field, where Vår Energi holds a 30% working interest. This discovery could be a potential play opener with significant upside potential to be unlocked through additional exploration.

Key producing assets:

- **Åsgard (incl. Smørbukk, Midgard, Mikkel, Morvin, Trestakk, Halten East)**
- **Njord Area (Njord, Fenja, Bauge, Hyme)**
- **Kristin (incl. Tyrihans)**
- **Ormen Lange**
- **Heidrun**



[1]Based on 2P reserves and 2C resources year-end 2024

The Balder Area

The Balder Area accounted for around 20% of the Company's production in 2024 and holds around 280 (net) mmboe in 2P reserves at the end of the 2024.

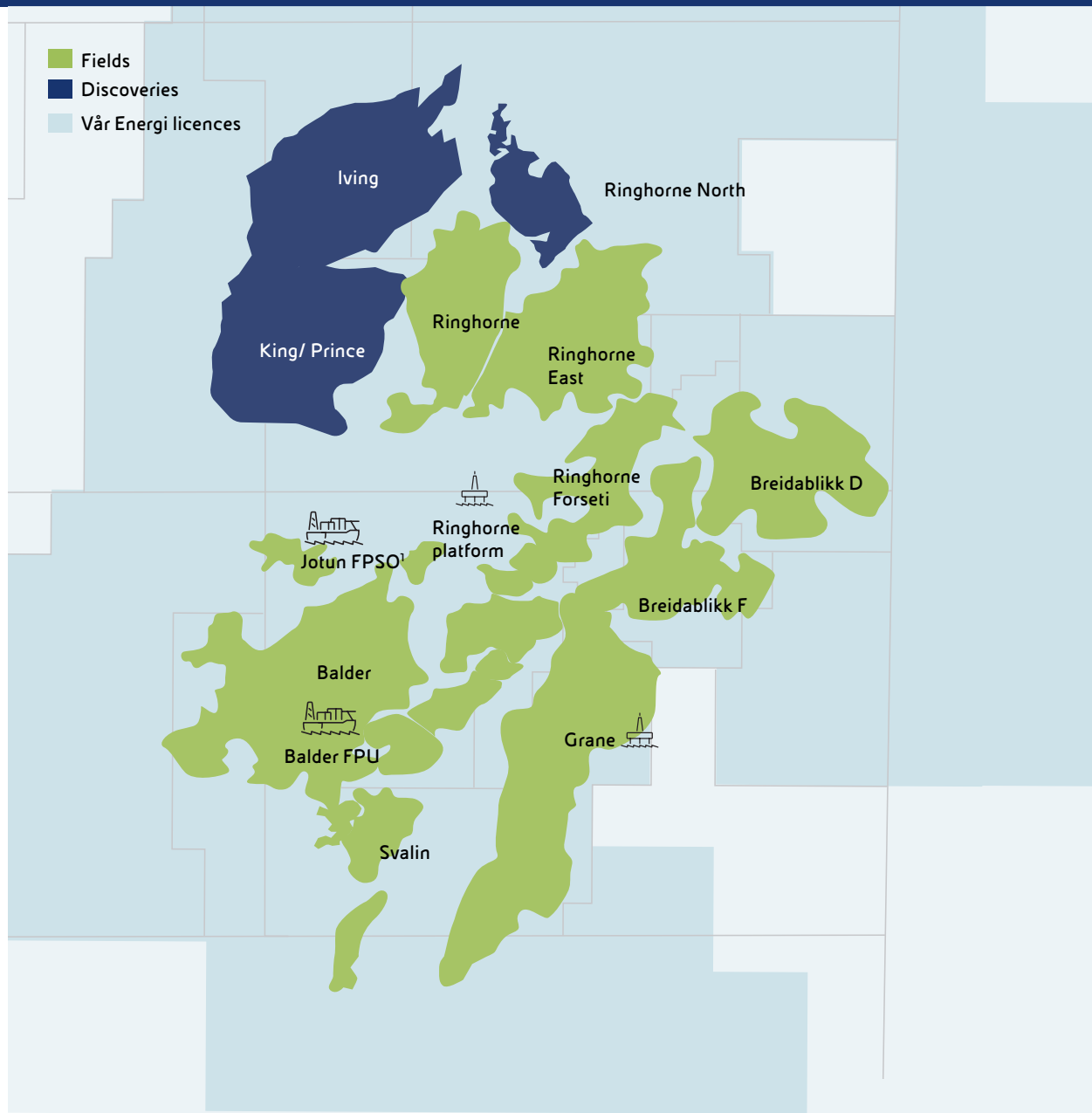
The Balder area has grown Vår Energi's resource base through successful exploration. The Company's contingent resource base amounts to 170 mmboe, and these resources will be efficiently matured through development projects utilising existing infrastructure.

As the Jotun FPSO comes on stream in 2025 with the Balder X project, Vår Energi will double production from the area. The Jotun FPSO unlocks opportunities to optimise infrastructure, and to reduce emissions and production cost. The Company has lined up projects and prospects to capitalise on the new facilities, with the Balder phase V project starting up in the fourth quarter of 2025, the Balder phase VI project in 2027, and the 2024 Ringhorne North discovery is progressing as a development project. The Balder area is set for long-term production, with the aim to produce until 2045 and beyond.

Other key assets in the area are nearby Grane and Breidablikk, the latter a subsea tieback to Grane. Breidablikk came on stream in 2023 bringing longevity to Grane, prolonging the life time from 2043 to around 2060.

Key assets:

- **Balder (including Ringhorne and Ringhorne East)**
- **Grane**
- **Breidablikk**



[1]Planned by Q2 2025

The North Sea

The North Sea accounted for 37% of the Company's production in 2024, equal to more than 100 kboepd from around 20 fields. The area held around 310 mmboe (net) in 2P reserves, contingent resources of 270 mmboe and a risked prospective resource portfolio of 210 mmboe as of year-end 2024. Vår Energi plan to maintain high production from the area into the next decade through infill drilling and a phased project portfolio targeting more than 160 mmboe.

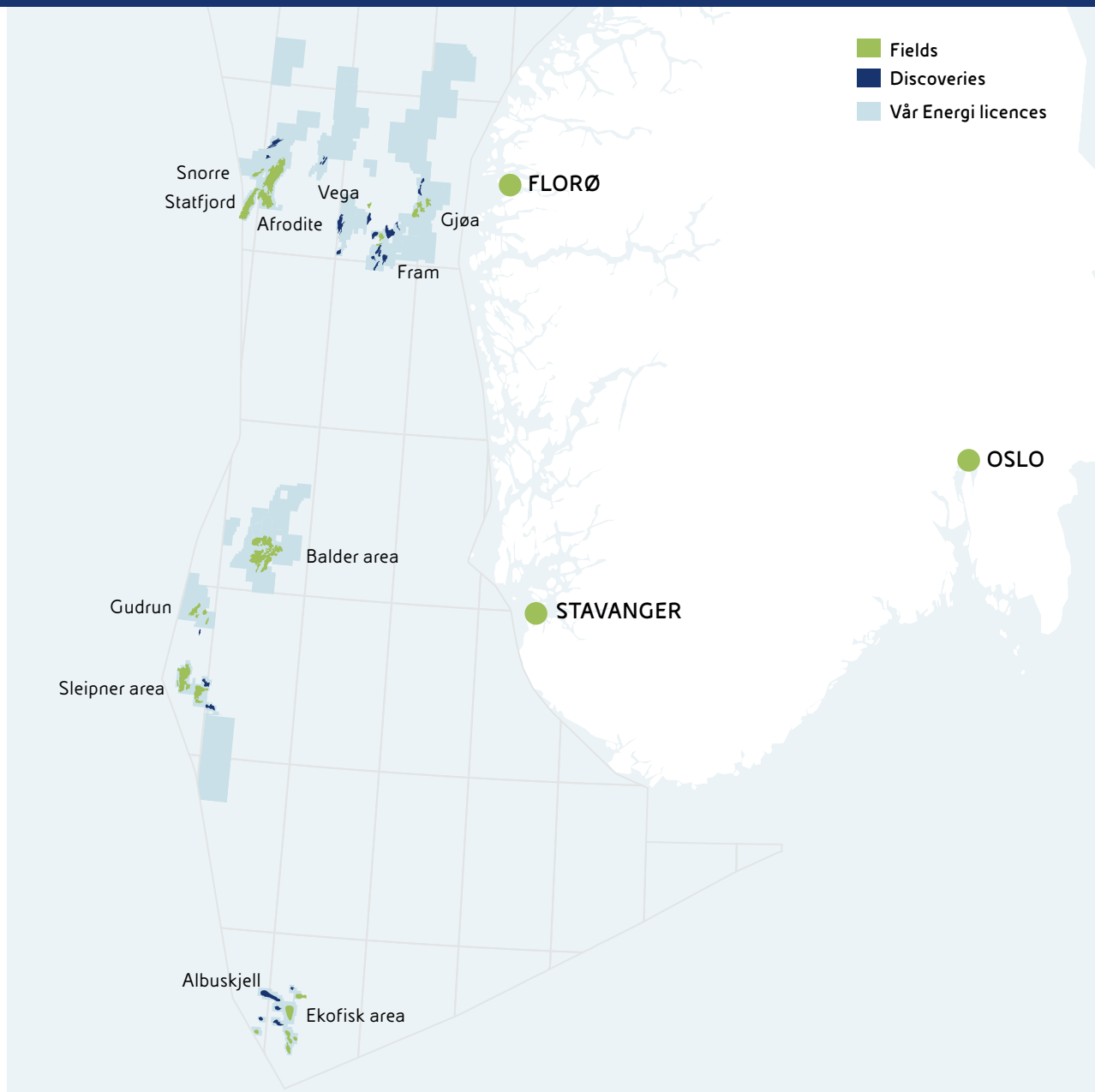
The North Sea is the most mature area on the NCS, however during 2024, despite producing close to 40 mmboe, the reserves base grew organically, and so did the contingent and prospective resource base.

Through the acquisition of Neptune Energy Norge AS, Vår Energi became the operator of the Gjøa and Duva fields, electrified assets with low emissions, and with significant nearby resources to be developed. Vår Energi has accelerated the development of recent discoveries in the Gjøa area and is targeting sanctioning in 2025 for the Gjøa subsea projects. Through the acquisition, Vår Energi also acquired a 25% working interest in the Gudrun field, with shared infrastructure and joint electrification with Sleipner.

Vår Energi plans to drill six exploration wells and sanction five projects in this highly prospective area in 2025.

Key assets:

- Gjøa area (including Gjøa, Duva, Vega)
- Ekofisk area
- Snorre and Statfjord
- Fram area
- Sleipner area (including Gudrun)



Impact, risk and opportunity management

Vår Energi assesses risks and opportunities using its Enterprise Risk Management (ERM) system. As part of the Company strategy development, planning and budgeting, risks and opportunities are identified and analysed. Risks and opportunities that may have an impact on the Company's strategic priorities and company performance targets, would typically be considered substantive in the context of strategic impact.

The ERM includes both top-down and bottom-up approach for management of risk and opportunities. The top-down approach involves Board of Directors and Executive Management setting the overall risk management framework and policies, while the bottom-up approach engages employees at all levels to identify and report risks and opportunities. This dual approach ensures that risks are identified and managed effectively, leveraging insights from both strategic oversight and day-to-day operations.

Appropriate actions to address these risks and opportunities are implemented, and Vår Energi's Executive Management monitor timely execution and effectiveness of such actions.

Hammerfest

Finance policy

Vår Energi's profitable and resilient asset base provides a foundation to deliver significant value to shareholders, supported by an investment grade balance sheet. The Company believes its investment grade balance sheet and capital structure provide flexibility and a strong long-term outlook. Vår Energi has obtained BBB and Baa3 credit ratings from S&P and Moody's, respectively and is committed to maintaining an investment grade rating. Vår Energi targets a net leverage through-cycle of below 1.3x, where NIBD to EBITDAX ratio was 0.8x at the end of 2024.

The Company also delivers value to shareholders through an attractive dividend policy and has distributed total dividends of USD 3.2 billion since IPO, of which USD 1 080 million was related to 2024 declared dividends. The Company further plans to distribute a dividend of USD 300 million for the first quarter of 2025. The dividend for 2025 is planned to be approximately 25% of CFFO after tax for the full year. The Company has an ambition to distribute 25% to 30% of cash flow from operations (CFFO) in the future.

Vår Energi's conservative financial risk policy aims to secure full funding for all committed and planned activities, a sufficient liquidity buffer with headroom to manage market fluctuations and a diversified debt structure. The Company further maintains a conservative risk profile through hedging, extensive insurance coverage and investment flexibility.

Waterfall of capital allocation priorities

Sustain production of existing portfolio

Fund capex of existing developments

Maintain a strong investment grade credit profile

Pay dividends according to stated policy

Use additional FCF for new projects, additional shareholder distributions and debt repayment

Board of Directors' Report

Board of Directors' Report

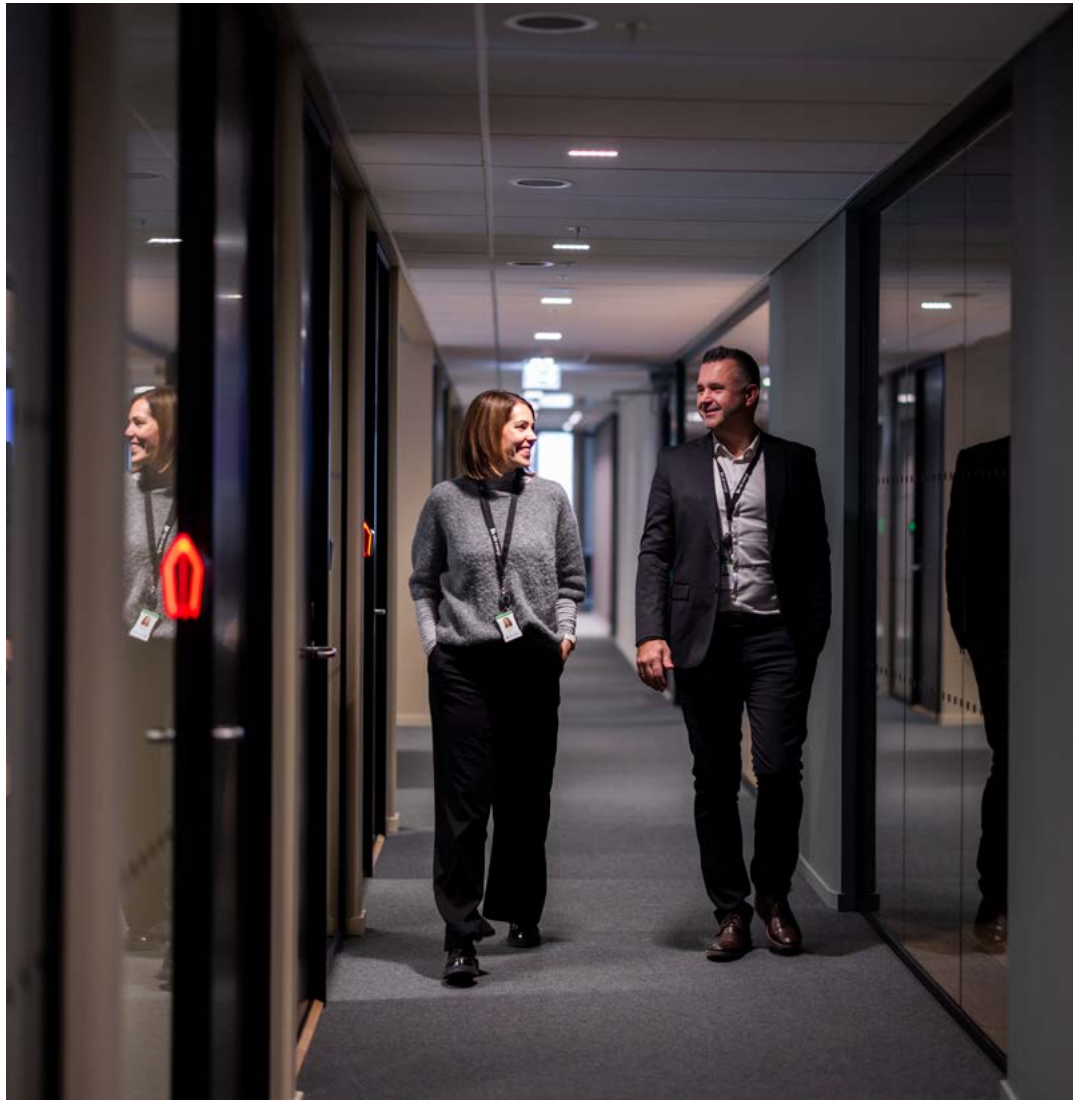
Vår Energi ASA is a leading independent upstream oil and gas Company on the NCS. The Company holds strategic positions in some of the most productive and profitable production regions across the entire NCS. In 2024, the Company made good progress in developing and executing its strategy for long-term creation as a leading, growing and profitable oil and gas company and thereby deliver additional value for its stakeholders and shareholders.

Vår Energi was founded in 2018 following the merger of Eni Norge AS and Point Resources AS. On 16 February 2022, the Company was listed on Oslo Stock Exchange (OSE) under the ticker "VAR".

On 22 June 2023, Vår Energi agreed with Neptune Energy Group Holdings Limited to acquire 100% of the shares of Neptune Energy Norge AS to accelerate growth and value creation. The transaction was completed at 31 January 2024 and adds scale, diversification, and further longevity to Vår Energi's portfolio.

The combination of strong operational performance and high commodity prices during the year led to a solid financial performance for Vår Energi reflected in cash flow from operations and maintained the dividend payment to the Company's shareholders for 2024. Vår Energi's investment grade credit ratings of BBB from S&P Global and Baa3 from Moody's Investors Service were reiterated, both with a stable outlook.

The Company maintained focus on safe operations with zero serious accidents recorded in 2024.



Board of Directors

The Board of Directors consists of 12 members. The Board of Directors has overriding responsibility for managing Vår Energi and supervising the Company's operations and business in general. The Board of Directors is elected by The Annual General Meeting and is independent of management.

The following information also answer on the requirements under ESRS 2 GOV-1 §21 c.

The persons set forth below are Vår Energi's current members of the Board of Directors.

Name	Born	Position
Thorhild Widvey	1956	Chair
Liv Monica Bargem Stubholt	1961	Deputy Chair
Francesco Gattei	1969	Board member
Guido Brusco	1970	Board member
Francesca Rinaldi	1978	Board member
Claudia Almadori	1979	Board member
Fabio Ignazio Romeo	1955	Board member
Ole Johan Gillebo	1981	Board member
Jan Inge Nesheim	1963	Board member, employee elected representative
Martha Skjæveland	1966	Board member, employee elected representative[1]
Carl Anders Olof Kjörling	1981	Board member, employee elected representative
Lilli Sahlman Fagerdal	1981	Board member, employee elected representative

From left: Ole Johan Gillebo, Carl Anders Olof Kjörling, Jan Inge Nesheim, Francesco Gattei, Liv Monica Bargem Stubholt, Lilli Sahlman Fagerdal, Thorhild Widvey, Fabio Ignazio Romeo, Claudia Almadori, Francesca Rinaldi, Finn Volrat Pettersen[1], Nick Walker and Guido Brusco.

[1]Finn Volrat Pettersen is Alternate Director for Marthe Skjæveland

Board of Directors

Thorhild Widvey
Chair

Other directorships: Chair Bergen International Festival, BoD member QSPA. BoD member smaller companies.
Experience: Thorhild Widvey has over 20 years of experience in the Norwegian public and private sectors, with a focus on the energy industry. She is, among others, former Minister of Petroleum and Energy and State secretary in the Ministry of Foreign Affairs. Ms. Widvey was the chair of Statkraft from 2016 until 2023 and has served as member of the Board at Aker Solutions and Solstad Offshore.
Education: Leadership
Citizenship: Norwegian
Place of residence (country): Norway

Liv Monica Bargem Stubholt
Deputy Chair

Other directorships: Chair: Cadre AS, Silex Gas Norway AS, Gigante Salmon AS, Morrow Batteries ASA, Green Ammonia Berlevåg AS. Board member of VNG AG, Nordic Ferry Infrastructure AS, Aker Carbon Capture ASA, Helse Sør Øst Regional Health Authority.
Experience: Liv Monica Stubholt is Partner at Selmer, a Norwegian corporate law firm, with a focus on ESG, Governance and the Energy sector. She has previously served as Investment Director at Aker ASA, President and CEO of Aker Seafoods ASA, CEO of Aker Clean Carbon ASA, EVP in Kværner ASA, and State Secretary at the Norwegian Ministry of Foreign Affairs and the Ministry of Energy.
Education: Master of Law from the University of Oslo.
Citizenship: Norwegian
Place of residence (country): Norway

Francesco Gattei
Board member

Other directorships: Board member of Ithaca Energy plc.
Experience: Francesco Gattei has over 25 years of experience in the oil and gas industry across various senior roles at Eni S.p.A. group. He is currently Chief Transition & Financial Officer, Chief Operating Officer and General Manager for Eni S.p.A and he has previously served as Upstream Director of the Americas, Head of Investor Relations, Secretary to Eni's Advisory Board, Senior VP of Market Scenarios and Strategic Options, and Head of Upstream M&A.
Education: Francesco Gattei holds a Master in Energy and Environmental Management from the Scuola Mattei. Furthermore, he earned a degree in Economics and Commerce in 1994 at the University of Bologna with a thesis on the oil market.
Citizenship: Italian
Place of residence (country): Italy

Guido Brusco
Board member

Other directorships: Chairman of Confindustria Energia (association of energy companies operating in Italy), Board Director of Ithaca Energy (UK) Limited (energy company listed in London), Board Director of Azule Energy Holdings Limited (energy company located in Angola, JV between Eni and BP).
Experience: Guido Brusco has over 25 years of experience in the upstream oil and gas sector of the Eni S.p.A. group. Mr. Brusco is currently Chief Operating Officer Global Natural Resources and General Manager for Eni S.p.A, and previously served as Upstream Director, Executive Vice President for the Sub-Saharan Region, Managing Director of Eni Angola, Managing Director of Agip Caspian Sea and Agip KCO (Kazakhstan).
Education: Guido Brusco holds a degree cum laude in mechanical engineering from Università La Sapienza, Roma, Italy.
Citizenship: Italian
Place of residence (country): Italy

Board of Directors continued

Francesca Rinaldi
Board member

Other directorships: None
Experience: Francesca Rinaldi has over 20 years of experience in the oil and gas industry, she has enjoyed a varied and rich international experience in Italy, Egypt, Angola, Kazakhstan and UK. Her current position is the Head of Operated by Other Business Performance and Asset Variolization Initiatives, based in Eni Headquarters. Previously, she has covered diverse roles in Well Operations, including the Head of Drilling Completion and Production Optimization activities for all Eni worldwide assets, and she was also appointed Managing Director of Eni UK in London.
Education: Ms. Rinaldi graduated in Engineering from the University of Bologna and she holds a Masters in Management Development from the SDA Bocconi School of Management in Milan. She also attended an Executive Leadership programme in Oxford University.
Citizenship: Italian
Place of residence (country): Italy

Claudia Almadori
Board member

Other directorships: BOD OGCI Climate Investments LLP (since January 2024).
Experience: Claudia Almadori has 15 years of experience in the energy business for Eni SpA Group. She currently heads Eni CEO's Office; she has previously held various positions in Eni, serving within the Internal Audit Department as Head of the Internal Audit relations with Governance Bodies and as team leader in health, safety & environment audit activities across the whole Eni SpA Group. Formerly, she worked in a consultancy firm in projects related to HSE and sustainability, on behalf of companies and multinationals in different industrial sectors.
Education: Claudia Almadori holds a degree cum laude in Environmental Engineering from University of Perugia (Italy); she also completed an international advanced training course on Social & Environmental Sustainability.
Citizenship: Italian
Place of residence (country): Italy

Fabio Ignazio Romeo
Board member

Other directorships: Epta Refrigeration S.p.A
Experience: Fabio Romeo is partner at Corporate Hangar, a consultancy supporting clients' innovation process. He is formerly the Chairman for Oman Cables, Director, CESI S.p.A., Elkat S.A. Vice Chairman and worked as Chief Strategy Officer in Prysmian Group S.p.A. from January 2014 to April 2021.
Education: Fabio Ignazio Romeo holds an undergraduate degree in Electrical Engineering from Politecnico di Milano, and a graduate degree and doctorate in Electrical Engineering and Computer Sciences from the University of California, Berkeley.
Citizenship: Italian
Place of residence (country): Italy

Ole Johan Gillebo
Board member

Other directorships: Serving as Chair or Board Member of certain private investment companies.
Experience: Ole Johan Gillebo has over 20 years of experience across corporate finance, investment banking and private equity in the US and Europe, including serving as Investment Director in the European Buyout Team of EQT Partners, and as Executive Director in the Global Energy Team at Goldman Sachs' Investment Banking Division. He started his career in the CFO group at Equinor. He serves as Board Member and Chairman of certain private investment companies.
Education: Ole Johan Gillebo holds an MBA from Columbia Business School; BA in Economics and BBA in Finance from Pacific Lutheran University; further graduate studies at Harvard University and London Business School.
Citizenship: Norwegian
Place of residence (country): Norway

Board of Directors continued

Jan Inge Nesheim
Board member, employee elected representative

Other directorships: None
Experience: Jan Inge Nesheim has worked offshore for Vår Energi for more than 25 years (Exxon and Point Recources). He holds the position as Discipline Responsible Mechanical on Balder. Prior to joining the Company, he worked offshore for other companies such as Smedvig Drilling. During recent years, he has been an employee-elected board member representing the trade union SAFE, as well as the head of the local trade union. Previously, he has represented the employees in numerous committees, such as the Working Environment Committee and the Works Council.
Education: Marine chief engineer
Citizenship: Norwegian
Place of residence (country): Norway

Martha Skjæveland
Board member, employee elected representative

Other directorships: None
Experience: Martha Skjæveland has worked for Vår Energi since 2006. She has more than 33 years of experience in the oil industry and across drilling, operations, projects, service companies and commercial. She has been the leader of the union Styrke (former Industri Energi) within Vår Energi since 2010. She was also Eni Norge's representative in the Eni Corporate European Works Council from 2011 to 2018, and deputy Board Member of Eni Norge's board of directors from 2016 to 2018.
Education: Mixed within working environment and economics from different universities in Norway.
Citizenship: Norwegian
Place of residence (country): Norway

Carl Anders Olof Kjörling
Board member, employee elected representative

Other directorships: None
Experience: Carl Anders Olof Kjörling has worked for Vår Energi since 2012 (Eni Norge). He currently holds the position as Project Manager, and previously held several leadership positions within the company. He has more than 17 years' experience in the industry and previously worked for other companies such as SLB (Schlumberger), NOV and Aker Solutions. He serves on the Board of Directors as an employee elected representative. He is, since 2023, the local leader for the trade union Tekna.
Education: Carl Anders Olof Kjörling has a bachelor's degree in mechanical engineering from Arizona State University in 2006 and a master's degree in industrial economics from the University of Stavanger in 2012.
Citizenship: Swedish and Norwegian
Place of residence (country): Norway

Lilli Sahlman Fagerdal
Board member, employee elected representative

Other directorships: None
Experience: Lilli Fagerdal has worked for Vår Energi since 2011. She currently holds the position of Project Quality and Risk Manager and previously worked in several departments in Vår Energi; Goliat Development Project in South Korea, OR&A Goliat, HSEQ and leading Modification Projects. She has more than 25 years' experience working in Operating Companies. She serves on the Board of Directors as an employee representative from NITO.
Education: Lilli Fagerdal has a Bachelors' degree in Automation, certificate of apprenticeship in Process operations and a certificate in PMP.
Citizenship: Norwegian
Place of residence (country): Norway

Executive Committee

Vår Energi is led by six experienced leaders. They represent a wide range of skills and knowledge from extensive careers in the oil and gas industry.

The following information also answer on the requirements under ESRS 2 GOV-1 §21 c.

The persons set forth below comprise the executive management team as of 1 December 2024.

Name	Born	Position
Nick Walker	1962	Chief Executive Officer (CEO)
Torger Rød	1974	Chief Operational Officer (COO)
Carlo Santopadre	1981	Chief Financial Officer (CFO)
Tone Rognstad	1967	Executive Vice President (EVP) People, Communication, IT & Digital
Ellen Waldeland Hoddell	1980	Executive Vice President (EVP) Safety & Sustainability
Sverre Bjelland	1975	Executive Vice President (EVP) Legal, Compliance & Public Affairs

Nick Walker
CEO

Nick Walker is the Chief Executive Officer of Vår Energi and leads the Company's strategy, market engagement and stakeholder management.

Mr. Walker held the position of CEO of the leading European E&P independent Lundin Energy until mid-2022 when he led the sale of the Company to AkerBP. He has also previously worked with BP, Talisman Energy, Africa Oil and Vedanta – Cairn Oil & Gas and has over 30 years of international oil and gas experience in technical, commercial and executive leadership roles.

Mr. Walker holds degrees in Mining Engineering from Imperial College London, Computer Science from University College London as well as an MBA from City University Business School, London.

Torger Rød
COO

Torger Rød is the Chief Operating Officer (COO) of Vår Energi. Mr. Rød joined the Company in June 2021, as CEO, and was responsible for listing the Company at the Oslo Stock exchange as well as the Neptune acquisition. He took the position as COO in September 2023.

Previously, Mr. Rød was with Equinor for 23 years (including 11 years in executive positions), both in Norway and internationally. Most recently, he served as SVP and Head of Corporate Safety and Security, and prior to that role, he was SVP and Head of Project Development.

Mr. Rød holds a Master's degree in Industrial Economics from the Norwegian University of Science and Technology in Trondheim.

Executive Committee continued

Carlo Santopadre
CFO

Carlo Santopadre is Vår Energi's Chief Financial Officer (CFO).

Mr. Santopadre has over 15 years of experience in the industry, primarily with the Italian energy major Eni SpA. He has held various senior finance roles in Eni Head Office and subsidiaries across North Africa, the Middle East, and West Africa. Prior to joining Eni, he worked for KPMG.

Mr. Santopadre has Master's degree in corporate finance from the LUISS Guido Carli University.

Tone Rognstad
EVP People, Communication, IT & Digital

Tone Rognstad is the Executive Vice President for People, Communication, IT & Digital. She joined the Company in 2022 and comes from the role as VP for Project Management and Control in Equinor ASA. During her 15 years as an executive in Equinor ASA, she gained extensive managerial experience within the field of people, leadership and organisational development. She held roles in corporate, shared services and the business areas.

Prior to joining Equinor ASA, Ms. Rognstad held various executive leadership positions in General Electric, both in Norway and internationally, within the areas of marketing, risk and operations. Ms. Rognstad holds a Bachelor's degree in Banking and Finance from BI Norwegian Business School.

Ellen Waldeland Hoddell
EVP Safety & Sustainability

Ellen Waldeland Hoddell serves as Executive Vice President Safety & Sustainability of Vår Energi. Ms. Hoddell has 15 years of experience within the oil and gas industry in Norway. She has held several positions within the area of Safety and Sustainability within Eni Norge and Vår Energi, including risk and barrier management, technical and operational safety and emergency preparedness and response.

Ms. Hoddell graduated with a Master's degree in Risk Management and Societal Safety from the University of Stavanger in 2010.

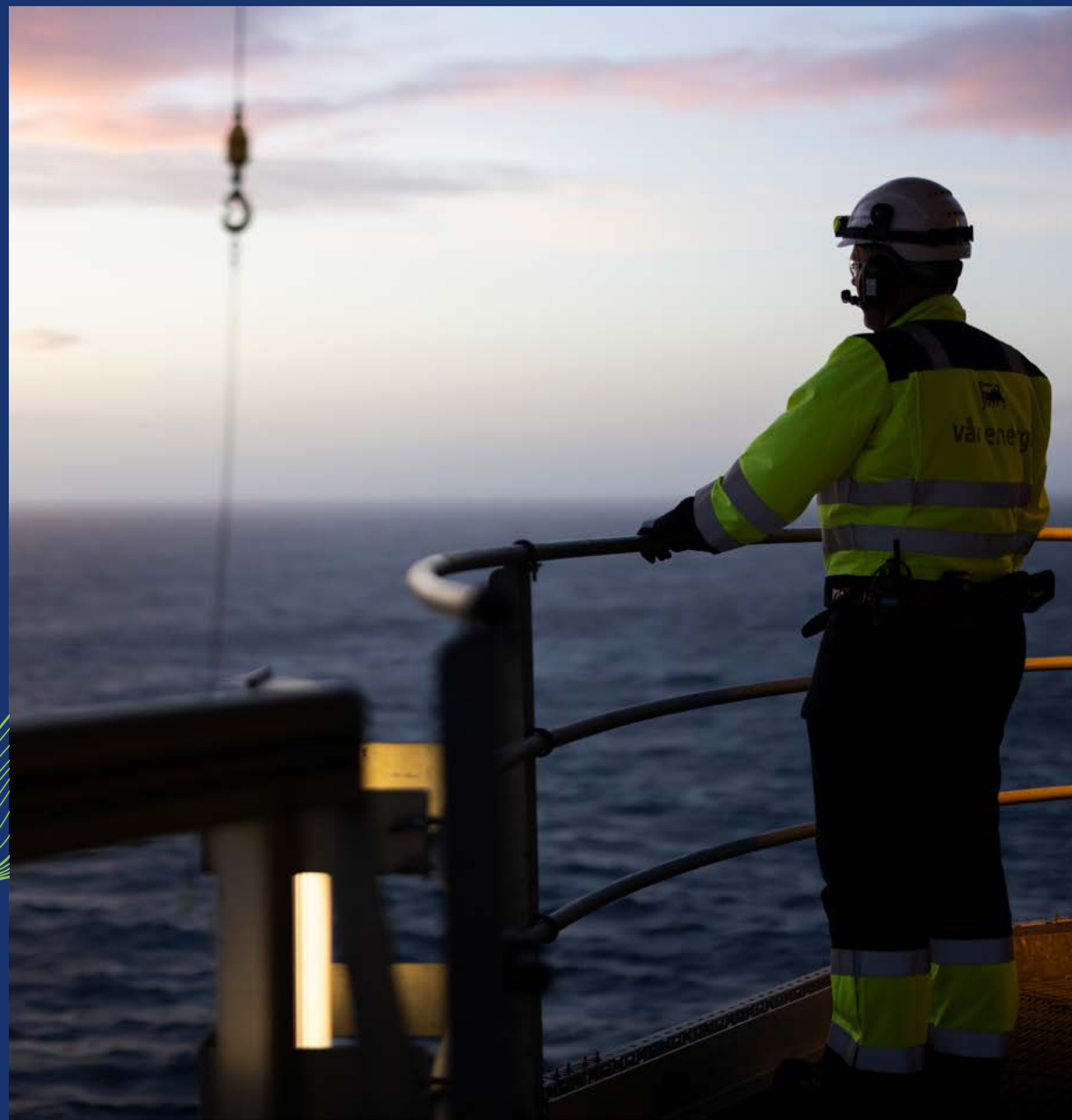
Sverre Bjelland
EVP Legal, Compliance & Public Affairs

Sverre Bjelland is the Executive Vice President Legal, Compliance & Public Affairs of Vår Energi. Mr. Bjelland has 20 years of experience within the oil and gas industry in Norway. He joined the Company in April 2024 and comes from the role as partner in Schjødt AS and Head of the Oil, Gas and Offshore Energy Group.

Previous experience includes Assistant Director General in the petroleum law and legal affairs section in the Ministry of Energy as well as VP in Statoil's (now Equinor) legal department, with responsibility for Development and Production Norway in one period and subsequently for Marketing, Processing and Renewable.

Mr. Bjelland holds a law degree as cand.jur from the University of Bergen.

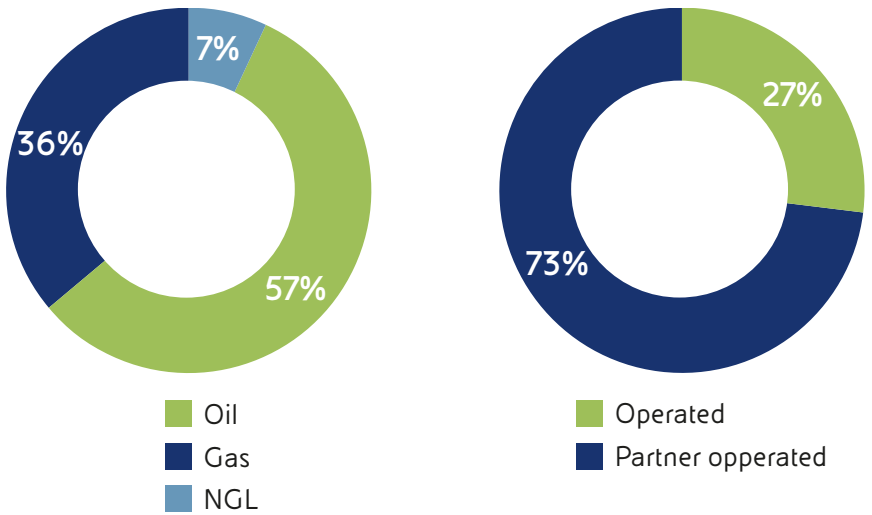
Year in review



Operational review

Vår Energi's production of oil, gas and NGL averaged 280 kboepd in 2024, an increase of 31% compared to 213 kboepd produced in 2023. The year-over-year increase was mainly due to inclusion of production from the acquired Neptune Energy Norge assets and start-up of new projects. Total volumes produced in 2024 (including fuel and flare) were 102.5 mmboe whereas total volumes sold were 97.7 mmboe. Oil represented 57% of the production in 2024, with gas and NGL making up 36% and 7%, respectively.

Production split



At 31 December 2024, Vår Energi had production from 40 fields. The Company's operated fields, which comprise Goliat, Balder, Ringhorne and Ringhorne East, Fenja, Gjøa and Duva, delivered 27% of the production and the remainder came from partner-operated fields. Production efficiency for the operated fields was 93% in 2024, an increase from 90% in 2023.

Production (kboepd)	2024	2023
Balder area	55	32
Barents Sea	31	17
North Sea	104	75
Norwegian Sea	90	89
Total	**280**	**213**

Production cost was USD 12.8 per boe in 2024 compared to USD 14.1 per boe in 2023. Total production cost (produced volumes) in 2024 was USD 1 314 million (+20%) compared to USD 1 095 million for 2023. The increase was mainly due to higher cost of operations due to the inclusion of assets from Neptune Energy Norge, as well as increased transportation and processing costs.

Projects and development

Vår Energi is participating in several significant development projects on the NCS which support the Company's production growth to more than 400 kboepd in the fourth quarter of 2025. Development activity in 2024 was high with expenditures on property, plant, and equipment (PP&E) of approximately USD 2.6 billion (USD 2.5 billion in 2023). Investments in the Balder area, Johan Castberg and Halten East represented 61% of PP&E expenditures for the year.

The Balder Future project targeted start-up is planned by end of the second quarter of 2025. The project is a key enabler to continue to deliver future value in the Balder Area. All development wells are completed and all subsea production systems are installed. The Jotun FPSO is mechanically complete and commissioning is well advanced. Sail-away of the FPSO is planned for March 2025, subject to favourable weather conditions.

The Johan Castberg FPSO will start production and ramp-up to production plateau level in two to three months. Progress on final completion work was impacted by severe weather. Drilling activities are going according to schedule, with 14 development wells out of 30 completed.

The Halten East subsea tie-back project progressed according to schedule and started up with production in March 2025. The project will deliver gas/condensate to the market by utilising the existing Åsgard area infrastructure, with a low carbon footprint.

Exploration

During 2024, Vår Energi engaged in exploration drilling across all sectors of the NCS. The main objective for the exploration activities is to replace and expand the resource base. This is done through active exploration close to producing assets to optimise the use of existing infrastructure combined with selective high-impact exploration wells in frontier areas.

The 2024 exploration drilling included in total thirteen exploration wells, where six of the wells resulted in discoveries, five wells were dry and two wells were sub-commercial.

The commercial exploration success rate for 2024 was around 50%, continuing the strong exploration track record for Vår Energi.

Vår Energi operated the commercially viable discoveries of Ringhorne North well, located in the Balder area, and the Cerisa well located in North Sea, close to the Gjøa operated Hub, in synergy with Ofelia and Gjøa Nord discovery for a possible tie-back.

The operated Countach appraisal well, drilled to delineate the Countach discovery made in 2023 and spudded in the fourth quarter of 2024, was confirmed as an oil discovery in the Barents Sea, where the Company already has a leading position and a long-term strategic ambition of organic growth. Additional non-operated discoveries of oil and gas have been made with the Rhombi well, close to the Fram facilities in North Sea, the Haydn gas discovery in Norwegian Sea, and a discovery in the exploration pilot of production well was made in Lavrans Tilje well located in the Haltenbanken West Unit.

Reserves and resources

As of 31 December 2024, Vår Energi's total net proved and probable reserves (2P) were estimated to 1187 mmboe, up from 985 mmboe at year-end 2023. The increase is mainly a function of inclusion of the Neptune Energi Norge AS portfolio, as well as maturation of several projects to reserves. The 2P Reserves Replacement Ratio (RRR) for 2024 is 298% if acquisition and sales are included and 72% if this is not included. The year 2024 was characterised by solid production within the guided range, several projects coming on-stream, portfolio optimisation, and continuous initiatives to increase recovery from producing fields by drilling additional infill wells.

Total proved and probable reserves are distributed with 24% in the Balder area, 21% in the Norwegian Sea, 29% in the Barents Sea and 26% in the North Sea. The Company's proved and probable reserves were split on 64% oil, 30% gas and 6% NGL. The Company's five largest fields, Balder/Ringhorne, Johan Castberg, Snøhvit, Snorre and Fram combined, amounted to 52% of total 2P reserves at year-end 2024.

Total contingent resources (2C) at year-end 2024 were 927 mmboe[1], an increase of 299 mmboe compared to year-end 2023. The increase is linked to inclusion of the Neptune Energi Norge AS portfolio, several discoveries (Cerisa, Ringhorne North, Rhombi, Haydn and Countach) as well as maturation of the opportunities towards development projects.

The Company's reserve life index (RLI) at year-end 2024, calculated based on proved and probable reserves, was approximately 12 years.

[1]Excluding resources not considered to have commercial potential according to the PRMS definition

Ringhorne

Research & Development

Vår Energi's research and development (R&D) activities seek to provide advanced technical solutions to support Vår Energi's growth, operational excellence, and ambition to be the safest operator with leading ESG performance.

The R&D strategy is defined to meet the Company's technology objectives in the following five key areas:

- Safety and environmental protection
- Decarbonisation
- Successful exploration
- Operational excellence
- Maximise recovery

In 2024, Vår Energi invested in R&D across the full value chain in a balanced portfolio of projects directly aligned with the business needs and strategy. Vår Energi partnered in development and qualification projects that encompass subsea electrical production systems, additive manufacturing, improved subsurface understanding, and developing new software solutions to optimise drilling operations with artificial intelligence and machine learning.

Around 30% of R&D budget for 2024 was spent on decarbonisation initiatives – including carbon capture and storage (CCS), digital inventory and on-demand manufacturing, and restoration of kelp forests. Vår Energi also collaborated in several large-scale national projects supporting decarbonisation, run by Norwegian Research Institutes, and jointly funded by other operators and the Research Council of Norway.

Impact, risk and opportunity management

Risk and risk management

Vår Energi's financial and operating results are subject to a variety of risks inherent in the oil and gas business. Many of these risks are not within the Company's control and could adversely affect business activities, the financial and operating results, and/or the Company's financial condition.

The Company's enterprise risk management framework ensures effective management of risks and opportunities relevant to the business. Managing risks and opportunities is essential to the business planning to achieve Vår Energi's strategic objectives. Implementing appropriate measures to mitigate risk or capture opportunities is an integral part in Vår Energi's way of working. The framework promotes a bottom-up approach for managing risks arising from the business activities and a top-down approach to support and challenge.

The Board of Directors is responsible for risk management as part of providing strategic oversight and stewardship of the Company. This includes approving the Company's strategy, annual budget and four-year business plan, evaluating risks to the delivery of the plan and agreeing financial and operational targets. Key strategic risks and opportunities are reviewed periodically by the Executive Management and Board of Directors.

The following risks described may impact the Company's business activities, the financial and operating results, and/or the financial condition.

Operational risk

The Board of Directors recognises the risks associated with the Company's operational assets. The regulation of activities on the NCS provides a sound framework for managing these risks, and the Company takes an active and responsible approach as a partner. Future production of oil and gas is dependent on the Company's ability to find, or acquire, and develop reserves.

Major operational incidents could occur as drilling, production and decommissioning activities will never be completely risk-free. Further, there are risks related to the integrity of the Company's assets, the reported reserves and resources, the ability to expand reserves or find replacement reserves and with third-party contractors or operators, as a large share of the Company's assets are operated by others. The Company's risk management includes contingency plans to minimise the potential impact of operational incidents. Costs of development projects or exploration efforts are also uncertain.

As a result of these risks, the Company may incur costs that could adversely affect the Company's financial position or its reputation as a player on the Norwegian Continental Shelf.

Market risk

Vår Energi operates in the crude oil and natural gas market and fluctuations in hydrocarbon prices may therefore impact revenues, reserve estimates, profitability and the rate of growth. Commodity price risks represent the Company's most important market risk. Vår Energi uses commodity price hedging to manage this risk and secure cash flow from sale of crude oil and gas.

At the end of 2024, the Company had established a hedging program for 2025 with approximately 100% of planned after-tax volumes for oil were covered by monthly settled oil price put options with a strike price of USD 50 per barrel. To align after-tax cash flows and adjust for different tax treatment of financial derivatives and the underlying oil production, 28.2% of the planned production volume is hedged.

Vår Energi utilises fixed price contracts for gas sales for down-side protection.

Financial risk

The Company is exposed to market fluctuations in foreign exchange rates and interest rates. These fluctuations could impact the Company directly or indirectly as they may influence credit-institutions' and investors' desire to provide loans to, or invest in, the Company.

The Company considers its overall credit risk or financial risk of licence partners to be low, and procedures are in place to assess credit risk and financial risks related to existing and new licence partners and suppliers.

The Company is highly focused on active risk management through hedging, liquidity focus and insurance.

The Company has insured its pro-rata liability on the NCS in line with the best industry practices and has offshore insurance programs covering the following risks (non-exhaustive):

- Loss of production income
- Physical damage to assets
- Loss of well control
- Loss of well control
- Third party liability

Currency risk

Vår Energi is exposed to market fluctuations in foreign exchange rates, as the Company's expenses to a large degree is denominated in NOK, while the income, as well as the price of oil, predominantly is denominated in USD. The price and sale of gas is denominated in Euro. Exchange fluctuations may consequently have an impact on the Company's cash flow and financial condition.

Interest rate risk

The Company's financing arrangements is a mix of fixed rate and floating interest rates. Hence, the Company is exposed to interest rate fluctuations. Vår Energi entered into an interest rate swap in May 2023. Under the swap, the Company receives a fixed amount equal to the coupon payment for the EUR Senior Notes and pays a floating rate to the swap providers.

Liquidity risk

The Company's future capital requirements depend on many factors, and the Company may need additional funds to fulfil its commitments and further develop exploration and development programs to support the strategic direction of the Company. Liquidity risk is the risk that the Company will not be able to meet the obligations of financial liabilities when they are due. Vår Energi's liquidity planning is based on short-term (12 months) and long-term forecasts.

These are updated regularly, for various scenarios, and form part of the basis for the decision-making by the Company's Executive Committee and the Board of Directors.

External risk

The business landscape in which the Company operates can change rapidly. The risks of fluctuations in commodity prices are addressed under market risks, but the Company also faces other external risks that could affect its financial position over time. For instance, there can be no assurance that legislation, including tax regulations, will not be changed in a manner that could adversely affect the Company.

Climate risk

Climate risk may be related to transitional risk and physical risk. Transitional risks relate to risks associated with transitioning to a low-carbon economy and may comprise of market, reputational and policy risks. Physical risks are the risks which arise from the physical effects of climate change and environmental degradation and may arise through changes in weather patterns, temperature increases and other physical effects of climate change.

Potential environmental impacts are included in Vår Energi's procurement process, where the Company collaborates with its suppliers to mitigate emissions associated with purchased goods and services. Assessment of potential environmental impact are included in all investment decisions.

Transitional risks

Regulatory and legal risks

Vår Energi's business and results of operations could be adversely affected by the adoption of new climate change laws, policies and regulations. Growing concerns about climate change and GHG emissions have led to the adoption of various regulations and policies and future global policy may further influence climate related action from the government.

Future changes in climate related regulations, such as increased CO_2 or other emissions related taxes, are likely to impact Vår Energi's financial results. Uncertainty exists related to development in actual quota prices going forward, and the timing of ramp-up of the total CO_2 costs towards 2030.

Another regulatory risk may be the implementation of new regulations to reduce or stop exploration activities and/or reduce tax relief on exploration activities on the NCS. There is also a risk that mature assets with higher emissions may not be granted extension of licence and will be decommissioned earlier than anticipated.

Regulations related to the availability of funding in the capital market and application of higher interest rates for companies in the oil and gas sector and/or with high production emissions may be identified as a regulatory risk.

Market risk

In context of the ongoing energy transition process, the demand for oil and gas, and subsequently the price of oil and gas may decrease. If regulatory limiting or terminating the oil and gas production by 2030 or 2050 were to materialise, the industry could experience an overproduction with oversupply of the commodities in the years leading up to 2030/2050, resulting in a price collapse.

Technological risk

New technology and sources of energy may reduce the demand for oil and gas, such as renewable energy, hydrogen, electrification and batteries. Transitions into substitutional energy sources may have an impact on the financial results.

Reputational risk

Vår Energi realises that GHG emissions from activities and products contribute to climate change and is continuously assessing the reputational risks of the Company in this context. From a general industry perspective, the climate related reputational risks associated with being in the oil and gas business could impact the Company in the form of negative media coverage, reduced attractiveness as an employer, operator or business partner and/or increased cost of or access to capital.

The reputational risk in this context is dependent on how the Company responds to climate related issues within its industry.

Physical risks

Extreme weather events such as storms, extreme waves and heavy rain may affect own production and supply chain logistics, resulting in halting or shutdown of production. Installations may require improvement and investments to handle extreme weathers. It may also affect the assets in terms of reduced useful life and technical reserves.

Increased volatility in weather, sea-level rise and wave height are considered chronic physical risk factors that are climate related. These are all elements that would potentially affect the working conditions on the Company's producing offshore assets as well as the long-term integrity of the installations.

Geopolitical risk

Increasing geopolitical tensions have introduced an elevated level of uncertainty into the energy landscape, affecting supply chains and contributing to global economic volatility. Sudden geopolitical developments can influence energy markets, potentially impacting regulatory environments, trade agreements, and geopolitical stability. Such as the Russian assault on Ukraine in 2022, which resulted in Western sanctions.

These geopolitical uncertainties may impact the predictability of market conditions, affecting both short-term decision-making and long-term strategic planning eventually impacting business performance.

The sabotage of the Nord Stream pipelines, numerous drone observations, and various incidents have heightened concerns about security. This has led to substantial enhancement of security measures and an escalation in the national security threat level. As a response, the Company cooperates closely with the relevant authorities and its partners within the oil and gas industry.

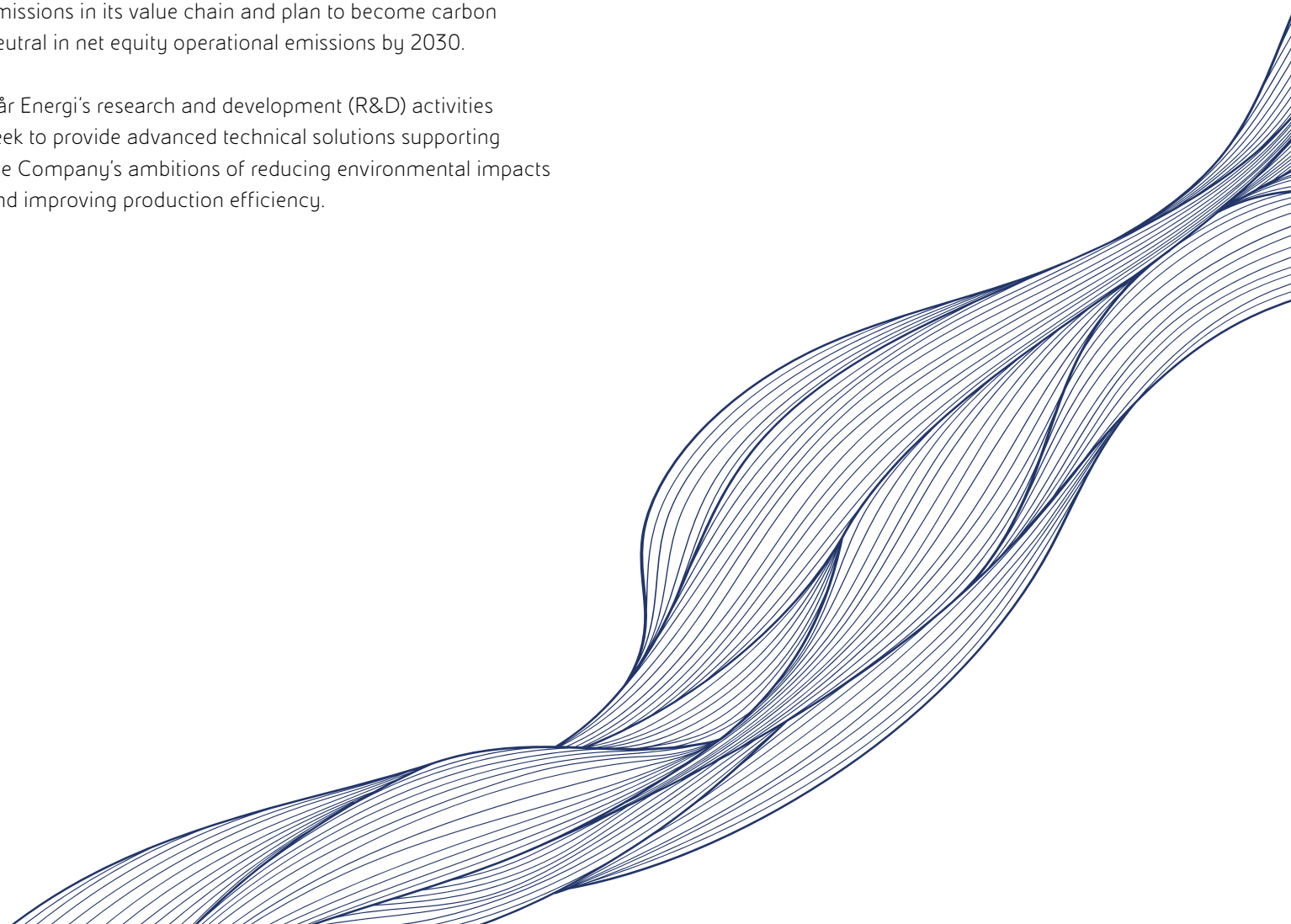
Mitigating actions

Vår Energi is continuously assessing market trends with regards to financial impact and include sensitivity analysis (alternative price scenarios) in the process to evaluate the robustness of new projects.

Having set ambitious climate targets for 2030, the Company is shifting focus towards operationalising already developed plans for achieving GHG emissions reductions in line with its targets. One way of achieving reduction of direct GHG emissions is by electrification of assets with renewable power from shore or offshore renewable energy sources.

Technological development is a key enabler with regards to mitigating climate risks and pursuing climate opportunities and plays a key part in Vår Energi's long term target to reduce emissions in its value chain and plan to become carbon neutral in net equity operational emissions by 2030.

Vår Energi's research and development (R&D) activities seek to provide advanced technical solutions supporting the Company's ambitions of reducing environmental impacts and improving production efficiency.



Financial information

Financial review

Declaration regarding the financial statements

The Board of Directors believes that the financial statements provide a true and fair view of the Company's result for 2024 and the financial position at year end.

Profit and loss

Total income in 2024 was USD 7 450 million (+9%) compared to USD 6 850 million in 2023. Petroleum revenues in 2024 amounted to USD 7 372 million, up from USD 6 816 million in 2023. The increase in petroleum revenues was mainly due to increased production and sales in 2024, partly offset by reduced prices. Total other operating income in 2024 was USD 77.7 million (USD 33.8 million).

Total volumes sold was 97.7 mmboe, compared to 74.5 mmboe in 2023. Realised average price per boe amounted to USD 75.5 per boe in 2024, a decrease from USD 91.4 per boe in 2023.

Total 2024 production cost (sold volumes) was USD 1 403 million, compared to USD 1 138 million in 2023.

Exploration expenses in 2024 were USD 192 million, an increase from USD 86 million in 2023. The increase is mainly related to higher dry well expenses in 2024 compared to previous year.

Depreciation and amortisation amounted to USD 1 916 million in 2024, an increase from USD 1 423 million in 2023. Impairment losses in 2024 amounted to USD 4 million, while in 2023, impairment losses amounted to USD 526 million. Impairment is recognised when the book value of an asset or a cash-generating unit (CGU) exceeds the recoverable amount. Impairment is correspondingly reversed if the conditions for the impairment are no longer present (except for Goodwill). The impairment losses in 2024 are related to three CGUs; Njord area, Gjøa area and Snøhvit, in addition to an impairment reversal to the Balder CGU. Other operating expenses were USD 145 million in 2024, a decrease from USD 160 million in 2023.

Operating profit for 2024 was USD 3 313 million compared to an operating profit of USD 3 357 million in 2023.

2024 net financial expenses were USD 107 million, a decrease from USD 113 million in 2023. Vår Energi recognised a net foreign exchange loss of USD 370 million, compared to a loss of USD 47 million in 2023. The 2024 tax expense was USD 2 986 million, compared to a tax expense of USD 2 747 million in 2023. Total profit in 2024 was USD 327 million compared to USD 610 million recorded in 2023.

Financial position

Total assets as at 31 December 2024 amounted to USD 21 868 million, compared to USD 19 289 million the previous year. Total non-current assets were USD 20 601 million, an increase from USD 17 630 million at end of 2023.

Net additions in tangible assets in 2024 amounted to USD 1 774 million and related mainly to the Company's investments in its development projects, production facilities and exploration activities. Total depreciation and impairment charges amounted to USD 1 920 million.

Total current assets decreased to USD 1 267 million from USD 1 659 million in 2023. The decrease was mainly caused by lower cash and cash equivalents, partly offset by an increase in other current receivables and financial assets.

The cash position at year end was USD 279 million, down from USD 735 million in 2023. In addition, at year end 2024

the Company had USD 1 030 million in undrawn credit facilities bringing total available liquidity to USD 1 309 million. Total equity as at 31 December 2024 was USD 833 million, down from USD 1 768 million at end of 2023. This corresponds to an equity ratio of 3.8% compared to 9.2% the previous year.

Total non-current liabilities at year-end were USD 19 139 million (USD 15 397 million), mainly reflecting an increase in interest-bearing loans and borrowings and deferred tax liabilities. Total current liabilities were USD 1 897 million (USD 2 124 million), mainly reflecting a decrease in taxes payable.

Total interest-bearing debt (including lease liabilities) was USD 5 294 million at year-end 2024, an increase from USD 3 264 million in 2023. EBITDAX was USD 5 902 million in 2024 and free cash flow (FCF) amounted to USD 533 million. The leverage ratio (NIBD/EBITDAX) at year-end 2024 was 0.8x, up from 0.5x in 2023.

Cash flow

Cash flow from operating activities (CFFO) in 2024 was USD 3 408 million, stable from USD 3 420 million in 2023. The difference between CFFO and operating profit is mainly explained by tax payments, depreciation and amortisation.

Net cash used for investment activities was USD 4 244 million in 2024 compared to USD 2 668 million in 2023.

Expenditures on property, plant and equipment was USD 2 564 million in 2024, stable from USD 2 528 million in 2023. Net cash inflow from financing activities was USD 448 million in 2024, compared to net cash used in financing activities of USD 459 million in 2023.

Dividend

Vår Energi's material cash flow generation and Investment Grade balance sheet support attractive and resilient distributions. In 2024, the Company distributed a total dividend of USD 1 080 million. The dividend was paid in quarterly instalments. In February 2025, Vår Energi declared further dividend of USD 270 million for the fourth quarter of 2024, which was distributed to shareholders at 25 February 2025.

Going concern statement

A key objective of the Company is to have sufficient solidity and liquidity to be able to finance its operations and investments in accordance with the company's business plan and portfolio commitments. The Board of Directors confirms that the financial statements of the Company have been prepared under the going concern assumption in accordance with the Norwegian Accounting Act, section 2-2(8). The Board of Directors regards the solidity to be satisfactory given the Company's requirements for financial robustness. The Board of Director' considers Vår Energi as well positioned to continue its operations based on the current balance sheet, production and cash flow forecasts and projected investments and expenses.

Accounting standards

The accounting policies used in the IFRS Financial Statements for 2024 are consistent with those used in the 2023 Financial Statements.

Internal control and audit

Vår Energi has established internal control functions to prevent errors and frauds related to financial reporting. The internal controls are periodically assessed and modified to comply with changes in the organisation and business activities. A compliance function has been established to monitor internal controls with respect to compliance with internal guidelines and external laws and regulations. Any material deviations from the established internal control design will be reported to the Executive Committee, the Safety and Sustainability Committee, the Audit Committee and the Board of Directors.

Vår Energi has established an internal audit department that independently provides assurance on the effectiveness of governance, risk management and compliance, including how the first and second lines of control achieve risk management and control objectives. Internal Audit is also responsible for the whistleblowing function within the Company.

Information about shareholder matters

The ordinary shares of Vår Energi ASA are freely transferable. There are two classes of shares in the Company, ordinary shares and class B shares, where B class shares are not transferable and have certain appointment rights in relation to the Board of Directors. Except for this, all shares carry equal rights. The Company emphasises equal treatment of its shareholders.

The Company has a share saving program for its employees. The shares are purchased quarterly by DNB after the Company has placed a purchase order. DNB buys shares in the open stock market and allocates these to employees included in the program quarterly.

Agreements covering the debt financing of the Company, including both bank financing and senior notes issued, contain standard clauses regarding change of control, which would allow lenders or holders of notes to request repayment if certain restrictions are met.

For more detail on share capital and shareholders see the Corporate Governance Report, Shareholder information or note 24 in the financial statement.

Director and Officer's Liability Insurance

Vår Energi has implemented a Directors and Officers insurance scheme for the Board of Directors and key managers. The insurance covers personal legal liabilities including defence and legal costs.

Reporting of payments to governments

Vår Energi has prepared a report on government payments in accordance with the Norwegian Accounting Act § 2-10 and the Norwegian Securities Trading Act § 5-5 a). It states that companies engaged in activities within the extractive industries shall annually prepare and publish a report containing information about their payments to governments at country and project level. The report is provided in a separate section in the annual report.

Events after the reporting period

- Vår Energi has elected to sell part of its gas on a fixed price/forward basis. Per 31 December 2024, Vår Energi has sold around 4% of the gas production for the first quarter in 2025, around 24% of the gas production for the second quarter of 2025 and around 17% for the third quarter of 2025.

- In January 2025 Vår Energi was awarded 16 new production licences, of which five are as operator, in the 2024 Awards in Predefined Areas (APA) covering mature areas.

- The AkerBP operated well Njargasas in PL1110 was concluded dry in January 2025. Vår Energi has a 30% equity in the licence and has capitalised exploration drilling cost amounting to USD 5.7 million as per 31.12.2024.

- A discovery in the Vår Energi operated well Zagato, in licence PL229, was concluded in February 2025. The preliminary estimated gross recoverable resources are between 15 to 43 million barrels of oil equivalent (mmboe). Vår Energi has a 65% equity share in the licence.

- Jotun floating production, storage and offloading vessel (FPSO) sailed from the Worley Rosenberg yard to the Balder field in mid-March.

- Vår Energi announced pricing an offering of EUR 1 billion Senior Notes under the Company's Euro Medium Term Note program on 5 March 2025. The Notes are listed on the regular market of the Luxembourg Stock Exchange. The offering settled on 12 March 2025, and the Notes will mature 12 March 2031.

- Production from the Equinor operated Halten East field in the Norwegian Sea has commenced, on time and on budget in mid-March. The gas and condensate field will provide Vår Energi with net production of around 20 thousand barrels of oil equivalent per day (kboepd) at peak.

Outlook

Vår Energi has an ambition to deliver value-driven growth to support attractive and resilient long-term dividend distributions. The Company's production guidance for 2025 is 330-360 kboepd.

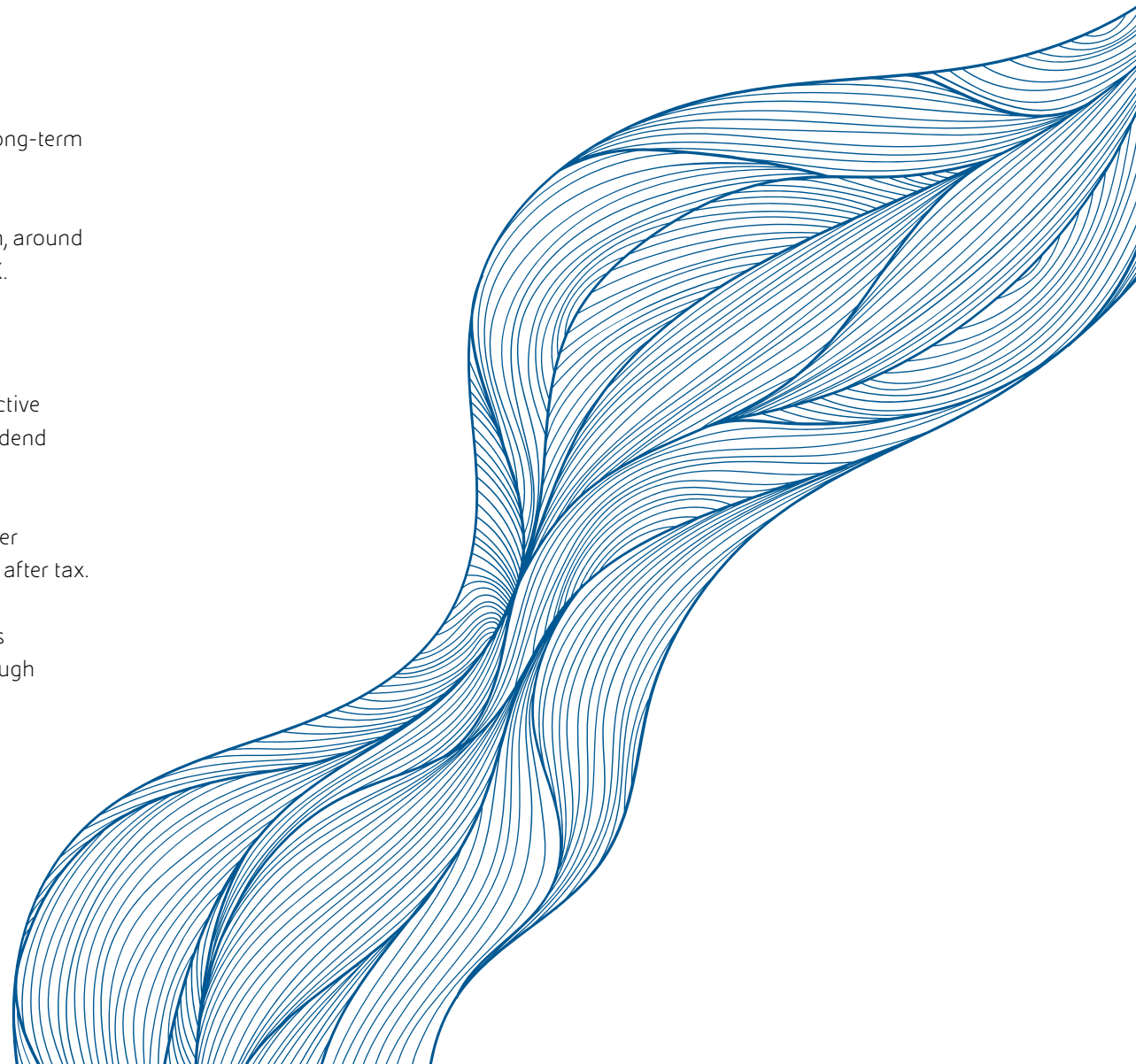
For 2025, the Company expects development CAPEX between USD 2 300 and 2 500 million, around USD 350 million in exploration CAPEX and around USD 150 million in abandonment CAPEX.

Production cost is expected to be between USD 11-12 per boe in 2025.

Vår Energi's material cash flow generation and investment grade balance sheet support attractive and predictable dividend distributions. For the first quarter of 2025, Vår Energi plans for a dividend of USD 300 million.

Vår Energi's policy is to distribute 25-30% of cash flow from operations after tax in shareholder returns. For 2025, the Company plan for a dividend at low-end of the 25-30% range of CFFO after tax.

To ensure continuous access to capital at competitive cost, retaining investment grade ratings is a priority for Vår Energi. As such, the Company targets a NIBD/EBITDAX of below 1.3x through the cycle.



Sustainability Statement

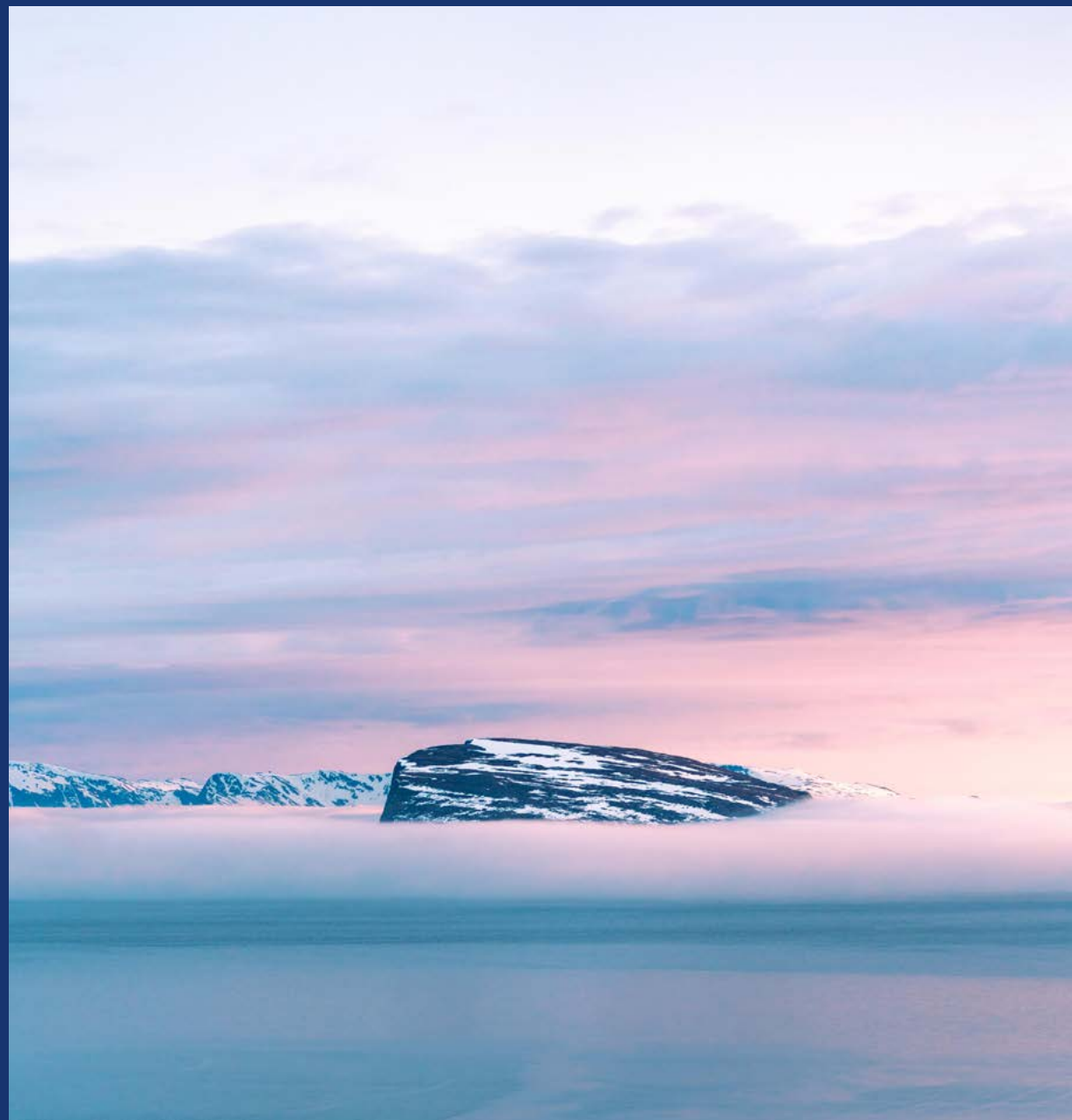


Table of contents

General information

List of ESRS disclosure requirements, terms and abbreviations

Term / Disclosure requirement	Description
ESRS	European Sustainability Reporting Standards
ESRS 2	General disclosures
DR	Disclosure requirement
DMA	Double Materiality Assessment
BP	Basis for preparation
BP-1	General basis for preparation of the Sustainability Statement
BP-2	Disclosures in relation to specific circumstances
GOV	Governance
GOV-1	The role of the administrative, management and supervisory bodies
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
GOV-3	Integration of sustainability-related performance in incentive schemes
GOV-4	Statement on sustainability due diligence
GOV-5	Risk management and internal controls over sustainability reporting
SBM	Strategy and business model
SBM-1	Market position, strategy, business model(s) and value chain

Term / Disclosure requirement	Description
SBM-2	Interests and views of stakeholders
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)
IRO	Impacts, risks and opportunities
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities
IRO-2	Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement
ESRS E1	Climate change
ESRS E2	Pollution
ESRS E3	Water and marine resources
ESRS E4	Biodiversity and ecosystems
ESRS E5	Resource use and circular economy
ESRS S1	Own workforce
ESRS S2	Workers in the value chain
ESRS S3	Affected communities
ESRS S4	Consumers and end-users
ESRS G1	Business conduct

ESRS 2 – General disclosures

Basis for preparation

BP-1 - General basis for preparation of the Sustainability Statement

The Sustainability Statement has been prepared in accordance with the Norwegian Accounting Act and provides information applicable to and aligned with the European Sustainability Reporting Standards (ESRS). The Statement is mandatory to report for Vår Energi for the first time for the financial year 2024, and is in accordance with the Norwegian Accounting Act §§ 1-2a and 2-3, which has adopted the regulations under Corporate Sustainability Reporting Directive (CSRD) and ESRS and are aligned with the EU's timeline of implementation.

Reporting scope and boundaries

The scope of the Sustainability Statement aligns with the scope of the Financial Statements, ensuring consistency and coverage of Vår Energi's operations and activities. Vår Energi's previous sustainability reporting has applied operational control as the boundary. The shift to financial control boundary has introduced challenges in exchanging data for operated and non-operated assets. While most of these issues have been resolved, some disclosures in this report rely more on estimates compared to previous reports under operational control boundaries.

Scope of consolidation

The Sustainability Statement has been prepared on an individual basis, aligning with the scope of the Financial Statements for 2024. Vår Energi ASA has three subsidiaries per 31 December 2024 which are not consolidated into group accounts for 2024, as the subsidiaries are considered immaterial.

Value chain

The Sustainability Statement covers Vår Energi's own operations, comprising upstream and downstream aspects of the value chain, including suppliers, production processes and distribution. In accordance with ESRS 1 section 5.1, the reporting only includes material upstream and downstream value chain information.

Omitted information

Vår Energi has not opted to omit information on the basis of intellectual property, know-how or the results of innovation in the Sustainability Statement 2024.

BP-2 - Disclosures in relation to specific circumstances

Reporting boundaries: Partner-operated joint operations

Partner-operated joint operations, where Vår Energi does not have financial or operational control, are included in own operations for reporting under the environmental standards. This inclusion is based on interpretations of the issued EFRAG implementation guidance on the value chain.

Vår Energi has received data from the operator of partner-operated assets, or prepared estimates where data is not available. Data received from partners is assumed to be collected and calculated applying comparable methodologies based on common industry practice, although actual methodologies may differ.

Sources of estimation and outcome uncertainty

Indirect measures and estimates are applied for upstream and downstream data related to Scope 3 GHG emissions. Where data for partner-operated assets are not available, data is estimated based on 2023 data.

A detailed explanation for each relevant metric is found in the Accounting policies and notes disclosures under E1, E2, E3 and E5. Work is ongoing to improve Scope 3 GHG accounting and establishing systems for sharing required data between operating companies.

Incorporation by reference

The following information prescribed by a disclosure requirement is incorporated in the Sustainability Statement by reference:

Standard	Disclosure requirement	Datapoint	Incorporation by reference
ESRS 2	GOV-1	§21 c	Board of Director's Report
ESRS 2	GOV-3	§29 a, b, c, d, e	Remuneration Report

Sustainability governance

GOV-1 – The role of the administrative, management and supervisory bodies

Vår Energi's Board of Directors is independent of the Company's management and has the overall responsibility for managing and supervising Vår Energi's operations and business. The Board comprises 12 members, consisting of non-executive directors, who provide oversight and strategic guidance with external perspectives and expertise. Eight of the members are elected by the shareholders at the general meeting, and four are employee representatives appointed by and amongst the employees. The percentage of independent board members represents thus 67%. The Board constitutes of 50% male and 50% female members.

The Board's composition is considered to be diverse and represents required competencies and capacities including financial and industrial experience. Regarding sustainability and business conduct matters, all of the members of the Board has relevant competencies through training and experience. In addition, the Board has significant experience through Claudia Almadori and Liv Monica Stubholt on ESG matters. Ms. Almadori holds a degree cum laude in Environmental Engineering from the University of Perugia (Italy) and has formerly worked in a consultancy firm in projects related to HSE and sustainability. She also completed an international advanced training course on Social & Environmental Sustainability.

Ms. Stubholt practices with ESG as a partner at Selmer, a Norwegian corporate law firm.

The Board of Directors' experience in the energy sector, oil and gas production and operations in Norway, and further information on the expertise of the members of the Board of Directors is reported separately in the beginning of the Board of Director's Report, where reference is given.

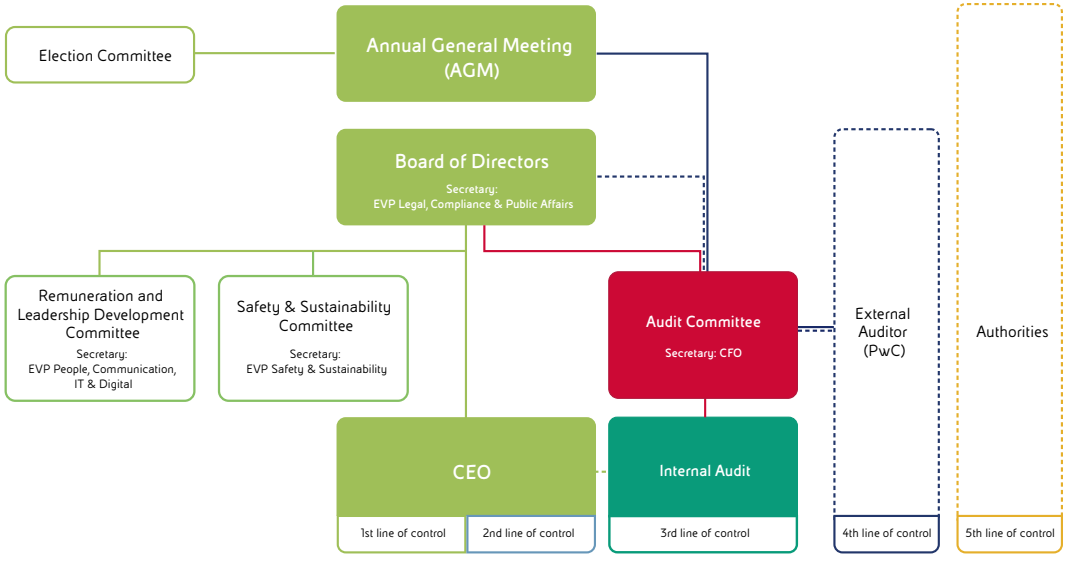
The Board of Directors has a leadership and supervisory role in all sustainability matters. The Board has also established a sub-committee to the Board of Directors to oversee and provide recommendations and advice on safety and sustainability matters, namely the Safety and Sustainability Committee (the S&S Committee). The S&S Committee is also responsible for the monitoring and review of the Company's sustainability risks and opportunities, sustainability performance and reporting, and the preparation of reporting under the European Sustainability Reporting Standards (ESRS) The Committee is chaired by the Board member Claudia Almadori and reports to the Board of Directors as deemed appropriate, but at least once a year about the Committee's activities and any issues that may arise with respect to the quality or integrity of the Company's safety and sustainability performance.

The Audit Committee's objective is to act as a preparatory body in connection with the Board's supervisory roles with respect to audit, financial and sustainability reporting, business conduct and the effectiveness of the Company's internal control and risk management system. The Audit Committee is chaired by Liv Monica Stubholt, which through her background as a lawyer and extensive experience with senior roles and directorships in other companies, has a broad knowledge of the areas of responsibilities of the Audit Committee. Francesco Gattei is also a member of the Audit Committee, contributing with his extensive experience, like his current role as Chief Transition & Financial Officer, Chief Operating Officer and General Manager for Eni S.p.A.

The EVP Legal, Compliance & Public Affairs has the overall responsibility for overseeing impacts, risks and opportunities (IROs) related to Governance and business conduct. The EVP Safety & Sustainability oversees the Environmental IROs and the IROs related to Health and Safety under

S1 - Own Workforce. The EVP People, Communication, IT & Digital is responsible for overseeing IROs related to Social standards. All of the Executive Management have relevant experience in business conduct and sustainability matters.

All Vår Energi's IROs are overseen by the Executive Committee, where the CEO has the ultimate responsibility. The corporate executives in Vår Energi hold the operational responsibility for managing sustainability impacts, where relevant matters are integrated in both strategic planning and the business planning process. The IROs are subject to regular review by the Board of Directors. Vår Energi continuously monitors the effectiveness of its measures and adjusts them as needed. This involves having systems in place to track progress and identify areas that require further action, using a dashboard system for effective monitoring.



The Executive Committee is also responsible for overseeing the setting of targets related to material impacts, risks and opportunities, including the monitoring progress towards the set targets. This is performed through review of targets and KPI's and regular reporting on progress from the Executive Committee.

GOV-2 - Information provided to and sustainability matters addressed by the business's administrative, management and supervisory bodies

The Board of Directors have a leadership and supervisory role in all sustainability matters, including the double materiality assessment that forms the basis for the Sustainability Statement. The Safety and Sustainability Committee oversees and provides recommendations and advice to the Board of Directors on risks and sustainability issues in line with Vår Energi's policies, processes, projects and activities aimed at ensuring commitment to sustainable development, including health, well-being and safety of people and communities, human rights, local development, climate change and the environment.

The Committee also monitors and reviews the Company's sustainability risks and opportunities as well as impact, implementation of due diligence and results of effectiveness of policies, actions, metrics and targets adopted to address the impacts, risks and opportunities. The Committee meets as often as necessary to perform its duties, but normally at least two times a year. The Committee reports to the Board of Directors as deemed appropriate, but at least once a year.

All the material impacts, risks and opportunities (IROs) reported under section SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model in this section has been addressed and approved by the Executive Committee during the reporting period.

The Board of Directors is responsible for risk management as part of providing strategic oversight and stewardship of the Company. This includes approving the Company strategy, annual budget and four-year business plan, evaluating risks to the delivery of the plan and agreeing financial and operational targets.

Key strategic risks and opportunities are reviewed periodically by the Executive Management and Board of Directors. The sustainability risks taken into consideration consist of climate risk, which may be related to transitional risk and physical risk.

Vår Energi's business and results of operations could be adversely affected by the adoption of new climate change laws, policies and regulations. Growing concerns about climate change and GHG emissions have led to the adoption of various regulations and policies and future global policy may further influence climate related action from the government. Potential environmental impacts are included in Vår Energi's procurement process. Assessment of potential environmental impact is included in all investment decisions.

GOV-3 - Integration of sustainability-related performance in incentive schemes

Reference is given to Vår Energi's Remuneration Report on Executive Committee 2024 for information regarding the administrative, management and supervisory bodies' remuneration structure, incentive plan, performance and the governance in this matter.

The Company's targets and performance is aligned with the Company's strategy of long-term growth and value creation, in a safe and responsible way, for all the stakeholders. The key performance indicators and ambitions are weighted according to the categories below, to ensure a sustainable and strong commitment to deliver on the Company's long-term strategy.

Key performance indicators are:

- Safety and ESG performance
- Own workforce performance
- Operational excellence and portfolio performance
- Financial performance

ESG is explicitly mentioned as one of the target categories in the Remuneration Policy for the Executive Committee. Sustainability-related considerations, such as CO_2 intensity, and emissions reduction, safety performance, equal pay and net promoter score, and other ESG targets, are weighted 20% of the overall annual variable pay (AVP).

E1.GOV-3 - Climate-related considerations of sustainability-related performance in incentive schemes

Climate-related considerations are factored into the remuneration of the Executive Committee through both CO_2 emissions reduction and CO_2 intensity targets. The CO_2 intensity target for remuneration is directly aligned with the reduction targets reported under section E1-4 - Targets related to climate change mitigation and adaptation for 2024. For CO_2 emissions reduction, the remuneration is directly linked to the 50% reduction target by 2030 (from baseline year 2005) reported under section E1-4, and in line with the expected activities for 2024.

GOV-4 - Statement on due diligence

The following table includes a mapping of how and where the application of the main aspects and steps of the due diligence process are reflected in the Sustainability Statement.

Core elements of due diligence	Paragraphs in the Sustainability Statement	Relates to impacts on
1. Embedding due diligence in governance, strategy and business model	GOV-2, GOV-3, GOV-5, SBM-3, E1-2, E2-1, E4-2, E5-1, S1-1, S2-1, S3-1, G1-1	People, Environment
2. Engaging with affected stake-holders in all key steps of the due diligence	SBM-2, S1.SBM-2, S2.SBM-2, S3.SBM-2, IRO-1, E1-4, E2-1, E2-3, E4-2, S1-2, S1-5, S1-8, S2-2, S3-2	People, Environment
3. Identifying and assessing adverse impacts	GOV-5, SBM-3, IRO-1, S1-3, G1-1	People, Environment
4. Taking actions to address those adverse impacts	E1-3, E1-7, E2-2, E4-3, E5-2, S1-4, S2-4, S3-4, G1-3	People, Environment
5. Tracking the effectiveness of these efforts and communicating	E1-4, E2-3, E2-4, E2-5, E4-4, E5-3, E5-4, E5-5, S1-5, S1-9, S1-13, S1-14, S1-16, S1-17, S2-5, G1-4	People, Environment

GOV-5 – Risk management and internal controls over sustainability reporting

For the reporting of 2024, Vår Energi has implemented internal controls for the reporting of all metrics related to own operations in the Sustainability Statement. This is to ensure that the reported data is accurate and reliable, is compliant with the regulatory requirements under CSRD and ESRS, and to identify and mitigate associated risks. The internal controls are integrated in the reporting process of the annual report for the first time in the 2024 reporting period.

The internal control framework over the sustainability reporting includes a dedicated internal control sheet for each standard with reported metrics. The sheet details the reported disclosure requirement metrics, the responsible person and department, data type, source and system for extraction, applied methodologies, assumptions, estimations and accounting policies, along with generic tables for reporting. The responsible resource is required to sign off that the relevant metric is extracted and/or calculated as reported in the internal control, and a resource leader is required to approve the internal control sheet before the metric is reported in the Sustainability Statement.

The risks associated with sustainability reporting are managed through internal processes using a risk-based approach that identifies and assesses various areas based on their likelihood and impact on the Company's reputation, financial performance, and social responsibility.

The Board of Directors conducts periodic reviews of the Company's most important areas of exposure to risk and its internal control arrangements, at least bi-annually.

The Audit Committee's objective is to act as a preparatory body in connection with the Board's supervisory roles with respect to audit, financial and sustainability reporting and the effectiveness of the Company's internal control and risk management system.

The main risks identified in the 2024 reporting of the Sustainability Statement includes risks associated with estimations on environmental metrics. Most of the environmental data input originates from partners of non-operated assets. Consequently, Vår Energi has limited insight into the shared reported data and must rely on estimates.

Strategy and business model

Vår Energi is a leading independent upstream oil and gas company operating on the Norwegian Continental Shelf (NCS). The NCS is characterised by low cost, low emissions from production compared to the global average, a reliable framework and fiscal regime, combined with a significant resource base. Vår Energi's strategy is a strong response to this context, ensuring growth and value creation for all stakeholders in the long term.

Safe and responsible operations is at the core of Vår Energi's strategy. It is the Company's ambition to be an ESG leader on the NCS through safe, healthy and secure operations throughout the value chain. This goes hand-in-hand with efficient operations, well executed projects and strong drilling and well operations. Vår Energi will achieve this through extensive collaborations and dialogue with highly skilled partners, suppliers, trade unions, and the authorities.

Vår Energi aims to be the preferred partner in all activities. Its suppliers and business partners are key to the Company's success and play a strong role in carrying out safe operations and delivering high-quality products and services.

SBM-1 - Strategy, business model and value chain

Strategy and business model

Vår Energi operates within the geographical area Norway and the Company's business is entirely related to exploration for and production of petroleum in Norway. The Norwegian Continental Shelf (NCS) is a unique place for value creation. This reflects in a well-regulated oil and gas industry with industry-leading safety standards, fair working conditions and high ethical and governance frameworks. The NCS is also characterised by a supportive and stable fiscal regime.

The Company operates within a single operating segment, and the products include oil and gas, natural gas liquids (NGL). Revenue from operations derives from a centred group of reputable EU and UK customers. A breakdown of the total revenue based on product types are included below, as well as in Note 5 in the Financial Statements.

Petroleum revenues (USD million)	2024	2023
Revenue from crude oil sales	4 558	3 782
Revenue from gas sales	2 428	2 815
Revenue from NGL sales	379	219
Total petroleum revenues	**7 372**	**6 816**

Employees

At year-end 2024, Vår Energi had a headcount of around 1 400 employees.

Sustainability matters

Given the importance of access to energy to support a sustainable development and the greenhouse gas emissions associated with the oil and gas industry, climate change mitigation is particularly relevant for Vår Energi as a pure play oil and gas producer. Balancing the need to ensure access to affordable energy for all while transitioning toward a low-carbon economy is a major challenge both for Vår Energi and for the society in general. Vår Energi's strategy is to continue to provide access to energy by producing oil and gas safely, responsibly and with low GHG emissions per produced unit.

Vår Energi's activities are associated with work-related hazards with the potential of injuries and illness and a risk of major accidents with major consequences for people and the environment.

The important natural resources Vår Energi manages generates substantial industrial activities and jobs, as well as revenues for its owners and the Norwegian society. The activities may also have an impact on human rights issues through the entire value chain.

Vår Energi's response to the above mentioned sustainability matters is covered in the various topical chapters of this report.

Value chain

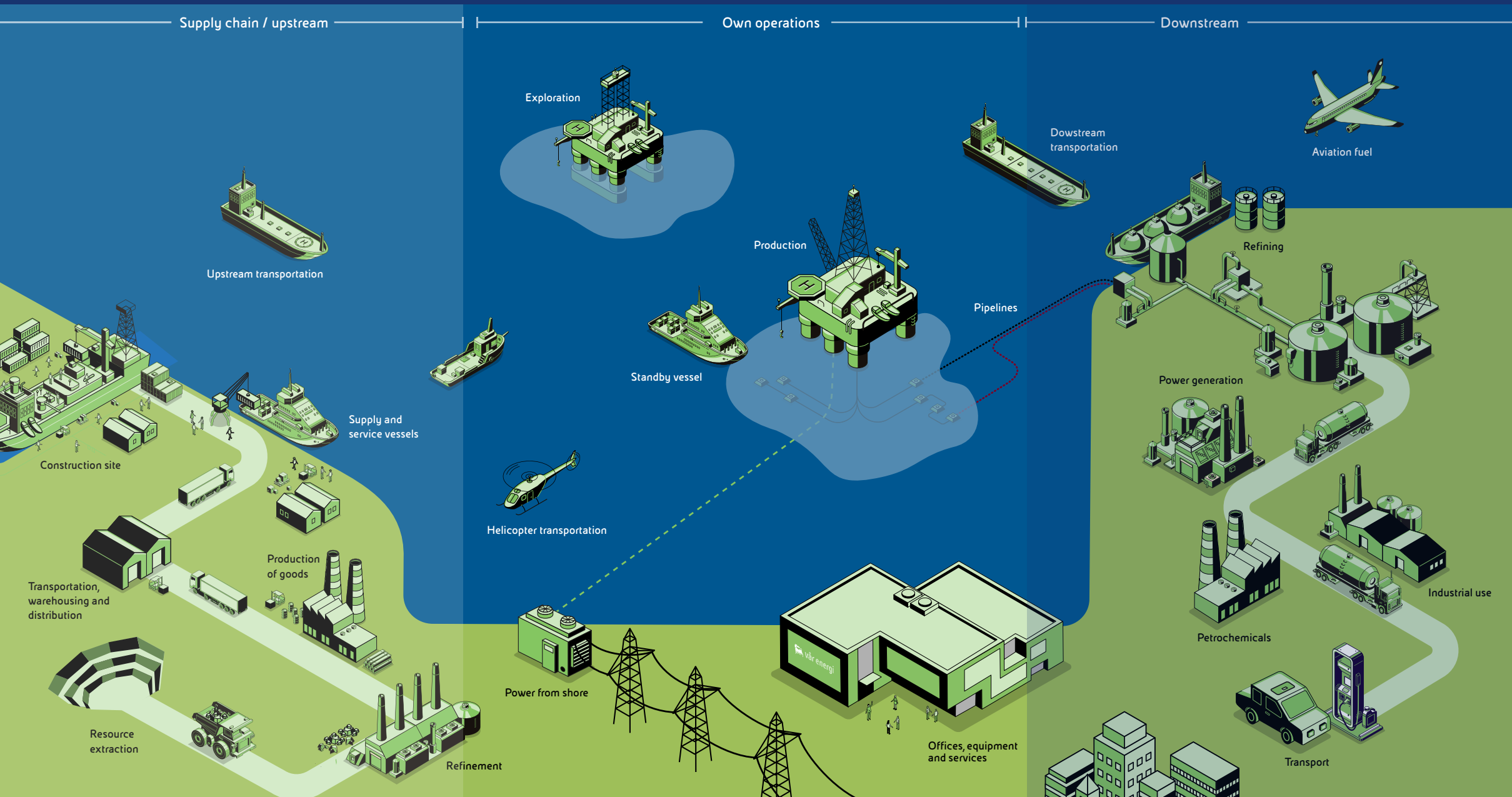
A significant part of Vår Energi's activities are carried out by suppliers contracted for services such as engineering, drilling and well services, or leasing of rigs and marine services. Materials and equipment are mostly sent offshore to assets or to onshore projects either directly or through the Company's supply bases.

The inputs for Vår Energi's operations are oil and gas reservoirs under the seabed. The approach to gathering, developing and securing these wells are securing licences to explore any potential oil or gas reservoirs. These licences are obtained in cooperation with other oil producers.

The main output is produced crude oil and gas, which through refining, has expected benefits for the customers, investors and other stakeholders, since it can be used for heat generation as well as a starting material for chemicals, plastics, pharmaceuticals, and other industrial goods.

The produced crude oil, NGL and LNG are generally sold on a Free on Board (FOB) basis. Under the FOB contracts, purchasers provide the necessary shipping capacity to offtake the product in line with the relevant field or terminal's lifting program. The natural gas is transported through the Norwegian pipeline grid and sold at exit points in the UK, Germany, and France.

Oil and NGL are sold under long-term agreements, while gas is sold under a mix of short- and long-term contracts to wholesalers in the EU and UK.


Supply chain / upstream
Own operations
Downstream
Exploration
Upstream transportation
Dowstream transportation
Aviation fuel
Production
Refining
Pipelines
Standby vessel
Supply and service vessels
Construction site
Power generation
Helicopter transportation
Production of goods
Transportation, warehousing and distribution
Industrial use
Petrochemicals
Resource extraction
Refinement
Power from shore
Offices, equipment and services
Transport

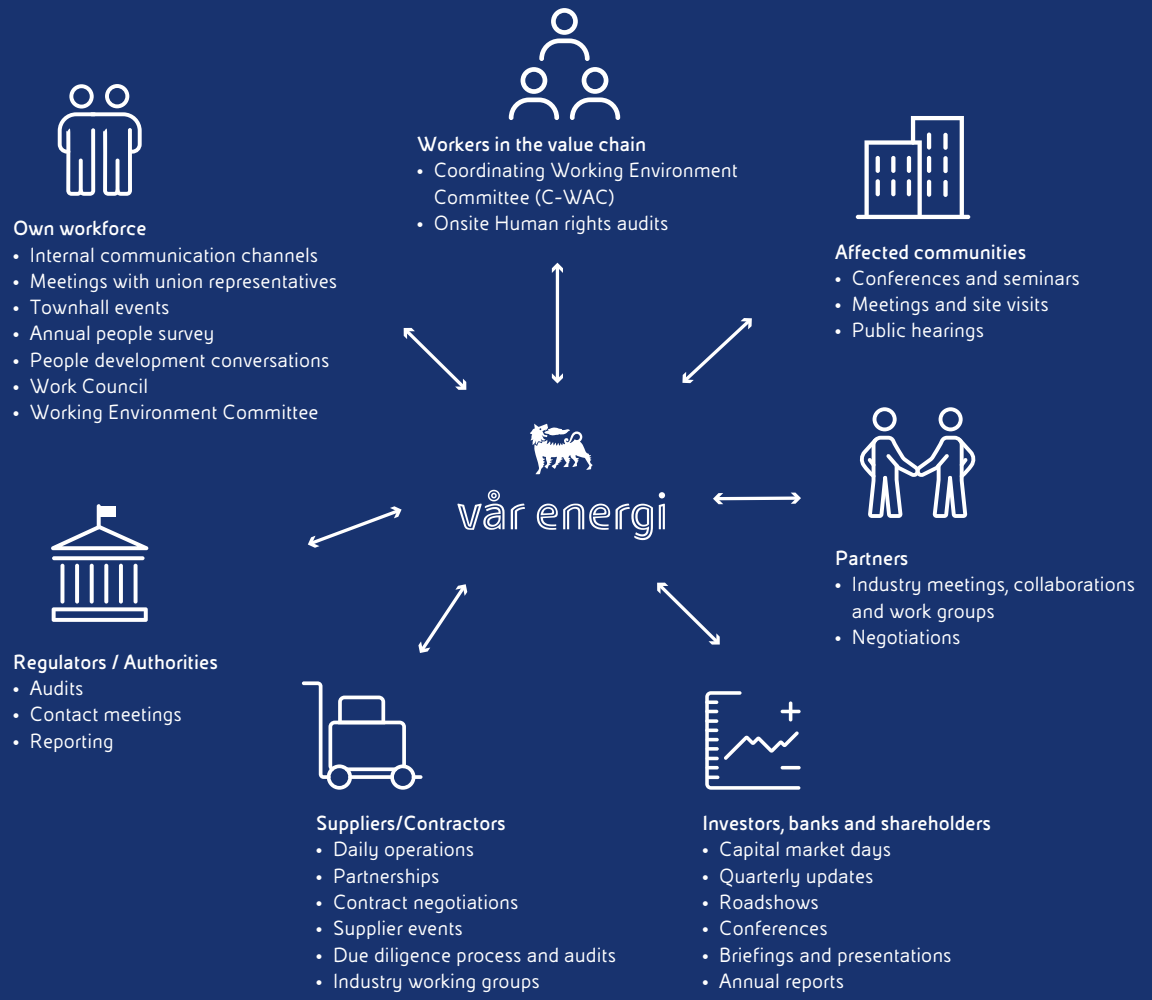
SBM-2 - Interests and views of stakeholders

In addition to the stakeholders described in the table, Vår Energi's Stakeholders also encompass interests represented by others. For instance, climate and nature interests are represented by Non-Governmental Organisations (NGOs) and the UN Climate and Nature panels.

The purpose of the stakeholder analysis is to ensure that the Company's strategy, business model, targets, and actions are aligned with the expectations and needs of the stakeholders it depends on. Stakeholders are considered when Vår Energi evaluates its strategy and business model. The impacts emphasised by stakeholders on strategy and business model are described in ESRS 2 SBM-1. How management and governing bodies are informed about and engage with the development of significant topics is detailed under ESRS 2 GOV-2.

The double materiality assessment indicated that to maintain or increase stakeholder engagement, Vår Energi must demonstrate a positive development. Influences and dependencies, along with associated risks and opportunities, are discussed under their respective significant topics.

A summarised description of the Company's stakeholder engagement is provided in the table on the following page.



Stakeholders	How engagement is organised	Purpose of engagements	Outcomes of engagements
Own workforce	• Internal communication channels • Meetings with union representatives • Townhall events • Annual people survey • People development conversations • Work Council • Working Environment Committee	Engage, involve and include own workforce in operations, decisions, and changes in the organisation.	Own workforce is updated on current activities and decisions in the Company. Inclusion of views and perspectives of own workforce in decisions and management of impacts, risks and opportunities.
Workers in the value chain	• Coordinating Working Environment Committee (C-WAC) • Onsite Human rights audits	Exchange of information and integrity due diligence process.	Vår Energi gains valuable insights and addresses challenges related to the working conditions, employee welfare and general health conditions, industrial hazards, and mitigates risks for labour and human rights violations, discrimination and inequality.
Affected communities	• Conferences and seminars • Meetings and site visits • Public hearings	Information and involvement about Vår Energi's activities that may affect communities in which the Company operates.	Fosters trust, mitigates conflicts, and ensures smoother project implementation by addressing and mitigating impacts and risks early on. It also enhances the Company's reputation and secures community support, which is crucial for long-term success.
Partners	• Industry meetings, collaborations and work groups • Negotiations	Exchange of information, alignment on topics of common interest.	Aligned viewpoints and stronger collaboration between partners. Common approach to managing impacts, risks and opportunities. Common solution for supply chain due diligence and sharing of findings from audits.
Investors, banks and shareholders	• Capital market days • Quarterly updates • Roadshows • Conferences • Briefings and presentations • Annual reports	Informing the markets on operations, plans, growth and value creation. Aligning with financial stakeholders' expectations on impacts, risks and opportunities management .	Builds trust and stronger investor relations and contributes to securing financing. Alignment on sustainability strategy, targets and performance. Improved ESG ratings. Meeting the information needs of financial stakeholders for sustainability data.
Suppliers/Contrac-tors	• Daily operations • Partnerships • Contract negotiations • Supplier events • Due diligence process and audits • Industry working groups	Information exchange on operations, plans and new technology. Alignment on impacts, risks and opportunities management. Identify actions to mitigate negative impacts or enhance positive impacts.	Builds trust, insight into supplier activities, improved collaboration with suppliers. Improved performance (reduce Scope 3 emissions, improve efficiency etc.). Adherance to Vår Energi´s business conduct standards.
Regulators / Authorities	• Audits • Contact meetings • Reporting	Sharing information on operations plans and projects. Information exchange on regulatory exchanges.	Updated regulatory overview and expression of Company's interests regarding regulations.

S1.SBM-2 – Interests, views and rights of own workforce

Vår Energi has a People policy for employee participation, which outlines the commitments for employees and management in the employment relationship. Through the policy, the Company has a duty to involve employees in the strategy and business model and ensure that initiatives are addressed before making decisions which concerns health and safety, environment, and other matters concerning the work situation. This incorporates the interests, views and rights of the people in its own workforce, including respect for human rights. Vår Energi is committed to ensure that the internal communication is clear, targeted and widespread across the organisation.

All practices and processes that are implemented in the Company regarding matters related to working conditions shall be consulted by the employee and unions representatives and the safety delegates. Through these discussions, the Company will take into account the view of the employee representatives prior to making decisions. These discussions should be based upon information from the Company and take place at a level appropriate for the subject matter. Discussions concerning decisions that may lead to significant changes in the organisation or working conditions shall be carried out with the aim of reaching an agreement.

S2.SBM-2 – Interests, views and rights of the value chain workers

Vår Energi recognises that the interests, views and rights of value chain workers are crucial to the Company's operations. Hence, Vår Energi is committed to ensuring that this key group of stakeholders is treated with respect and that human rights are upheld throughout the value chain.

Vår Energi's success relies on strong relationships with suppliers who adhere to strong ethical principles. The considered impacts are integral to Vår Energi's strategy and business model.
The Company actively engages with value chain workers to understand their perspectives and incorporate feedback in decision-making processes. Value chain workers are informed about the Company's strategy through communication channels and collaborative platforms, to ensure that they are well informed and can actively participate in supporting the Company's business model.

S3.SBM-2 – Interests, views and rights of affected communities

Vår Energi has no operations in or near areas of affected communities or indigenous communities, hence the Company's operations do not directly impact affected communities. Consequently, these considerations are not directly implemented in the Company's strategy and business model. However, Vår Energi operates in accordance with Norwegian legislation and promotes the sustainable development, rights and expectations of the indigenous people in Norway.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

The following tables present the sustainability-related IRO's Vår Energi has identified and assessed as material as a result of the DMA process. Brief descriptions of the material IRO's are included in the tables, where more information on the relevant topics and how the Company responds to the effects of the impacts and risks are defined in the relevant topical sections and standards. The IRO's arising from the material ESRS's are mapped to their matters on a sub-topic and sub-sub-topic, where applicable.

The tables specify if material impacts are actual or potential impacts, and if they are assessed as negative or positive. For the reporting of 2024, Vår Energi has not identified any material positive impacts in the DMA process. The tables also specify whether the IRO is a material financial risk or financial opportunity.

In addition, the tables indicate whether the IRO's are mapped to own operations or operations in the value chain (upstream and/or downstream), the IRO's applicable time horizon (short, medium and/or long term), and whether or not an impact is linked to a financial risk or opportunity.

There are significant difficulties in estimating current and anticipated financial effects of material risks and opportunities on the Company's financial position, financial performance and cash flows. Measuring financial effects of reputational damage may also be complex, both for environmental, social and governance aspects. Examples include incidents such as blowouts, retaining workforce or dealing with potential corruption matters. None of the identified risks are deemed to have current financial effects on the financial position, performance and cash flows in 2024. For the opportunity related to E1, the current financial effects in 2024 are noted in the table on the following page.

Vår Energi has not performed a resilience analysis of its strategy and business model in 2024. The Company intends on performing this analysis during 2025, enabling The Company to provide information about the resilience of its strategy and business model and how it relates to addressing material impacts, risks and opportunities.

E1 – Climate change

				Value chain			Time horizon			
E1 - Climate change	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Value chain GHG emissions GHG emissions are the single biggest contributor to climate change. The oil and gas sector's activities and the use of oil and gas products are responsible for a large portion of two major GHGs: carbon dioxide and methane. Production of oil and gas requires extensive use of typical high-emissions products and services such as steel, cement, chemicals and marine transportation, leading to high other indirect (Scope 3) GHG emissions. Indirect (Scope 3) GHG emissions resulting from the end use of oil and gas products constitute over half of global CO_2 emissions.	Climate change mitigation		Actual negative impact	●		●		●		●
GHG emissions from own operations Direct (Scope 1) GHG emissions from Vår Energi's activities comprise emissions from fuel combustion during production, process emissions and fugitive emissions.	Climate change mitigation		Actual negative impact		●			●		●
Energy intensive operations Purchased electricity used for operation of facilities and equipment to extract oil and gas generates indirect (Scope 2) GHG emissions.	Energy Climate change mitigation		Actual negative impact	●	●			●		●
Extreme wind and wave height Chronic and/or acute physical climate-related risks, such as extreme wind and wave height, may impact Vår Energi's production and lead to uncertainty in production estimates due to supply chain disruptions, delay in transportation and logistics.	Climate change adaptation		Financial risk	●	●				●	

E1 – Climate change

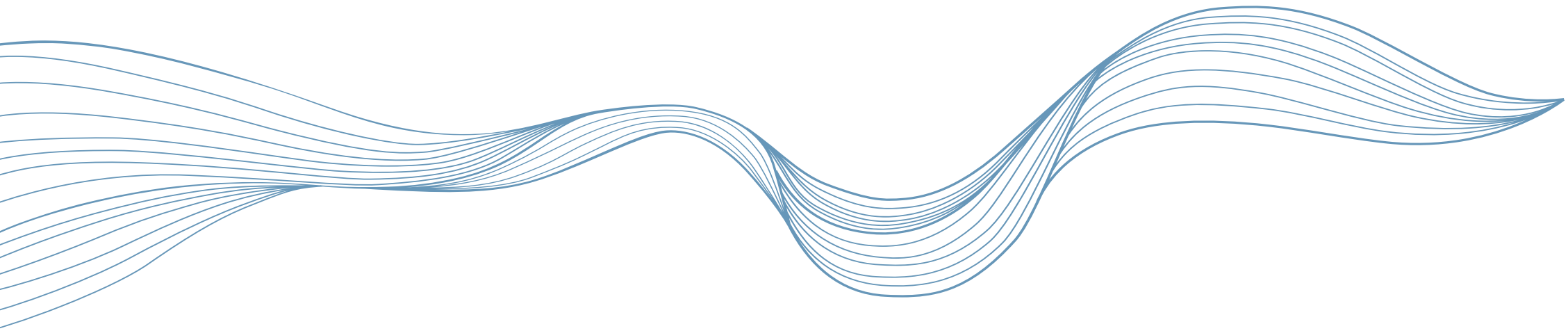
				Value chain			Time horizon			
E1 - Climate change	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Decreased demand for fossil fuel A gradual transition to renewable energy sources to reach the 1.5°C target may decrease the demand for fossil fuel over time. This may impact the Company's generation of revenue.	Climate change adaptation		Financial risk			●			●	
Reduced access to exploration area Possible regulatory changes disfavouring the oil and gas industry may result in reduced access to exploration and production in new areas.	Climate change adaptation		Financial risk		●			●		
Reduced access to capital Possible public conception of oil and gas industry and/or regulatory changes, may affect the access to capital.	Climate change adaptation		Financial risk		●			●		
Carbon price increase A possible increase in carbon prices may affect the Company's operational expenditures.	Climate change adaptation		Financial risk	●	●	●		●		
Electrification with renewable energy Investments in new technologies and renewable energy sources, such as electrification of assets under own operations, may lead to more cost efficient production and supporting the strategy of producing oil and gas with lower GHG emissions per produced unit. Capex related to electrification projects are part of the Final Investment Decision (FID) for each indivual project. For 2024, such projects are not deemed to have current financial effects on the Company's financial position, performance and cash flows.	Climate change adaptation		Financial opportunity		●			●		

E2 – Pollution

				Value chain			Time horizon			
E2 – Pollution	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Air emissions from fuel combustion Power generation from turbines and engines, as well as safety flaring operations, leads to direct non-GHG emissions. The material parameters that may have a negative impact on air quality, ecosystems and human and animal health are sulphur oxides (SOx), nitrogen oxides (NOx) and carbon monoxide (CO).	Pollution of air		Actual negative impact		●	●		●		
Air emissions from loading and storage of crude oil Loading and storage of crude oil leads to emissions of non-methane volatile organic compounds (nmVOC). These emissions may generate ground-level ozone leading to negative impacts on health and vegetation, and indirectly contribute to global warming as nmVOC is oxidised in air to CO_2 and ozone.	Pollution of air		Actual negative impact		●	●		●		
Water discharges in the ocean Discharged produced water may impact the fauna in the water column in the direct vicinity of the discharge point. The potential impact depends on the content of the chemical components and the temperatures of the discharged water.	Pollution of water		Actual negative impact		●			●		
Use of substances of (very high) concern "Production Chemicals" and "Drilling Chemicals" in the NEA permit constitute the largest part of chemical use. Discharge of these chemicals may have a negative impact on the environment and is therefore considered to be material with regards to substances of concern (SOC) and substances of very high concern (SVHC).	Substances of (very high) concern		Actual negative impact		●			●		
Pollution from incidental spills and industrial hazards Incidental spills and industrial hazards connected to operations or infrastructure may lead to oil spills with disastrous impacts on environmental resources (contamination of air and water, habitat degradation, harm to species).	Pollution of air/water		Potential negative impact		●	●			●	●

E2 – Pollution continued

				Value chain			Time horizon			
E2 – Pollution	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Microplastics Fossil fuel products are used as feedstock for production of microplastics and plastics that may lead to microplastics pollution. There are increasing concerns about microplastics' impact on the environment.	Microplastics		Potential negative impact			●			●	
Oil spill response Potential response costs for waterway preparedness, cleanup of coast areas and organisms, and continuous operation of specialised vessels if pollution from an incidental oil spill was to occur. Note: This potential financial risk is related to pollution from oil spills in general (E2 - Pollution) and risks related to living organisms (E4 - Biodiversity and ecosystems)	Pollution of air/water		Financial risk		●				●	



E4 –Biodiversity and ecosystems

				Value chain			Time horizon			
E4 –Biodiversity and ecosystems	**Sub-topic**	**Sub-sub-topic**	**IRO**	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Climate change effects from GHG emissions GHG emissions from the end use of oil and gas products is responsible for a large portion of GHG emissions contributing to climate change that may affect biodiversity, including individual organisms, populations, species distribution, and the composition and function of ecosystems.	Direct impact drivers of biodiversity loss		Actual negative impact			●		●		●
Environmental pressure from industrial activities Activities related to exploration and production of oil and gas may disrupt benthic habitats and ecosystems, leading to habitat degradation and potential impacts on marine species and can be the source of pressures on the environment with direct, indirect, and cumulative negative impacts on biodiversity. Discharges, spills and leaks may result in contamination, contributing to degradation of biodiversity and ecosystems.	Impacts on extent and condition of ecosystems		Potential negative impact	●	●	●		●		

E5 – Circular economy

				Value chain			Time horizon			
E5 – Circular economy	**Sub-topic**	**Sub-sub-topic**	**IRO**	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
High use of (virgin) raw materials Chemicals, cement and steel are necessary to construct offshore platforms and onshore facilities, as well as for the equipment and infrastructure needed to extract, process and transport oil and gas (e.g., valves, tubing and pipelines).	Resource inflows, including resource use		Actual negative impact	●	●		●			
High volumes of waste, including hazardous waste If not properly managed, hazardous and non-hazardous waste from oil and gas activities may contaminate surface water, groundwater, seawater with chemicals or heavy metals, and may negatively impact plant and animal species, as well as human health.	Waste		Actual negative impact		●		●			

S1 – Own workforce

				Value chain			Time horizon			
S1 – Own workforce	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Wellbeing of offshore workers Offshore operations may have negative implications on the working conditions and overall well-being of employees (including extended working hours, shift patterns, work-life balance, exposure to harsh conditions, restricted recreational activities).	Working conditions	• Working time • Work-life balance • Health and safety	Potential negative impact		●			●		
Industrial hazards Vår Energi's exploration and production activities are associated with risk of work-related hazards, such as working with heavy machinery and exposure to or handling of explosive, flammable, poisonous, or harmful substances. Falling objects, faulty handling of heavy machinery, or malfunctioning electrical, hydraulic, or mechanical installations may result in high consequence work related injuries. Workers may also be at risk of injuries from slips, trips, and falls. The activities also involve working in confined spaces, which may contain a high concentration of gases, such as carbon monoxide, methane, and nitrogen, that may lead to poisoning or asphyxiation. Physical and ergonomic hazards include harmful levels of machinery noise or vibration, which may cause hearing impairment or loss and musculoskeletal disorders.	Working conditions	• Health and safety	Potential negative impact		●			●		
Working conditions Vår Energi may impact working conditions through employment practices and labour relations.	Working conditions	• Social dialogue • Freedom of association, the existence of works councils and the information, consultation and participation rights of workers • Collective bargaining, including rate of workers covered by collective agreements	Potential negative impact		●			●		
Discrimination and inequality in the workplace Vår Energi is part of a male-dominated industry which may involve workers being subject to various forms of discrimination and inequality in the workplace. Discrimination may be in the form of unequal opportunities and treatment of workers in e.g. different parts of the recruitment process, unequal pay, lack of an inclusive culture, lack of equal opportunities to promotions or unequal access to services and utilities.	Equal opportunities	• Gender equality and equal pay • Training and skills development • Measures against violence and harassment in the workplace • Diversity	Potential negative impact		●			●		

S2 – Workers in the value chain

				Value chain			Time horizon			
S2 – Workers in the value chain	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Industrial hazards Vår Energi's exploration and production activities and its supply chain may be associated with work-related hazards – see S1 - "Own workforce".	Working conditions	• Health and safety	Potential negative impact	●				●		
Working conditions Part of Vår Energi's activities may involve labour-intensive and involvement of multiple contractual partners and sub-contractors which increases complexities in ensuring consistent adherence to adequate working conditions and labour standards.	Working conditions	• Working time • Work-life balance	Potential negative impact	●				●		
Discrimination and inequality in the workplace Vår Energi is part of a male dominated industry, and may through partnerships, industry collaboration and supplier relationships, be directly linked to or contribute to discriminatory practices and inequal treatment of workers in the value chain. Vår Energi may be exposed to business relationships with operational activities in countries with high gender inequality and where human rights and worker rights are less protected by legal provisions.	Equal opportunities	• Gender equality and equal pay • Training and skills development • Measures against violence and harassment in the workplace • Diversity	Potential negative impact	●				●		
Labour rights violations Global supply chain and outsourcing of services such as facilities management and services may increase the exposure to potential labour rights violations.	Working conditions	• Freedom of association, including the existence of work councils • Collective bargaining	Potential negative impact	●				●		
Violations of human rights Exposure to global supply chains may increase the risk of forced labour occurring in countries and in sectors with known vulnerabilities to forced labour issues.	Other work-related rights	• Child labour • Forced labour	Potential negative impact	●				●		

S3 – Affected communities

S3 – Affected communities	Sub-topic	Sub-sub-topic	IRO	Value chain: Upstream	Value chain: Operations	Value chain: Downstream	Time horizon: Short	Time horizon: Medium	Time horizon: Long	Linked to risk or opportunity
Disruption of indigenous communities Activities related to oil and gas production may affect areas inhabited by indigenous peoples and potentially lead to disputes over land rights and disruption of indigenous communities' traditional ways of life and their access to carry out traditional, cultural activities.	Rights of indigenous people	• Cultural rights	Potential negative impact	●					●	

G1 – Business conduct

G1 – Business conduct	Sub-topic	Sub-sub-topic	IRO	Value chain: Upstream	Value chain: Operations	Value chain: Downstream	Time horizon: Short	Time horizon: Medium	Time horizon: Long	Linked to risk or opportunity
Corporate culture Given the wide sustainability impacts of Vår Energi's activities, a system of shared values and norms are essential to provide a clear expectation on behaviours for stakeholders across the whole value chain. The corporate culture is essential to manage the risks related to governance.	Corporate culture		Potential negative impact	●	●	●			●	
Whistleblowing Whistleblower reporting channels, procedures to follow-up on reports by whistleblowers and measures to protect against retaliation on whistleblowers are essential to identify concerns related to sustainability impacts and responsible business conduct.	Protection of whistle-blowers		Potential negative impact	●	●				●	
Influencing public policy Engagement with policy makers and lobbying activities may impact societal and environmental interests if advocating for corporate interests over broader public and environmental concerns.	Political engagement and lobbying activities		Potential negative impact		●				●	
Exposure to corrupt practices Vår Energi may be exposed to possible corrupt practices at various stages throughout the global supply chain. Corruption may lead to various negative impacts, such as misallocation of resources revenues, damage to the environment, abuse of democracy and human rights, and political instability.	Corruption and bribery	• Prevention and detection including training • Incidents	Potential negative impact	●	●				●	

E1.SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model for climate change

Vår Energi has identified five material climate-related risks, hereby the IRO's Extreme wind and wave height, Decreased demand for fossil fuel, Reduced access to exploration areas, Reduced access to capital and Carbon price increase. Additionally, the Company has identified one financial opportunity related to IRO Electrification of assets with renewable energy. The financial risks and their consideration in regard to physical or transition risk is reported below.

Financial risk	Sub-topic	Type of risk
Extreme wind and wave height	Climate change adaptation	Physical risk
Decreased demand for fossil fuel	Climate change adaptation	Transitional risk
Reduced access to exploration areas	Climate change adaptation	Transitional risk
Reduced access to capital	Climate change adaptation	Transitional risk
Carbon price increase	Climate change adaptation	Transitional risk

Vår Energi is mainly impacted by transitional risks but could also be impacted by physical risk in the longer perspective. The Company continually identifies and assesses climate change related risks and opportunities to be able to adjust or adapt its strategy to climate change over time, including securing ongoing access to finance, upgrading of existing assets, redeployment of assets and reskilling its workforce.

Vår Energi has not performed a full resilience analysis of its strategy and business model in relation to climate change in 2024. However, the Company has conducted a climate-related risk assessment, applying a scenario analysis as required by ESRS E1. The analysis incorporates a net present value (NPV) assessment under the scenarios of future energy trends applied by the International Energy Agency (IEA). The scope includes an impact analysis of the material climate-related financial risks identified under the three IEA scenarios, including an assessment of different types of risks and its potential impact on Vår Energi's financials. The Company conducted the scenario analysis in 2024, based on the latest scenario descriptions and prices described in IEA's World Energy Outlook (WEO), and the results of material financial risks identified under the DMA. For more information on the scenario analysis, including the results, please see ESRS 2 – General Disclosures and Note 35 – Climate risk in the Financial Statements.

E4.SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model for biodiversity

Vår Energi has significant GHG emissions from the value chain, which indirectly, through the use of products, impacts biodiversity on a global scale. The Company does not, however, have any policies, actions or set targets related to minimising the indirect impact of GHG emissions on biodiversity. Reference is made to chapter ESRS E1 – Climate change for relevant policies and information regarding GHG emissions, reductions, actions and targets related to the value chain.

The IRO Environmental pressure from industrial activities related to biodiversity sub-topic Impacts on extent and condition of ecosystems is measured through mapping of activities in or near protected areas or areas of high biodiversity value. Vår Energi has identified material offshore sites, including own operated and partner-operated sites, where activities may impact biodiversity and ecosystems. The material sites are potentially impacted by either production or drilling. The relevant sites are listed in the tables on the following page.

The tables lists Vår Energi's fields and exploration drilling near protected areas (PA) and in or near areas of high biodiversity value, classified according to the Norwegian classification system, Particularly Valuable and Vulnerable Areas (Særlig Verdifulle og Sårbare Områder (SVOs)).

PA: Protected Areas. A Protected Area is a clearly defined geographical space, recognized, dedicated and managed through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values.

SVO: The SVOs are defined in "Særlig verdifulle og sårbare områder (SVO) i norske havområder – Miljøverdi – En gjennomgang av miljøverdier og grenser i eksisterende SVO og forslag til nye områder" from The Institute of Marine research in Norway, and are applied as input to the recent update of the Management Plan for Norwegian Marine Area. Today about 55% of the Norwegian Sea areas are included in an SVO.

Fields in Production	Does the site overlap with biodiversity sensitive areas?[1]	What is the size of the footprint of the site within the sensitive area?	If "Yes": the name of sensitive area(s)	Are sites located within 1 km of biodiversity sensitive areas?[1]
Goliat	Yes	1.02 km^2	SVO Senja-Tromsøflaket	
Snøhvit-Hammerfest LNG (HLNG)	Yes	Hammerfest LNG - 0.03 km^2 Askeladd templates - 0.86 km^2 Snøhvit gas export - 3.78 km^2 Snøhvit power cable - 1.20 km^2	Hammerfest LNG - SVO Coastal Zone Finnmark Askeladd - SVO Tromsøflaket Snøhvit gas export - SVO Coastol Zone Finnmark and SVO Tromsøflaket Snøhvit power cable - SVO Coastal Zone Finnmark	Hammerfest LNG - Yes Snøhvit field - No Askeladd templates - Yes Snøhvit gas export - Yes Snøhvit power cable - Yes
Kristin	Yes	1.087 km^2	SVO Eggakanten South	Yes
Aasgard	Yes	0.06 km^2	SVO Eggakanten South	Yes
Gjøa	No	Not Relevant	The coastal protected areas Utvær, Vassøyane, Håvarden, Klubben	Yes. Minor part of Gjøa power cable to shore is in the vicinity of coastal protected areas named in the left-hand column.
Ormen Lange	Yes	1.22 km^2	SVO Eggakanten South and SVO Coastal Zone Norwegian Sea South.	Yes
The fields below do not overlap nor are they located within 1 km of biodiversity sensitive areas				
Johan Castberg (on field, but not yet in production in 2024), Grane, Breidablikk, Heidrun, Njord, Norne, Snorre A&B, Statfjord ABC, Statfjord Nord, Statfjord Øst, Svalin, Tordis, Tyrihans, Vigdis, Sleipner Ø&V, Gudrun, Ormen Lange, Ekofisk (including Embla, Eldfisk, Tor and Tommeliten), Balder field (including Balder, Ringhorne and Ringhorne Ø), Gjøa, Duva, Fenja, Marulk and Vega.				

[1] For description of biodiversity sensitive areas see fact-box above.

Exploration Wells	Does the site overlap with biodiversity sensitive areas?[1]	What is the size of the footprint of the site within the sensitive area?	If "Yes": the name of sensitive area(s)	Are sites located within 1 km of biodiversity sensitive areas?[1]
PL229 Countach Appraisal	Yes	0.05 km^2	SVO Coastal Zone Finnmark	Yes
PL1131 'Elgol' 'Elgol' was spudded 19.12.2024, and was completed 13.01.2025. Data from the well will be included in the 2025 report.	Yes	0.05 km^2	SVO Coastal Zone Finnmark	Yes
The well locations below do not overlap nor are they located within 1 km of biodiversity sensitive areas PL1080 Snoras, PL025 Brokk Mju, PL090 Rhombi, PL1185 Kvernbit, PL199 Lavrans Tilje, PL1194 Haydn, PL932 Kaldafjell, PL636 Cerisa, PL917 Hubert & Magellan, PL956 Ringhorne Nord and PL1025 S Venus.				

The overview indicates that Vår Energi does not engage in activities within protected marine areas. However, some operations are conducted in or near SVOs, which are not the same as protected areas. SVOs do not directly impose restrictions on commercial activities but signal the importance of conducting special care in these areas.

Activities are performed based on biological evaluations of sites (Impact assessment and discharge permit processes) and received permits from the Norwegian Environment Agency (NEA). It is not expected that Vår Energi's operations affect threatened species populations.

S1.SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model for own workforce

Four IRO's related to S1 – Own workforce are identified as material under the DMA process. All of them are considered potential negative impacts. The material IROs related to sub-topic Working conditions are directly connected to Vår Energi's strategy and business model. Operational safety is a prerequisite for Vår Energi, and the licence to operate. The Company's ambition is to be the safest operator on the NCS, and Vår Energi has incorporated the nine Life Savings Rules as stated by the International Association of Oil & Gas (IOGP) in the Company's management system. The material potential impacts also contribute to adapting the Company's strategy and business model through regular performance reviews and follow-up of key improvement areas.

Vår Energi has not identified any material risks, opportunities or dependencies related to S1 – Own workforce in the DMA for reporting of 2024.

For the reporting of S1 – Own workforce, all people in its own workforce who could be materially impacted by the Company are included in the scope of its disclosures. Vår Energi's own workforce is composed of a diverse group of individuals who are integral to the Company's operations, and are connected with the undertaking's own operations.

Below is a description of the types of employees in the Company's own workforce subject to material impacts by its operations.

Type of employee	Description
Employees	Individuals directly employed by Vår Energi. These include all professionals who work full-time or part-time under employment contracts
Third-party personnel	Individuals provided by third-party companies primarily engaged in employment activities and hired through frame agreements. They include temporary workers and other support personnel who are employed by external agencies but work on the Company's site and under Company supervision

Based on the materiality assessment, offshore workers have been identified as a key group within the Company's workforce who are at greater risk of harm due to the unique and challenging nature of their work environment. This assessment considered potential physical hazards associated with offshore operations, which are related to individual incidents, and systematic negative impact related to working conditions and equal treatment resulting from the nature of working in the oil and gas industry. To develop a comprehensive understanding of the actual and potential impacts the Company may have on this key group of workers, several initiatives have been implemented. Please see section S1-4 - Actions and resources related to working conditions in own workforce for more information.

S2.SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model for value chain workers

The potential impacts for workers in the value chain are integrated in the Company's strategy and business model by:

- **Embedding a safe culture:** Vår Energi has embedded a safe culture across all levels of the organisation, ensuring that safety is a core part of the Company's operational strategy
- **Stakeholder engagement:** Vår Energi engages with stakeholders, including value chain workers and their representatives, to understand any concerns and incorporate feedback into the Company's business model
- **Adherence with international standards:** The Company continuously monitors and improve labour practices to align with international standards and best practices

The potential impacts related to health and safety inform and contribute to adapting the Company's strategy and business model through comprehensive health and safety management systems. In terms of working conditions and equal opportunities, the Company is informed through the Whistleblowing channel, providing an anonymous dialogue with value chain workers to raise concerns. Potential impacts related to work related rights, including labour rights, inform the Company through on-site audits. For more information in this regard, reference is made to sections S2-2 and S2-3.

A significant part of Vår Energi's activities are carried out by contracted suppliers, and value chain activities may therefore impact various types of value chain workers. The suppliers are generally contracted for services such as engineering, drilling and well services, or leasing of rigs and marine services. As such, the Company's value chain workers include upstream workers and on-site contractors.

For the reporting of S2 - Workers in the value chain, on-site contractors and the upstream workers in value chain are considered to be potentially materially impacted by the Company, including impacts connected with own operations and value chain, and are thus included in the scope of disclosures.

The following table includes a brief description of the material types of value chain workers and their potential impacts connected with Vår Energi's own operations and upstream value chain. The types of value chain workers described in the list are potentially impacted by all the IRO's mentioned above, with the exception of violations of labour rights and human rights, which is only considered material in the upstream value chain.

Type of value chain worker	Description	Main potential impacts
On-site contractors	Workers employed by third-party contractors but work on the Company's sites	Health and safety risks due to the hazardous nature of exploration and production activities, including physical and ergonomic hazards
Upstream workers	• Workers involved in the extraction and initial processing of oil and gas, including drilling, exploration and transportation • Sub-suppliers that the Company's suppliers interact with, particularly those related to the manufacturing of material input commodities	• Exposure to physical hazards, labor-intensive work and remote working conditions • Sub-sub-suppliers operating in countries with low rates of enforcement of human rights and that do not adhere to the requirements set by the International Labour Organisation (ILO)

Vår Energi's upstream value chain is complex, especially related to the manufacturing of material input commodities related to raw materials such as steel, concrete and cement (reference is given to IRO under E5 - Resource use and circular economy). The large number of sub-suppliers that the Company's suppliers interact with may include those operating in countries with low rates of enforcement of human rights and that do not adhere to the requirements set by the International Labour Organisation. As such, child labour and/or forced labour may occur in activities that service the oil and gas sector, or workers in the suppliers' value chain. Although Vår Energi conducts due diligence assessments with its direct suppliers, as well as most in the next level down, in the upstream value chain, the large and complex supply chain may pose difficulties for detecting and addressing incidents of child and forced labour with the sub-suppliers.

In the case of potential material negative impacts, the impacts are mainly considered systemic in context of where the Company operates, namely on the NCS. However, the impact related to Industrial hazards may be connected to individual incidents, such as industrial incidents or accidents. The identified material potential negative impacts are not considered to arise from the transition to greener and climate-neutral operations.

Upstream workers in Vår Energi's value chain work in a particular context and with specific activities that may be at greater risk of harm in terms of health and safety.

The Company's exploration and production activities are associated with several work-related hazards, such as working with heavy machinery and exposure to or handling of harmful substances. Industrial incidents or accidents in this relation may occur. Vår Energi has clear processes, procedures and expectations in place to ensure that operations are carried out in a safe manner. This gives the Company the opportunity to take precautionary actions to eliminate hazards and minimise risks.

S3.SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model for indigenous peoples

Vår Energi's offshore activities in Northern Norway do not materially impact indigenous peoples' cultural rights, but value chain activities could contribute to an impact even if these rights are protected by the state.

In general, the understanding of the impacts, risks and opportunities related to indigenous peoples' cultural rights may derive from:

- Networking with the stakeholders carried out at a local level
- Analysis of the studies carried out locally by Vår Energi
- New analysis, including socio-economic analysis of the reference context (Social Context Analysis, Social Baseline, mapping and analysis of the stakeholders and other specialised studies performed with the purpose of acquiring information about the context) and social impact studies in accordance with recognised methodologies.

The depth of the analyses could vary depending on the activities and the stage of business. The analyses may be carried out by third parties as a guarantee of impartiality and objectivity.

Sami interests were part of the impact assessment for the development and operation of the Goliat installation in the Barents Sea, where it was pointed out that the disadvantages for reindeer herding will be affecting migration beds, calving areas and spring pastures. In addition, helicopter traffic over Kvaløya could disturb the reindeer, especially during the calving season. Mitigating actions were implemented in doalogue and cooperation with representatives for the impacted Sami population.

The identified potential negative impact is considered related to Vår Energi's upstream value chain and is therefore not connected to or contribute to adapting the Company's strategy and business model.

Impact, risk and opportunity management

IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities

Vår Energi started the process of conducting the Double Materiality Assessment (DMA) in 2022-2023, adapting to the compliance within the ESRS and CSRD. The materiality assessment was conducted with a methodology guided by the ESRS requirements and incorporates industry best practices, internal expertise from relevant employees, and engagement with relevant stakeholders from different stakeholder categories. The DMA process and results for the reporting of 2024 have been reviewed and approved by the Executive Committee and the Board of Directors.

The severity thresholds applied in the materiality assessment methodology of the DMA was based on Vår Energi's existing risk management framework. Vår Energi analyses and evaluates risks related to sustainability by using a risk matrix that assesses the likelihood and impact of each risk. Vår Energi follows the COSO framework (Committee of Sponsoring Organisations of the Treadway Commission) for risk management and internal control, as well as ISO 31000 for a structured approach to risk management. The Corporate Risk Management function was involved in the process of conducting the DMA, has approved the results of the DMA and the material IROs, and incorporated the outcome of the assessment in the Enterprise Risk Management (ERM) system.

The DMA is conducted and/or updated once a year, with reporting of the findings to the Executive Committee, Audit Committee and Safety and Sustainability Committee for their recommendation and reporting to the Board of Directors, who approves the assessment. The Board of Directors is responsible for risk management as part of providing strategic oversight and stewardship of the Company. This includes approving the Company strategy, annual budget and four-year business plan, evaluating risks to the delivery of the plan and agreeing financial and operational targets. Key strategic risks and opportunities are reviewed periodically by the Executive management and Board of Directors.

Vår Energi's double materiality assessment included an examination of the Company's key stakeholders and their primary concerns. The results from this analysis serve as the foundation for the Sustainability Statement and are integral to Vår Energi's ongoing strategic efforts. Moving forward, the assessment will be updated annually to inform subsequent years' reporting.

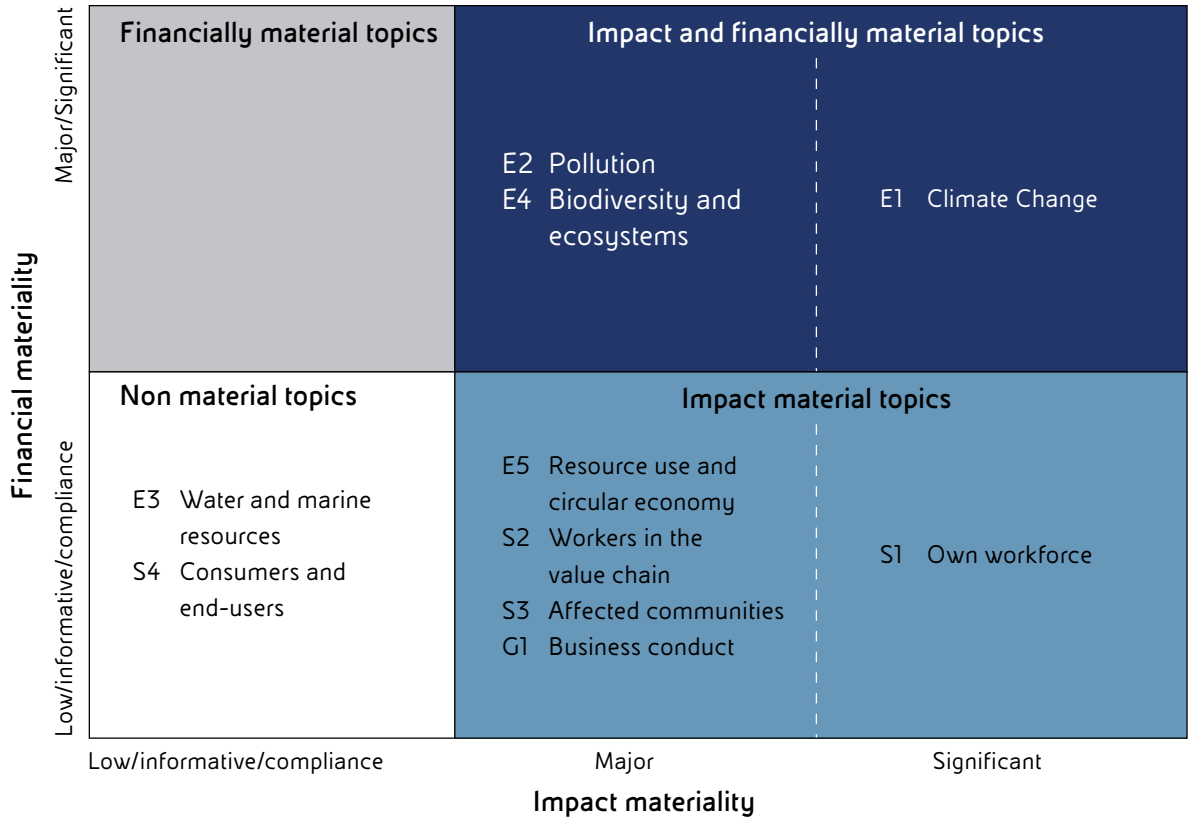
The impacts and risks that were assessed in the DMA process have been aligned with the corresponding ESRS's. The total score of the impact and/or risk within each standard determines its placement in the DMA matrix presented. The following main considerations were applied in the DMA approach:

Impacts	Impacts have been assessed as either positive or negative and actual or potential.
Risks and opportunities	Both sustainability-related financial risks and financial opportunities have been assessed.
Own operations/value chain	Impacts and risks/opportunities were assessed both for own operations and in the value chain, hereby upstream and/or downstream operations.
Time horizons	The impacts and risks/opportunities were assessed in the short, medium and long term.

Vår Energi's outcome of the DMA process, and the results of sustainability topics deemed as material for the reporting of the financial year 2024 is presented in the materiality matrix.

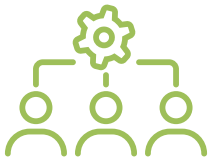
The ESRS's material for Vår Energi's reporting in 2024 are as follows:

- E1 - Climate Change
- E2 – Pollution
- E4 – Biodiversity and ecosystems
- E5 – Resource use and circular economy
- S1 – Own workforce
- S2 – Workers in the value chain
- S3 – Affected communities
- G1 – Business conduct



Key steps in the double materiality process

STAKEHOLDER ENGAGEMENT



Kickstart process and understand context

Vår Energi's ambition was to conduct a double materiality assessment in line with the CSRD requirements to identify the topics Vår Energi must report on.

Vår Energi engaged external expertise to ensure a methodologic approach to double materiality. In addition to Vår Energi's own understanding, the assessment drew on desk research and industry expertise and knowledge of best practice.

Develop a long list of sustainability topics

As a starting point, a long-list of potential material topics was defined.

The long-list was defined from the sustainability themes and sub-topics introduced by the CSRD and supplemented by topics from other relevant reporting frameworks, peer analysis and media scan.

Asses impact materiality

Starting from the long-list, key internal stakeholders from Vår Energi were engaged to assess impact materiality in a workshops covering environmental, social and governance related topics.

The value chain perspective was applied to identify actual, potential, positive and negative impacts.

Each identified impact was scored based on its scale, scope, irremediability and likelihood.

Relevant external stakeholders were also identified and interviewed, seeking their insight on the identified topics.

Assess financial materiality

With starting point in the long-list and impact assessment, key internal stakeholders were engaged to assess the financial materiality of the topics in a workshop.

The assessment was carried out using Vår Energi's existing financial risk thresholds ensuring close link to the enterprise risk management methodology.

Financial materiality was assessed based on the severity of its financial consequences and its likelihood and over a short, medium- and long-term time horizon.

Two scenarios were applied to stress-test the risks and opportunities.

Relevant external stakeholders were also identified and interviewed, seeking their insight on the identified topics.

Validate results

The results of the impact materiality assessment and the financial materiality assessment were validated over two rounds with the project team at Vår Energi.

A final validation of the materiality threshold and assessment results has been carried out with Vår Energi's executive team.

The key steps in the DMA process are described in the figure above.

1. Stakeholder engagement

The purpose of the stakeholder engagement was to bring in new perspectives that can inform Vår Energi's priorities and ensure good insights in the double materiality assessment.

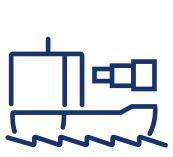
As part of the stakeholder involvement, Vår Energi carried out a set of interviews to gain an understanding their perspective on how Vår Energi impacts external factors, and their requirements and expectations to Vår Energi. The insights from the interviews informed Vår Energi's assessment of material topics.

Three internal stakeholders, comprising union representatives and board members, were interviewed.

Four external interviews were conducted with stakeholders representing suppliers, business partners, investors and labour organisations. Attempt was made to schedule an interview with two relevant NGO's (Climate and Environment). Neither had the opportunity to be interviewed but made reference to publicly available resources. Brief desk research was conducted to compensate for the missing interview and capture the organisations opinion.

2. Mapping of value chain

The Company's GHG accounting inventory was used as a starting point for the value chain mapping. The value chain was then divided into three stages: Supply chain, Own operations/contractors, Further export/use. Within each of these categories, a set of activities were identified, as illustrated below.



	Supply chain	Own operations / contractors	Further export/use
ENVIRONMENTAL	• Production of materials • Infrastructure development • Logistics • Production • Exploration and production	• Offshore facilities and activities • Onshore facilities and activities • Production • Logistics • Decommissioning	• Processing of products • Use of sold products
SOCIAL	• Production of materials • Infrastructure development • Offshore facilities and activities (partner operated) • Transportation	• Offshore facilities and activities • Onshore facilities and activities • Decommissioning • Community engagement and societal contributions	• Consumption
GOVERNANCE	• Responsible business conduct • Corporate governance • Supplier management	• Responsible business conduct • Corporate governance • Supplier management	

3. Identifying sustainability matters

Based on the understanding of the context from the value chain mapping, a long-list of potential material topics was defined. The list was based on the sustainability themes and sub-topics introduced by ESRS and supplemented by topics from other relevant reporting frameworks, ESG rating agencies, peer analysis and media scan. Furthermore, the process focused on specific activities, such as drilling and exploration, since these are core activities to Vår Energi's business. Geography was limited to Norway, as Vår Energi only operates in the NCS. For business relationships, the focus was on direct key suppliers. Sustainability topics and sub-topics that were not relevant to Vår Energi's business model were excluded from further analysis. This includes ESRS S4, since there are no direct end-users and consumers of the oil and gas products from Vår Energi and the users of the refined products are so far down the value chain that Vår Energi has no material impacts.

4. Assessment of impact materiality

In this process, Vår Energi has assessed potential and actual positive and negative impacts it may have on people, environment and society throughout the Company's value chain, own operations or as a result of its business relationships. Consideration of the time horizon was made for potential impacts and where deemed necessary for actual impacts. The consideration of dependencies was made when identifying actual and potential impacts.

The Company has considered Severity: (scale x scope x irremediability) and Likelihood when assessing negative impacts and scale and scope for positive impacts. This assessment was based on OECD's Due Diligence Guidelines for Responsible Business Conduct and followed a scale of 1-5, ranging from very low impact (1) to very high (5).

5. Assessment of financial materiality

Both the connections of the Company's impacts and dependencies with the risks and opportunities that may arise from those impacts and dependencies, and the financial effect sustainability matters can have on Vår Energi has been considered in the financial materiality assessment.

The risk or opportunity has been assessed based on Severity and Likelihood. This was done over three time-horizons (short-, medium, and long-term) and for two scenarios, to stress test all identified risks. For the climate related risks, it also allowed testing against both a 1.5°C and a high-emission scenario as required by ESRS E1.

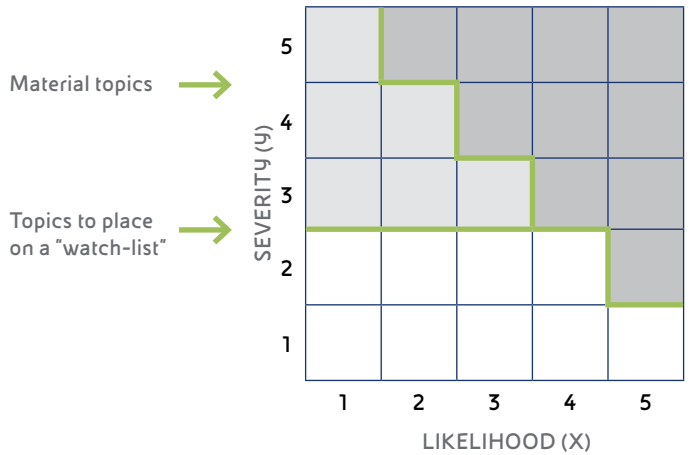
The threshold for financial materiality is based on Vår Energi's existing risk management framework.

6. Setting materiality thresholds

With basis in Vår Energi's risk appetite, the following thresholds were applied to define material topics and sub-topics:

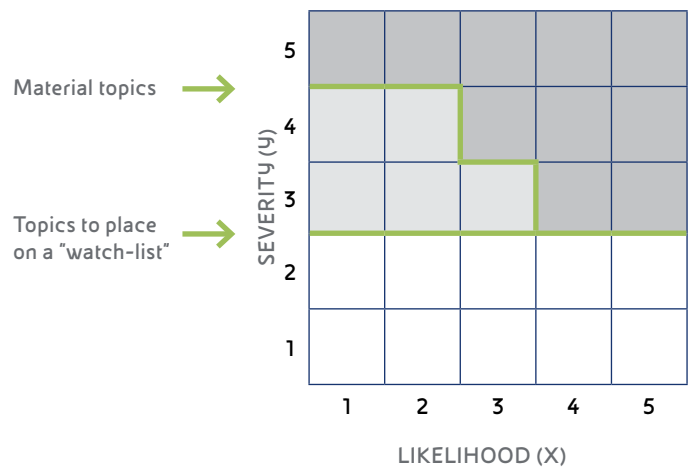
Impact materiality threshold

To capture the most severe impacts Vår Energi have or may have on people, environment and society, a threshold of Y5 was applied regardless of likelihood. As illustrated by the steps in the matrix to the right, the severity gradually decreases as the likelihood of impact increases. This is done to also capture the impacts more likely to occur, although the severity is somewhat lower. To cover all actual impacts, a threshold of likelihood X5 was applied regardless of severity. Topics with lower probability, but a severity between Y3 and Y5 on a "watch-list".



Financial materiality threshold

To capture the most severe financial impacts, a threshold of Y5 was applied. As illustrated by the steps in the matrix to the right, the severity gradually decreases until Y3 as the likelihood of impact increases. This is done to also capture the impacts more likely to occur, although the severity is somewhat lower. Topics with lower probability, but a severity of between Y3 and Y5 are placed on a "watch-list".



E1.IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Vår Energi has identified four material, actual negative impacts related to climate change in the DMA process. Three of the four impacts are connected to sub-topic Climate change mitigation and relates to the undertaking's GHG emissions. The fourth impact is related to sub-topic Energy.

As described under Materiality assessment process, the financial risks and opportunities was assessed both in terms of severity and likelihood, applying two scenarios to stress test all the identified risks over the short-, medium- and long-term. For the climate related risks, this included assessment against both a 1.5°C and a high-emission scenario as required by ESRS E1.

Vår Energi has identified one material climate-related physical risk in the 2024 DMA process. The process included reviewing current assets against future weather condition scenarios and how the relevant geographical area may be affected. The physical risk relates to extreme wind and wave height, and is identified as chronic and/or acute physical risks in the Company's own operations and along the upstream value chain. The identification of such climate-related hazards is considered potential in a high emission climate scenario in the long-term, and may expose the Company's assets and business activities through supply chain disruptions, and delay in transportation and logistics. This may impact Vår Energi's production and lead to uncertainty in production estimates.

The Company has further identified four climate-related transition risks and one transition opportunity. An assessment of how assets and business activities may be exposed to these climate-related transition events are included in the IRO descriptions list reported in section SBM-3. All the potential climate-related transition risks, including the opportunity, are identified in the long-term considering a climate scenario in line with limiting global warming to 1.5°C.

In 2024, Vår Energi assessed its climate-related IROs under the process of the DMA, as well as conducting a climate-related risk assessment, applying a scenario analysis under the International Energy Agency's (IEA) climate scenarios as applied in their Global Energy and Climate Model (GEC). The climate risk scenario analysis is reported in Note 33 – Climate risk in the Financial Statements, where reference is given for more information. The scenario analysis includes a description of the applied process, climate-related risks identified over short-, medium and long-term time horizons and potential financial impacts of the identified climate-related risks.

E2.IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

The process to identify material impacts related to pollution is included in the permitting process, described in chapter ESRS E2 - Pollution.

The Company is consulting with stakeholders as per the stakeholder management plan, and is providing reporting on environmental impacts. The Company regularly receives feedback from stakeholders, including through public hearings related to activity permit processes, upon which the Company must act to ensure stakeholder input is considered. Additionally, the authorities conduct environmental-related audits, upon which the Company performs activities or adjustments in order to ensure legislative compliance.

The DMA process has also included information from applications submitted to the Norwegian Environment Agency (NEA) for activities such as development, operation and drilling, and Environment Impact Assessments (EIA) programs. These are subject to a public consultation process (Ref. Guideline for PIO/PDO and the Pollution Act).

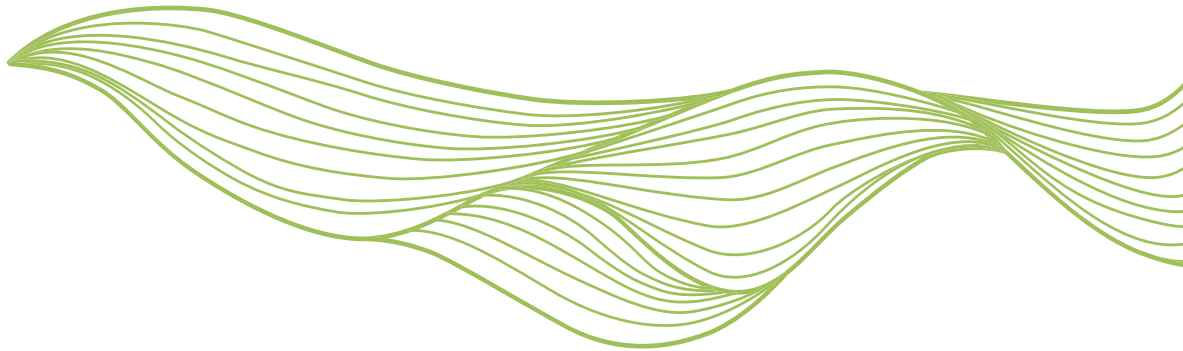
As part of identifying the IROs, the Company has screened all locations and business activities in order to identify actual and potential pollution-related IROs. Pollution is a material issue for production, drilling and the use of products. Production and drilling sites where pollution is considered material are listed on the following page.

Operations

Asset	Operator	Vår Energi equity share (%)
Balder - field	Vår Energi	90.0%
Ekofisk	ConocoPhillips	12.4%
Fram	Equinor	40.0%
Gjøa	Vår Energi	30.0%
Goliat	Vår Energi	65.0%
Grane	Equinor	28.3%
Gudrun	Equinor	25.0%
Heidrun	Equinor	5.2%
Johan Castberg	Equinor	30.0%
Kristin	Equinor	16.7%
Njord	Equinor	22.5%
Ormen Lange	Equinor	6.3%
Sleipner Vest	Equinor	17.2%
Sleipner Øst	Equinor	15.4%
Snorre	Equinor	18.6%
Snøhvit	Equinor	12.0%
Statfjord	Equinor	21.4%
Vega	Harbour Energy	3.3%
Åsgard	Equinor	22.7%

Exploration Drilling

Asset	Operator	Vår Energi equity share (%)
Hubert & Magellan	Vår Energi	40.0%
Ringhorne Nord	Vår Energi	50.0%
Venus	Vår Energi	60.0%
Cerisa	Vår Energi	30.0%
Countach Appraisal	Vår Energi	65.0%
Haydn	OMV AS	30.0%
Snøras	Equinor	30.0%
Brokk/Mju	Equinor	25.0%
Lavrans Tilje	Equinor	15.0%
Rhombi	Equinor	40.0%
Kvernbit	Equinor	20.0%
Kaldafjell	Aker BP	20.0%



E3.IRO-1 - Description of the processes to identify and assess material water and marine resource-related impacts, risks and opportunities

The process of identifying material IRO's in relation to water and marine resources took into account the criteria of location, activity, sector, value chain and volumes of water used. Vår Energi use seawater for cooling in production and drilling operations, and to generate freshwater used for sanitation, cooking and drinking offshore. Fresh water that is supplied from shore comes from local Norwegian water works that are shared with other domestic users and industries. The undertaking ensure it is not from water-scarce areas by using WRI Aqueduct. All water withdrawn is supplied from public reserves. No material impacts were identified.

E4.IRO-1 - Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities

The process of identifying material IRO's in relation to biodiversity took into account the criteria of location, activity, sector and was focused on Vår Energi's own offshore activities on the NCS, both production and drilling. No dependencies of Vår Energi's operations on biodiversity were identified. No transition and physical risks and opportunities were identified based on the actual and potential negative impacts. Systemic risks were not identified.

Vår Energi has four assets located inside and two licences adjacent (<1km) to biodiversity-sensitive areas. Reference is given to table located under E4.SBM-3. The effects of the activities related to these sites are considered small.

During the identification of IROs related to biodiversity, it was concluded that it is not necessary to implement biodiversity mitigation measures in addition to the ones that already were in place and are performed prior to the DMA-process, described in E4-3 - Actions and resources in relation to biodiversity and ecosystems.

E5.IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Consultations have been conducted through applications submitted to the NEA for activities such as development, operation and drilling, which normally are subject to public consultation and are publicly available. The same goes for EIA programs and the EIA assessment itself, which both subject to a public consultation process (Ref. Guideline for PIO/PDO and the Pollution Act). The Company has screened its assets and activities in both its own operations and the upstream and downstream value chain.

In relation to the IRO's High use of (virgin) raw materials and High volumes of waste including hazardous waste, stakeholder consultations are integrated in activities as described in chapters E1, E2 and E4

Impacts, risks and opportunities related to business conduct matters

Disclosure requirements related to G1.IRO-1

The process of identifying material IRO's in relation to business conduct matters took into account the criteria of location, activity, sector and structure of the transaction. For the location mainly Norway was considered, as Vår Energi operates only on the NCS and most of payments for goods and services go to suppliers based in Norway. Regarding the sector, oil and gas was considered, as well as manufacturing for suppliers. Regarding activities, all of Vår Energi's own operations were considered, including contractors and the supply chain. Management of relationship with suppliers was considered, and the Company's ability to set standards, influence supplier performance, and ensure compliance with ethical standards. In particular the following transactions were assessed:

- Corporate culture
- Protection of whistleblowers
- Political engagement and lobbying activities
- Corruption and bribery
- Management of relationships with suppliers including payment practices

IRO-2 – Disclosure requirements in ESRS covered by the Sustainability Statement

A list of disclosure requirements following the outcome of the materiality assessment and the location of the relevant statements in the Sustainability Statement is given below.

List of material Disclosure Requirements	Paragraph or page reference
ESRS 2 - General Disclosures	54
BP-1	54
BP-2	54
GOV-1	55
GOV-2	56
GOV-3	57
E1.GOV-3	57
GOV-4	57
GOV-5	58
SBM-1	59
SBM-2	61
S1.SBM-2	63
S2.SBM-2	63
S3.SBM-2	63
SBM-3	63
E1.SBM-3	72
E4.SBM-3	73
S1.SBM-3	75
S2.SBM-3	75
S3.SBM-3	77
IRO-1	78
E1.IRO-1	84
E2.IRO-1	84
E3.IRO-1	86
E4.IRO-1	86
E5.IRO-1	86
IRO-2	87

List of material Disclosure Requirements	Paragraph or page reference
E1 - Climate change	90
E1-1	90
E1-2	94
E1-3	95
E1-4	97
E1-5	100
E1-6	101
E1-7	103
E1-8	104
EU Sustainable Finance Taxonomy	106
E2 - Pollution	115
E2-1	118
E2-2	119
E2-3	123
E2-4	124
E2-5	125
E4 - Biodiversity and ecosystems	127
E4-1	127
E4-2	128
E4-3	129
E4-4	132
E5 - Resource use and circular economy	133
E5-1	134
E5-2	135
E5-3	137
E5-4	138
E5-5	138

List of material Disclosure Requirements	Paragraph or page reference
S1 - Own workforce	140
S1-1	142 (working conditions) 150 (health and safety) 156 (equal treatment)
S1-2	144 (working conditions) 150 (health and safety) 156 (equal treatment)
S1-3	144 (working conditions) 151 (health and safety) 156 (equal treatment)
S1-4	146 (working conditions) 151 (health and safety) 157 (equal treatment)
S1-5	147 (working conditions) 154 (health and safety) 158 (equal treatment)
S1-6	148 (working conditions)
S1-8	148 (working conditions)
S1-9	158 (equal treatment)
S1-11	149 (working conditions)
S1-13	159 (equal treatment)
S1-14	155 (health and safety)
S1-15	149 (working conditions)
S1-16	159 (equal treatment)
S1-17	159 (equal treatment)
S2 - Workers in the value chain	162
S2-1	164
S2-2	165
S2-3	166

List of material Disclosure Requirements	Paragraph or page reference
S2-4	167
S2-5	168
S3 - Affected communities	169
S3-1	170
S3-2	171
S3-3	171
S3-4	171
G1 - Business conduct	172
G1-1	174
G1-3	176
G1-4	178
G1-5	178
Datapoints from Appendix B	
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	55
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	55
ESRS 2 GOV-4 Statement on due diligence paragraph 30	57
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	59
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	N/A
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	N/A
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	N/A
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	91

List of material Disclosure Requirements	Paragraph or page reference
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	90
ESRS E1-4 GHG emission reduction targets paragraph 34	97
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	100
ESRS E1-5 Energy consumption and mix paragraph 37	100
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	100
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	101
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	103
ESRS E1-7 GHG removals and carbon credits paragraph 56	103
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	N/A
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).	N/A

List of material Disclosure Requirements	Paragraph or page reference
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	N/A
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69	N/A
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	124
ESRS E3-1 Water and marine resources paragraph 9	N/A
ESRS E3-1 Dedicated policy paragraph 13	N/A
ESRS E3-1 Sustainable oceans and seas paragraph 14	N/A
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	N/A
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	N/A
ESRS 2 - SBM 3 - E4 paragraph 16 (a) i	74
ESRS 2 - SBM 3 - E4 paragraph 16 (b)	N/A
ESRS 2 - SBM 3 - E4 paragraph 16 (c)	N/A
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	N/A
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	N/A

List of material Disclosure Requirements	Paragraph or page reference
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	N/A
ESRS E5-5 Non-recycled waste paragraph 37 (d)	138
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	138
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	N/A
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	N/A
ESRS S1-1 Human rights policy commitments paragraph 20	142
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	143
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	N/A
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	143
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	144
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	155
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	155

List of material Disclosure Requirements	Paragraph or page reference
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	159
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	159
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	159
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	N/A
ESRS 2 - SBM3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	76
ESRS S2-1 Human rights policy commitments paragraph 17	164
ESRS S2-1 Policies related to value chain workers paragraph 18	164
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	164
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	164
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	168
ESRS S3-1 Human rights policy commitments paragraph 16	170

List of material Disclosure Requirements	Paragraph or page reference
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	170
ESRS S3-4 Human rights issues and incidents paragraph 36	171
ESRS S4-1 Policies related to consumers and end-users paragraph 16	N/A
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	N/A
ESRS S4-4 Human rights issues and incidents paragraph 35	N/A
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	N/A
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	N/A
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	178
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	178

Environmental information

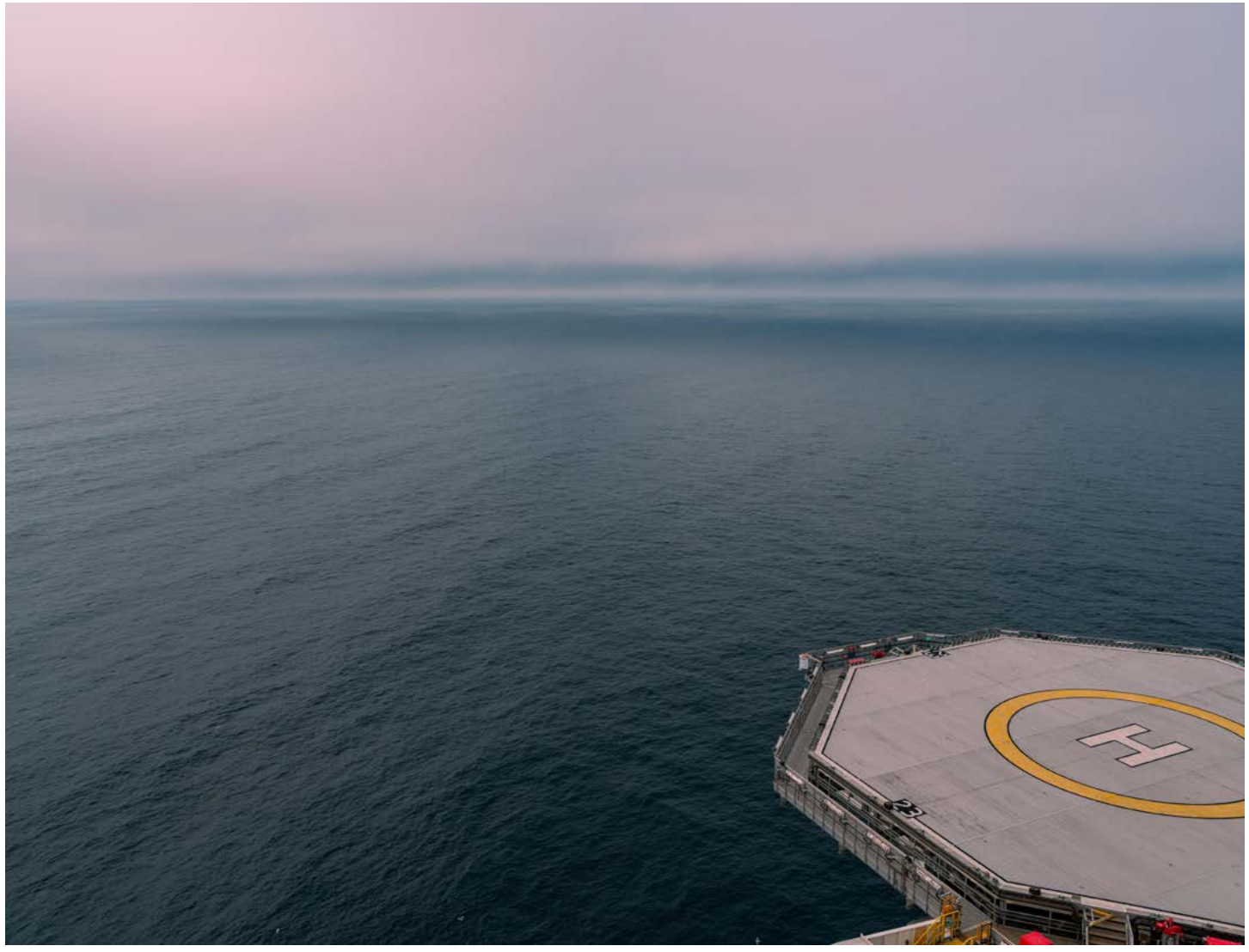
ESRS E1 – Climate change

Strategy

E1-1 - Transition plan for climate change mitigation

Vår Energi is one of the largest exporters of gas from the NCS, a key source of energy for Europe, representing around 30% of the supply. The NCS is characterised by low GHG emissions per barrel produced compared to other oil-producing regions. However, Vår Energi acknowledges the need to further reduce emissions from its operations and the value chain. The Company believes that those who can produce hydrocarbons with minimal GHG emissions and low costs will gain a competitive advantage.

Vår Energi generates its revenue exclusively from the exploration, extraction, and sale of oil and natural gas, and it does not intend to alter its involvement in oil and gas-related activities. As a result, it is excluded from the EU's Paris-aligned benchmarks.



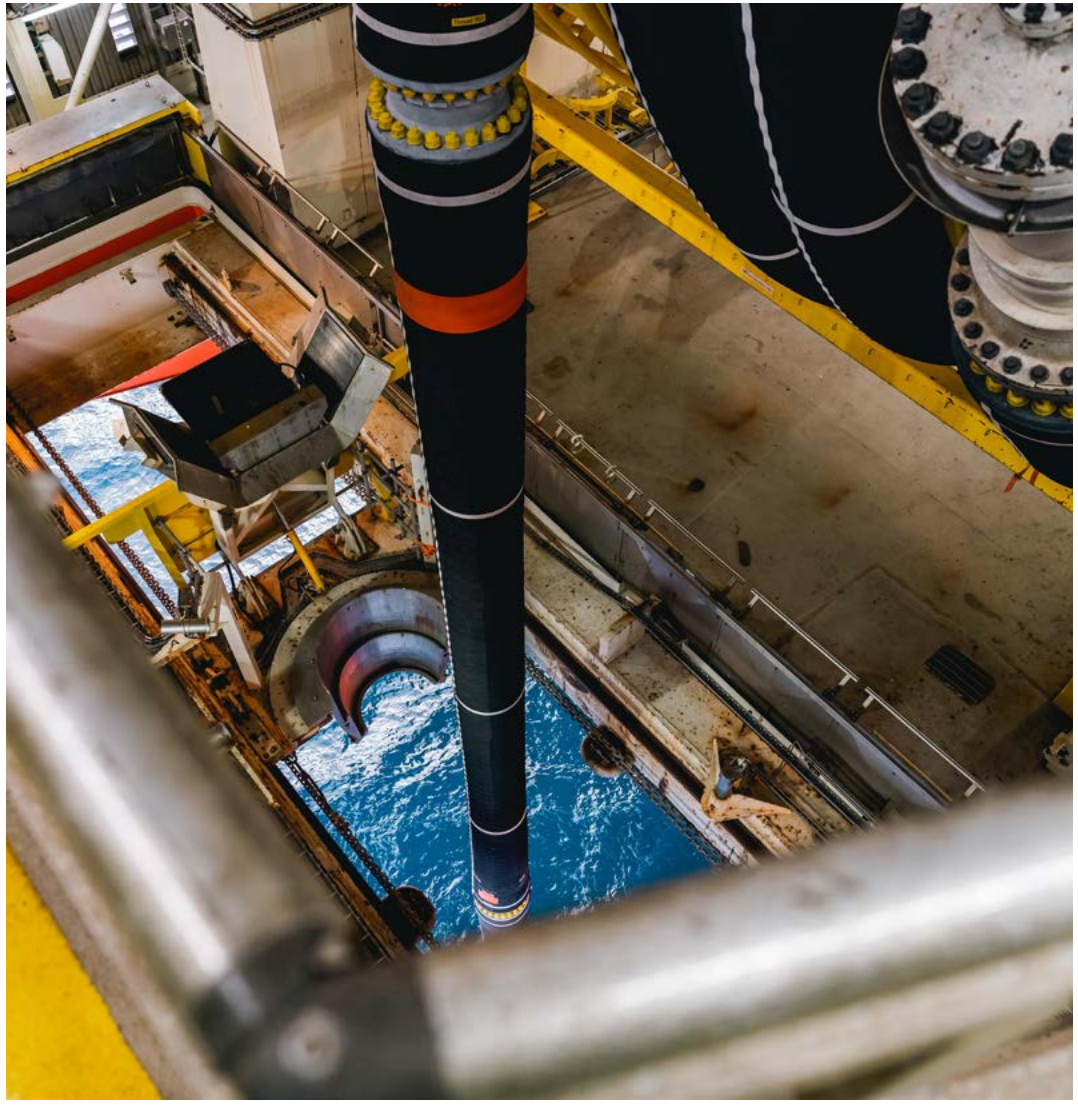
Goliat

Vår Energi's GHG emission reduction plan is aligned with Norway's plan for reaching the Paris Agreement-aligned 2030 target, as described in Norway's Climate Action Plan for 2021-2030 to reach the target of 55% reductions (from 1990) and close to zero by 2050. The plan includes a 50% emissions reduction from the oil and gas production on the Norwegian Continental Shelf by 2030. This plan underpins Vår Energi's primary GHG emissions reduction target, which aims to reduce its Scope 1 GHG emissions by over 50% by 2030, with a goal of achieving near-zero emissions by 2050.

Vår Energi will explore alignment with a sectoral pathway for limiting global warming to 1.5°C as outlined in the Paris Agreement once it is established, but does not yet have a transition plan that meets the criteria. Hence the information presented in this chapter should be interpreted as the Company's disclosure of its GHG emissions reduction plan and targets.

Vår Energi's target effectively translates the state's emission reduction objectives to the undertaking level but does not include significant Scope 3 emissions, including category 11, which pertains to the use of sold products. This category alone accounts for over 90% of the total GHG emissions within the value chain. In addition to its GHG emission reduction targets, Vår Energi aims for GHG neutrality for Scope 1 GHG emissions by 2030, through the implementation nature-based solutions. See E1-7 for more information.

In conjunction with the annual report, which is approved by the Company and the Annual General Meeting (AGM), Vår Energi provides a comprehensive update on the key components of its GHG emissions reduction plan. All shareholders have the right to participate in the Company's general meetings, which represent the highest authority within the organisation. This participation ensures alignment with the Company's strategic objectives and progress, while also adhering to the recommendations outlined in the Norwegian Code of Practice for Corporate Governance (the Code) issued by the Norwegian Corporate Governance Board (NUES). Additionally, the Company's Investor Relations function actively engages with shareholders, addressing their requests and feedback, thereby fostering involvement and transparency with all stakeholders.



Impacts, risks and opportunities

A detailed description of the double materiality assessment, along with the process to identify and assess material impacts, risks, and opportunities (IROs), is provided in chapter ESRS 2 - General disclosures. A table outlining the IROs related to E1 - Climate change is presented below.

E1 – Climate change

				Value chain			Time horizon			
E1 - Climate change	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Value chain GHG emissions GHG emissions are the single biggest contributor to climate change. The oil and gas sector's activities and the use of oil and gas products are responsible for a large portion of two major GHGs: carbon dioxide and methane. Production of oil and gas requires extensive use of typical high-emissions products and services such as steel, cement, chemicals and marine transportation, leading to high other indirect (Scope 3) GHG emissions. Indirect (Scope 3) GHG emissions resulting from the end use of oil and gas products constitute over half of global CO_2 emissions.	Climate change mitigation		Actual negative impact	●		●		●		●
GHG emissions from own operations Direct (Scope 1) GHG emissions from Vår Energi's activities comprise emissions from fuel combustion during production, process emissions and fugitive emissions.	Climate change mitigation		Actual negative impact		●			●		●

E1 – Climate change continue

				Value chain			Time horizon			
E1 - Climate change	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Energy intensive operations Purchased electricity used for operation of facilities and equipment to extract oil and gas generates indirect (Scope 2) GHG emissions.	Energy Climate change mitigation		Actual negative impact	●	●			●		●
Extreme wind and wave height Chronic and/or acute physical climate-related risks, such as extreme wind and wave height, may impact Vår Energi's production and lead to uncertainty in production estimates due to supply chain disruptions, delay in transportation and logistics.	Climate change adaptation		Financial risk	●	●				●	
Decreased demand for fossil fuel A gradual transition to renewable energy sources to reach the 1.5°C target may decrease the demand for fossil fuel over time. This may impact the Company's generation of revenue.	Climate change adaptation		Financial risk			●			●	
Reduced access to exploration area Possible regulatory changes disfavouring the oil and gas industry may result in reduced access to exploration and production in new areas.	Climate change adaptation		Financial risk		●			●		
Reduced access to capital Possible public conception of oil and gas industry and/or regulatory changes may affect the access to capital.	Climate change adaptation		Financial risk		●			●		
Carbon price increase A possible increase in carbon prices may affect the Company's operational expenditures.	Climate change adaptation		Financial risk	●	●	●		●		
Electrification with renewable energy Investments in new technologies and renewable energy sources, such as electrification of assets under own operations, may lead to more cost efficient production and supporting the strategy of producing oil and gas with lower GHG emissions per produced unit. Capex related to electrification projects are part of the Final Investment Decision (FID) for each indivual project. For 2024, such projects are not deemed to have current financial effects on the Company's financial position, performance and cash flows.	Climate change adaptation		Financial opportunity		●			●		

Impacts, risks and opportunities management

E1-2 - Policies related to climate change mitigation and adaptation

Vår Energi's Climate and Energy Policy addresses climate change mitigation and adaptation, energy efficiency, renewable energy deployment, and outlines Vår Energi's commitments to manage its impact, risks, and opportunities associated with climate and energy. The policy is applicable to all personnel working for Vår Energi, hired or contracted, including subsidiaries of Vår Energi, and sets out the Company's expectations towards contractors, suppliers, and business partners. The EVP Safety & Sustainability has the overall responsibility to oversee the effectiveness of the policy, while the EVP for each business line is responsible for adhering to the commitments in the policy for their respective areas.

Through the policy, the Company is committed to:

- Minimising energy consumption and GHG emissions by adhering to recognised international standards on energy management and prioritising environmentally responsible, cost-effective and efficient energy throughout asset lifecycles
- Reducing GHG emissions aligning with national strategies, by establishing targets for direct emissions, collaborating with suppliers to reduce supply chain emissions, and working with the industry to minimise indirect emissions from the use of oil and gas products
- Providing a stable and secure energy supply with lower GHG emission per production unit while the world transitions to renewable energy
- Contributing to the development of a forward-looking energy industry on the NCS for enhanced value creation and job opportunities
- Addressing climate-related risks and opportunities

Beginning in 2024, the Company strategy stipulates that approximately 25% of the R&D budget will be dedicated to low-carbon initiatives. Actual spend in 2024 was approximately 30%. Identified risks are mitigated, and opportunities are pursued through measures to enhance and optimise the Company's existing activities as described in the action plans and actions described in E1-3 - Actions and resources related to climate change mitigation and adaptation.

E1-3 - Actions and resources related to climate change mitigation and adaptation

The primary initiatives aimed at mitigating and adapting to climate change include the electrification of Vår Energi's portfolio, effective portfolio management, energy management, and the procurement of guarantees of origin from renewable energy sources to lower GHG emissions. Collectively, these actions serve as the key levers to achieve the Company's GHG emissions reduction targets for 2030 and 2050.

Action plan	Key Action/Scope of Action	Time horizon	Description of Key Actions taken & Results	Achieved and expected GHG emissions reductions
Electrification of own operations	Electrify offshore installations with either electricity from shore and/or offshore wind farms. Resources are allocated for these actions.	Ongoing, with target of around 75% of producing assets electrified within 2030.	The Hywind Tampen floating wind farm, which was opened in August 2023, provides power to Snorre and Gullfaks, and had its first year of full operation in 2024.	400 000 tCO_2e annually by 2030.
ISO 50001 certified	Vår Energi is ISO 50001 certified and work to reduce energy consumption, which often is linked to a reduction in emissions	Ongoing	Annual energy review completed for all operated assets, Significant Energy Users are identified, energy efficiency and emissions reduction measures and projects are implemented and/or matured for further delivery.	22 000 tonnes in 2023 and 15 000 tonnes in 2024 from energy management initiatives.
Purchasing guarantees of origin from renewable energy production	Implemented in 2024 for operations where Vår Energi is the operating company	Ongoing	Electrification of producing assets to reduce Scope 1 emissions will lead to higher use of purchased electricity with associated Scope 2 emissions. This is being mitigated by purchasing guarantees of origin from renewable energy production.	222 204 tonnes CO_2 reduced as a consequence of guarantees of origin in 2024. Lower CO_2 emissions due to purchased guarantees of origin for equity share of operations where Vår Energi is the operating company

Capex connected to the electrification projects are part of the Final Investment Decision (FID) for each individual project. No related significant monetary amounts of capex and/or opex are required to implement the actions related to the ISO certification and purchasing of guarantees of origin.

Two essential prerequisites for achieving the electrification of own operations action are the availability of electricity and access to critical components, such as high-voltage electrical cables.

Actions related to reduction of Scope 3 emissions

Although Vår Energi's GHG emissions reduction plan does not set specific targets for significant value chain (Scope 3) emissions, the Company is working to reduce emissions in several of these categories (as described in the IRO Value chain GHG emissions). The main actions are described in the following sections. For 2024, there is no related significant monetary amounts of CapEx and/or OpEx required to implement these actions.

Logistics and maritime transport

In 2023, Vår Energi initiated a collaborative project with Equinor aimed at enhancing resource utilisation and optimising logistics operations, with the objective of achieving a 30% reduction in GHG emissions associated with upstream logistics activities compared to 2022. During the period from 2023 to 2024, an overall reduction of 46% was realised. It is important to note that some of this reduction can be attributed to decreased activity during this specific timeframe. When compared to the baseline established for the project in 2022, GHG emissions have been reduced by around 28.5%. Looking ahead to 2025, the project will be expanded to encompass logistics activities across more of Vår Energi operations on the NCS.

In 2022 and 2023, two new shuttle tankers were commissioned, featuring the capability to utilise Liquid Natural Gas (LNG) as fuel. These vessels are equipped with a Volatile Organic Carbon (VOC) recovery system and an energy storage system. The use of LNG offers a significant reduction in CO_2 emissions, estimated at approximately 10-15% compared to Marine Gas Oil (MGO). The VOC Recovery Unit effectively captures and liquefies VOCs that are mixed with LNG, which are then utilized as fuel for the engines, thereby minimising both emissions and bunkering requirements.

Furthermore, certain contracts, including rig contracts,- incorporate fuel consumption incentives designed to encourage the reduction of GHG emissions.

The objective is to establish agreements for offsetting Vår Energi's share of both upstream and downstream transportation emissions. In addition to achieving emission reductions through more efficient logistics operations and the utilisation of dual-fuel vessels, any residual emissions will be offset by acquiring carbon credits from the voluntary carbon market.

Goods and services

Vår Energi procures substantial quantities of high-emission products, including steel, cement, and chemicals, and is collaborating with its suppliers to mitigate the emissions associated with these products. Considering the estimated GHG emissions from purchased goods in 2023, 26 suppliers identified as having a significant impact on GHG emissions have been asked to report their emissions, targets, and reduction initiatives related to their deliveries and services. Vår Energi will closely monitor these emission targets and reduction efforts during quarterly performance review meetings.

In 2024, more than 90% of well tubing casing deliveries, specifically oil country tubular goods (OCTG), were sourced from recycled and low-carbon steel produced using electric arc furnaces. This method results in approximately 70% lower GHG emissions per unit produced compared to traditional blast furnaces. For the year 2024, this translates to around 9 000 tonnes less CO_2 emissions for Vår Energi's deliveries compared to having deliveries based on blast furnaces.

Use phase emissions

Vår Energi believes Carbon Capture and Storage (CCS) can play a key role in reducing emissions from the use of oil and gas products. The Company adopts a value-driven approach to CCS initiatives. Vår Energi is the operator of the EXL 007 Trudvang and EXL 009 Iroko CCS licences. Together, these two licences have the potential to store between 450 and 500 million tonnes of CO_2 over a 30-year period. This total storage capacity alone represents eight times Norway's annual emissions.

Research and development

In 2024, Vår Energi embarked on an R&D project in collaboration with Trefadder AS aimed at restoring kelp forests in the waters off Tromsø. Kelp forests are known for their ability to capture and store significant amounts of CO_2 while providing a habitat for a diverse array of microorganisms that promote biodiversity. The primary objective of this project is to document blue carbon credits associated with the restoration efforts.

Vår Energi participates in several large-scale national projects focused on climate mitigations and industry development, conducted by Norwegian research institutes, which are jointly funded by other operators and the Research Council of Norway. Some of these projects are the the Low Emission Centre and the Norwegian CCS Research Centre (NCCS), both run by SINTEF as well as the Digital Well Center (Digiwells) run by NORCE.

Metrics and targets

E1-4 - Targets related to climate change mitigation and adaptation

Baseline year and targets

GHG Emissions	Baseline year	Baseline value	Target	Target year	Absolute value of reduction	Percentage value of reduction
Scope 1 GHG emissions (tCO_2e)	2005	1 100 000	>50% reduction compared to 2005	2030	Increased to 1 123 875[1]	NA[1]
Scope 2 GHG emissions						
Location-based Scope 2 GHG emissions (tCO_2e)	N/A	N/A	No target set	N/A	N/A	N/A
Market-based Scope 2 GHG emissions (tCO_2e)	2024	0	0[2]	From 2024	0	0%
Scope 3 GHG emissions (tCO_2e)	N/A	N/A	No target set	N/A	N/A	N/A
Scope 1 CH_4 intensity (CH_4/exported gas)	2024	0.023%	0.025% (2024 target)	Set yearly	0	0%
Scope 1 CO_2 emissions intensity (kg CO_2/boe)	2024	10	<6	2030	0	0%

[1] Higher activity and inclusion of other elements, such as exploration wells and vessels moved from Scope 3, Category 4.
[2] Equity share of Vår Energi's own operated asset

Scope 1

Vår Energi's primary GHG emissions reduction target is to achieve a reduction of more than 50% in direct (Scope 1) GHG emissions by 2030 for both operated and non-operated assets, which is in line with the Climate and Energy Policy and directly related to the identified IROs. This target represents a reduction in annual absolute emissions from 1 100 to 550 thousand tCO_2e.

Vår Energi's targets for climate change mitigation are not science-based nor compatible with limiting global warming to 1.5°C. This is mainly because the target does not include Scope 3 emissions. The Company has evaluated a variety of climate scenarios, including one aligned with the goal of limiting global warming to 1.5°C. This comprehensive analysis aims to identify pertinent developments across environmental, societal, technological, market, and policy dimensions, enabling the Company to determine the decarbonisation levers it anticipates implementing.

While stakeholders have not been directly involved in the target-setting process, the targets for Scope 1 emissions are a direct reflection of the objectives outlined in the KonKraft climate plan for the Norwegian oil and gas industry. This is detailed in the KonKraft strategy, "The Energy Industry of Tomorrow on the Norwegian Continental Shelf – Climate Strategy Towards 2030 and 2050," which includes representation from workers through trade unions.

The performance against the Scope 1 targets is monitored and reviewed through monthly reporting through a shared dashboard. For 2024, the progress is in line with initial projections.

By 2030, approximately 75% of Vår Energi's production is anticipated to come from facilities powered by shore-based electricity, a significant increase from the current level of around 30%. Facilities such as Goliat, Gjøa, Ormen Lange, Gudrun, and Sleipner are already electrified, while ongoing projects include Njord and Snøhvit, with plans for Balder/Grane, Halten, and Snorre. Collectively, these initiatives are expected to reduce Scope 1 equity GHG emissions by over 400 000 tCO_2e annually by 2030.

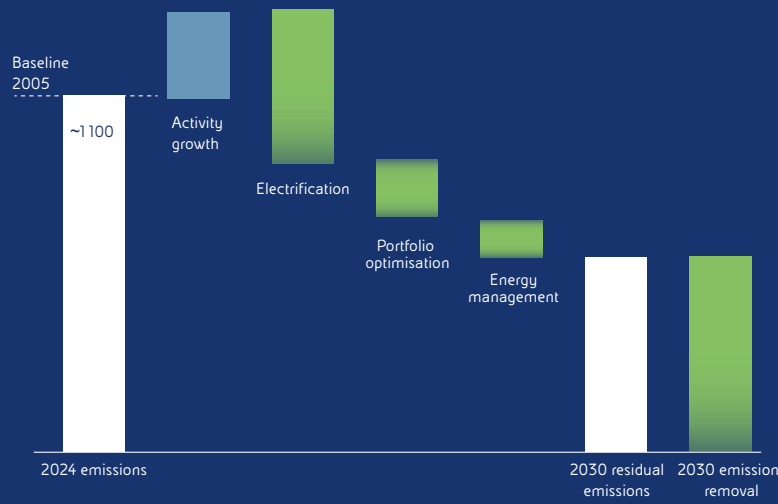
The anticipated rise in Scope 2 emissions associated with the increased use of purchased electricity from these projects will be offset by acquiring guarantees of origin from renewable sources for Vår Energi's share of operations where the Company serves as the operator. Additionally, it is important to note that there will be an increase in Scope 3 GHG emissions during the electrification project phases. However, these emissions have not yet been estimated.

Energy management is estimated to contribute up to 10% of Scope 1 GHG emissions reductions in a 2030 perspective. The Company develops annual energy management KPIs to drive this performance. Energy management initiatives delivered araound 22 000 tonnes in CO_2-reductions in 2023 and around 15 000 tonnes in 2024, representing around 10% of the total emissions from these operations.

Delivering on decarbonisation

Scope 1 GHG emissions reductions plan[1]

annual, $ktCO_2e$



>50%
annual emissions reduced by 2030 vs 2005

Emissions removal through quality offsetting

[1]Equity share Scope 1

Despite the focus on GHG emissions reduction, production growth will lead to increased Scope 1 GHG emissions from 2025. The emissions are expected to peak in 2026, and decline significantly from 2029, when power from shore, portfolio optimisation and energy management effects are expected to reduce emissions by more than 50% by 2030, compared to 2005.

For 2024, the Company had a target of near zero Scope 1 methane emission intensity, for operations where Vår Energi is the operating company. Vår Energi delivered in accordance with the target in 2024. Reference for near zero target is the Oil and Gas Climate Initiative (OGCI) 2025 upstream methane target. The OGCI target of 0.2% methane intensity refers to a target set by OGCI to limit the amount of methane emissions in relation to the total volume of gas produced and marketed. Specifically, it means that methane emissions should not exceed 0.2% of the total gas marketed. As part of its Oil and Gas Methane Partnership (OGMP) membership, Vår Energi will deliver a plan to continue reducing emissions and deliver near zero methane emission onwards. Stakeholders have not been included in setting the target.

Furthermore, a Scope 1 CO_2 emissions intensity target is established and assessed on an annual basis. For 2024, the target was set at 10 kg CO_2/boe, a reduction from 12 kg CO_2/boe in 2023. This target has been successfully achieved. Looking ahead, the long-term target is to reduce emissions to less than 6 kg CO_2/boe by 2030. Stakeholders have not been included in setting the target.

Scope 2

The target for Scope 2 is zero emissions from 2024 for the equity share of operations where Vår Energi is the operating company, by purchasing guarantees of origin from renewable energy production. Stakeholders have not been involved in the target setting process. The performance against the Scope 2 emission target is monitored and reviewed through the electricity use based on invoices and purchase agreements for guarantees of origin. For 2024, the progress is in line with what initially had been planned.

Photo: Trefadder AS

E1-5 - Energy consumption and mix

Energy consumption and mix

	Unit	Operational control	Financial control
Total energy consumptions related to own operations	MWh	1 964 280	5 290 013
Fuel consumption from renewable sources	MWh	0	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	393 403	250 460
Consumption of self-generated non-fuel renewable energy	MWh	0	0
Total energy consumption from renewable sources	**MWh**	**393 403**	**250 460**
Percentage of renewable sources in total energy consumption	**%**	**20**	**5**
Fuel consumption from coal and coal products	MWh	0	0
Fuel consumption from crude oil and petroleum products	MWh	521 983	695 229
Fuel consumption from natural gas	MWh	697 268	4 171 976
Fuel consumption from other fossil sources	MWh	0	0
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	MWh	314 219	172 347
Total energy consumption from fossil sources		**1 533 470**	**5 039 553**
Percentage of fossil sources in total energy consumption	**%**	**78**	**95**
Total energy consumption from nuclear sources	**MWh**	**37 407**	**20 518**
Percentage of nuclear sources in total energy consumption	**%**	**2**	**0**

NVE factors for power distribution between renewable, fossil and nucelar energy has been applied.

Energy consumption and intensity in high climate impact sectors

The high climate impact sectors that are used to determine the energy intensity are NACE code section B6 - Extraction of crude petroleum and natural gas. This implies that all petroleum revenue from Vår Energi's activities are included in the denominator of the calculation of energy intensity, which reconciles with "Total petroleum revenues" in Note 5 - Income in the Financial Statements.

	Unit	2024
Total energy consumption from activities in high climate impact sectors	MWh	1 964 280
Net revenue from activities in high climate impact sectors	USD	7 450 056
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high impact sectors	**MWh/USD**	**0.26**
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)	%	26.4

E1-6 - Gross scope 1,2,3 and total GHG emissions

Gross Scope 1, 2, 3 and total GHG emissions

	Operational Control								
	Retrospective				Milestones and target years				
	Base year [1]	Comparative (2023)	2024	% 2024/2023	2025	2030	2050	Annual % target / Base year	Notes
Scope 1 GHG emissions									
Gross Scope 1 GHG emissions (tCO_2e)	320 859		320 859			175 000	Near Zero		2)
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	90.8%		90.8%						
Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emissions (tCO_2e)	11 242		11 242						
Gross market-based Scope 2 GHG emissions (tCO_2e)	224 068		224 068						3)
Percentage of contractual instruments, Scope 2 GHG emissions	50.1%		50.1%						3)
Significant scope 3 GHG emissions									
Total Gross indirect (Scope 3) GHG emissions (tCO_2e) [6]	**34 990 509**		**34 990 509**						
1. Purchased goods and services	103 160		103 160						
2. Capital goods	378 046		378 046						
4. Upstream transportation and distribution	24 193		24 193						4)
9. Downstream transportation and distribution	47 401		47 401						5)
10. Processing of sold products	1 917 364		1 917 364						
11. Use of sold products	32 520 345		32 520 345						
Total GHG emissions									
Total GHG emissions (location-based) (tCO_2e)			**35 322 610**						
Total GHG emissions (market-based) (tCO_2e)			**35 535 437**						

1) Base year Gross Scope 1 GHG emissions: 2005. Base year all other categories: 2024

2) In order to comply with IFRS16 3, vessels have been moved from Scope 3 Category 4 to Scope 1. Compared to previous years, scope 1 now includes exploration drilling from partner operated assets. Furthermore, Scope 1 also includes production drilling from tie-ins not previously included, and the Johan Castberg project emissions are also included.

3) Purchase of guarantees of origin for equity share emissions in operations where Vår Energi is the operating company, ref to table E1-3 for emission reductions connected to this measure

4) To comply with IFRS16 emissions from 3 vessels, for operations where Vår Energi is the operating company, are reported as scope 1. This equals a number of 19 000 tCO_2e emissions in 2024.Outbound transportation and distribution services that are purchased by the reporting company are excluded from category 9 and included in category 4 (Upstream transportation and distribution) because the reporting company purchases the service. This is the case for emissions from partner operated assets. Please also see comment in C9.

5) In accordance with the GHG protocol Category 9 includes only emissions from transportation and distribution of products after the point of sale. Outbound transportation and distribution services that are purchased by the reporting company are excluded from category 9 and included in category 4 (Upstream transportation and distribution) because the reporting company purchases the service. The numbers reported in this category includes emissions from downstream transporation connected to operations where Vår Energi is the operating company only, downstream transportation from partner operated assets are reported as category 4.

6) Scope 3 categories 3, 5, 6, 7, 8, 12, 13, 14, 15 are not material and therefore excluded from the table.

E1-6 - Gross scope 1,2,3 and total GHG emissions

Gross Scope 1, 2, 3 and total GHG emissions

	Financial Control								
	Retrospective				Milestones and target years				
	Base year[1]	Comparative (2023)	2024	% 2024/2023	2025	2030	2050	Annual % target / Base year	Notes
Scope 1 GHG emissions									
Gross Scope 1 GHG emissions (tCO_2e)	1 100 000		1 123 309			550 000	Near Zero		2)
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	97.1%		97.1%						
Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emissions (tCO_2e)	6 249		6 249						
Gross market-based Scope 2 GHG emissions (tCO_2e)	122 783		122 783						3)
Percentage of contractual instruments, Scope 2 GHG emissions	83.8%		83.8%						3)
Significant scope 3 GHG emissions									
Total Gross indirect (Scope 3) GHG emissions (tCO_2e)[6]	**35 202 304**		**35 202 304**						
1. Purchased goods and services	174 260		174 260						
2. Capital goods	321 926		321 926						
4. Upstream transportation and distribution	161 552		161 552						4)
9. Downstream transportation and distribution	106 856		106 856						5)
10. Processing of sold products	1 917 364		1 917 364						
11. Use of sold products	32 520 345		32 520 345						
Total GHG emissions									
Total GHG emissions (location-based) (tCO_2e)			**36 331 862**						
Total GHG emissions (market-based) (tCO_2e)			**36 448 397**						

1) Base year Gross Scope 1 GHG emissions: 2005. Base year all other categories: 2024
2) In order to comply with IFRS16 3, vessels have been moved from Scope 3 Category 4 to Scope 1. Compared to previous years, scope 1 now includes exploration drilling from partner operated assets. Furthermore, Scope 1 also includes production drilling from tie-ins not previously included, and the Johan Castberg project emissions are also included.

3) Purchase of guarantees of origin for equity share emissions in operations where Vår Energi is the operating company, ref to table E1-3 for emission reductions connected to this measure.

4) To comply with IFRS16 emissions from 3 vessels, for operations where Vår Energi is the operating company, are reported as scope 1. This equals a number of 19 000 tCO_2e emissions in 2024.Outbound transportation and distribution services that are purchased by the reporting company are excluded from category 9 and included in category 4 (Upstream transportation and distribution) because the reporting company purchases the service. This is the case for emissions from partner operated assets. Please also see comment in C9.

5) In accordance with the GHG protocol Category 9 includes only emissions from transportation and distribution of products after the point of sale. Outbound transportation and distribution services that are purchased by the reporting company are excluded from category 9 and included in category 4 (Upstream transportation and distribution) because the reporting company purchases the service. The numbers reported in this category includes emissions from downstream transporation connected to operations where Vår Energi is the operating company only, downstream transportation from partner operated assets are reported as category 4.

6) Scope 3 categories 3, 5, 6, 7, 8, 12, 13, 14, 15 are not significant and therefore excluded from the table.

GHG emissions intensity

GHG intensity per net revenue	2024
Total GHG emissions (location-based) per net revenue (tCO_2e/USD)	0.004876741
Total GHG emissions (market-based) per net revenue (tCO_2e/USD)	0.004892383

The net revenue applied to calculate the GHG intensity is reconciled against the financial line item "Total income" in the Statement of comprehensive income in the Financial Statements, and Note 5 - Income.

E1-7 - GHG removals and GHG mitigation projects financed through carbon credits

While maximising emission reductions from operations and the value chain, Vår Energi recognises that the voluntary carbon market plays a role in achieving climate goals. In addition to its gross GHG emission reduction targets, Vår Energi aims for GHG neutrality for its equity Scope 1 GHG emissions by 2030. Vår Energi started offsetting by planting trees through Trefadder AS in 2022, to compensate for residual GHG emissions from travels and commuting and electricity for onshore facilities.

Trefadder AS uses nature-based solutions such as planting climate forests in Norway to remove CO_2 from the atmosphere. Once an area is identified and examined for potential CO_2 capture an agreement is entered into with the landowner. Prior to planting there are consultations with interested parties such as neighbours and municipalities. In addition to following the standards set by the ICROA registry areas are insured and agreements are registered in the Norwegian Land Registry.

From 2024, the agreement with Trefadder AS is amended to cover carbon credits to neutralise residual emissions from logistics and maritime transport from operations where Vår Energi is the operator, as well as residual equity Scope 1 emissions in a 2030 perspective. A forestation project area is validated and verified by an independent and accredited (ISO, GOLD, VERRA) 3rd party. The validation and later verification ensure that the project adheres to the quality criteria set by ICROA and the carbon registry, including ensuring additionality, permanence, avoidance of double counting and provide rules for calculation, monitoring, and verification of the project's GHG emissions and removals.


Photo: Trefadder AS

Carbon credits planned to be cancelled/used in the future	Around 500 000 tonnes
Amount until (period)	2034 (agreement with flexibility to adjust volume and duration)
Share from projects in Norway	100%
Share from projects insured for wildfires	100%
Share from projects part of global buffer pool	100%
Share of independent 3rd party validation and verification	100%

E1-8 - Internal carbon pricing

Vår Energi applies an internal carbon pricing scheme across all decision-making processes and in every aspect of planning for current and future field developments and operations. This approach enables the Company to evaluate the sensitivity of its decisions and ensures the resilience of its portfolio.

The internal carbon price is incorporated into Vår Energi's economic planning models to support investment decisions, forecast future operation costs and evaluate the commercial feasibility of GHG emissions reduction initiatives. The measurement of the metric is not validated by an external body.

Internal carbon pricing

Type of Internal Carbon Price	Volume at stake	Prices applied (Euro/ tCO_2e)	Perimeter description
Shadow price	100% of Scope 1 emissions	The price is assumed to 220 EUR/ton in 2030 (real terms 2025)	All oil and gas exploration and production related activities on the Norwegian Continental Shelf.

Accounting policies and notes disclosures to E1

Methodologies and assumptions related to reported metrics under E1- Climate change are given in the table below.

Reported metric	Accounting policies, methodologies and assumptions
GHG Scope 1 emissions	For subsea tie-in fields, the topside host processing facility reports all scope 1 GHG emissions. The energy consumption is measured through following methodology: Gass is fiscal measured, while diesel is based on delivered diesel to the asset through onshore diesel pumps controlled by the Norwegian Metrology Service (Justervesenet). Justervesenet is designated as a Notified Body (NB) under the EU Measuring Instruments Directive (MID). Both streams are verified as part of the EU-ETS quota regime, and details regarding factor ect. are available at Norskeutslipp.no (quota permit). Scope 1 including production, well intervention, production drilling and certain exploration wells are validated by external party as part of the EU-ETS legislation.
GHG Scope 2 emissions	For subsea tie-in fields, the topside host processing facility reports all scope 2 GHG emissions. The electrical energy consumption is measured by the grid owners, according to Norwegian legislation. The measurement of the metric is not validated by an external body.
GHG Scope 3 emissions	**Category 1 and 2** For Vår Energi's own operated assets, Scope 3 category 1 and 2 are spent-based calculated. For partner operated assets, the major portion has been estimated by a partner-provided factor per BOE. **Category 4** For Vår Energi's own operations emissions are based on fuel-use. For the partner-operated fields the major portion has been estimated by an adjusted partner-provided factor per BOE, and for the remaining part, Vår Energi has made an estimate. **Category 9** In accordance with the GHG protocol, Category 9 includes only emissions from transportation and distribution of products after the point of sale. For Vår Energi's produced hydrocarbons on all assets, Scope 3 category 9, emission from tankers exporting oil, both offshore and onshore terminals are calculated based on fuel usage reported by the owners/operators. Based on this both operational control and financial control can be calculated. Emissions related to gas transported by Gassco is not included. **Category 10 and 11** Processing of sold products' (Cat 10) and 'Use of sold products' (Cat 11) are based on sold volume. Emissions from Processing of sold products (Cat 10) is calculated based on a large number of available factors such as OECD Europe (IEA) & US (EIA) 2023. Use of sold product (Cat 11), is considered to be the material source for GHG emissions, and it is for this calculation assumed that all production goes to emissions. The CO_2e-emission factor for Category 11 are based on Department of Environment, Food & Rural Affairs (DEFRA) 2024, recalculated with Global Warming Potential (GWP) defined in IPCC Sixth Assessment Report, 2020 (AR6) are as follows: • Diesel: 2.662538 kg CO_2e/l • Natural gas: 2.063099 kg CO_2e/m^3 • LPG: 1.557107 kg CO_2e/l • NGL: 1.656709 kg CO_2e/l The measurement of the metric is not validated by an external body.
Internal carbon price	The carbon price is a price projection rising annually, based on the expected future cost of EU ETS quota prices and the Norwegian CO_2 tax. The applied carbon price projection is based on current actual EU ETS quota price and current actual Norwegian CO_2 tax and then increased linearly to 2000 NOK/ton (real terms 2020) in 2030. The increase to 2000 NOK/ton is in line with statement from the Norwegian government. Based on this the price is assumed to 220 EUR/ton in 2030 (real terms 2025), which is equivalent to the 2000 NOK/ton (real terms 2020) stated by the Norwegian government. The measurement of the metric is not validated by an external body.

EU Sustainable Finance Taxonomy

Vår Energi has prepared the EU Sustainable Finance Taxonomy (EU Taxonomy) disclosure in accordance with the EU Regulation 2020/852 and the Delegated Acts, and in accordance with the regulation to implement the EU Taxonomy and publication requirements in Norwegian law. The regulation entered into force in Norway 1 January 2023, with first reporting of the Taxonomy for annual reports with financial accounts with a balance sheet date of 31 December 2023. The reporting requirements applies to listed companies, as well as banks and insurance companies, with more than 500 employees and considered large enterprises according to different threshold values related to total balance sheet and income.

The EU Sustainable Finance Taxonomy is a reporting classification system which facilitates the allocation of capital to profitable sustainable activities and projects. A company's economic activities are identified against the EU Taxonomy's list of possible eligible activities, which are screened against performance criteria for their contribution to six environmental objectives.

EU Taxonomy environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy, including waste prevention and recycling
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

An activity is aligned under the EU regulation if it contributes substantially to one or more of the environmental objectives, meet the criteria for Do No Significant Harm (DNSH) for any of the other objectives, and is carried out in compliance with minimum safeguards.

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 certain operational expenditures (opex) in accordance with the taxonomy regulation.

Taxonomy eligible activities

An economic activity is considered eligible if it is described in the Taxonomy regulation, irrespective of whether it complies with the technical screening criteria or not. Vår Energi's economic activities have been screened against all eligible economic activities covered by the EU Taxonomy.

Vår Energi operates with the production of oil and gas and is applicable under the main sector 4. -Energy, in the Climate Delegated Act in the EU Taxonomy regulation. Supporting sectors under the Climate Delegated Act include sector 6. - Transport, sector 7. - Construction and real estate, and 9.- Professional, scientific and technical activities.

Vår Energi's identified eligible activities are as follows:

CCM4.3, CCA4.3 – Electricity generation from wind power

The activity relates to construction or operation of electricity generation facilities that produce electricity from wind power.

Vår Energi holds a working interest in the Hywind Tampen offshore wind park through an 18.55% working interest in the Snorre asset. Hywind Tampen consists of 11 floating wind turbines installed offshore, with production of electricity from wind and delivery of renewable power to the Tampen area; Gullfaks and Snorre fields.

CCM6.10, CCA6.10 – Sea and costal freight water transport, vessels for port operations and auxiliary activities

Activity 6.10 relates to the purchase, financing, chartering (with or without crew) and operation of vessels designed and equipped for transport of freight or for the combined transport of freight and passengers on sea or coastal waters. The activity is applicable to sea and costal freight water transport, but excludes the downstream transportation of oil and gas.

Vår Energi charters several supply vessels with transport of freight and/or passengers for upstream transportation, and the activity is thus considered eligible under the EU taxonomy regulation and code H50.2.0. For upstream transportation, Vår Energi uses a vessel pool of both operated and non-operated vessels. The Company focus on using vessels with dual fuel (MGO or LNG) and/or battery technology to reduce emissions. The pooling system of vessels is however not considered eligible under the EU regulations, due to questions regarding control of the vessels. Often, the first available vessel is used for upstream transportation, if not specifically scheduled. Leased vessels with a contract duration of over 12 months, unless the underlying asset is of low value, are recognised under IFRS 16. IFRS 16 applies the right to obtain control of the economic benefits from use of the asset during the usage period. As such, chartered vessels reported under IFRS 16 are assessed as under the Company's control and is considered eligible under the EU Taxonomy.

CCM7.7 – Acquisition and ownership of buildings

The activity relates to buying real estate and existing ownership of that real estate.

Vår Energi leases office buildings and warehouses for business activities, which are reported under IFRS 16. As such, the real estates are under Vår Energi's control and applicable under activity 7.7. In 2024, Vår Energi leased a total of five office buildings, four warehouses and storage units, and one apartment.

CCM9.2 - Research, development and innovation for direct air capture of CO_2

Activity 9.2 relates to research, applied research and experimental development of solutions, processes, technologies, business models and other products dedicated to the direct air capture of CO_2 in the atmosphere.

Vår Energi has ongoing research and development activities within CCS, and was involved in three different projects related to CCS research in 2024.

Taxonomy aligned activities

The criteria for an economic activity to be considered aligned is set out by the EU, where the activity must comply with a substantial contribution to at least one of the EU's environmental objectives. The activity makes a substantial contribution if the economic activity has a substantial positive impact or substantially reduces negative impacts of the activity on the environment, and meets all the substantial contribution and DNSH criteria. Further, a detailed internal verification process is conducted to assess if the identified eligible activity does no significant harm to any of the other objectives and is carried out in compliance with minimum safeguards. The principle of the DNSH criteria is to ensure that an activity does not have adverse effects on any of the other environmental objectives. It is therefore required to consider the DNSH for the other objectives to which the activity does not contribute or contributes only in a marginal way.

The Company's compliance with the minimum safeguards is assessed. The minimum safeguards recognise the relevance of international minimum human and labour rights and standards. These include, but are not limited to, labour and governance policies such as the OCED Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at work and the International Bill of Human Rights.

CCM4.3 – Electricity generation from wind power

The Hywind Tampen project is assessed as an activity with substantial contribution to the environmental objective of climate change mitigation, as the activity generates electricity from wind power. The Hywind Tampen project generates renewable electricity to offshore installations and supports the reduction of use of gas turbines on the connected assets.
In addition, the project has implemented adaptation solutions that marginally reduce the material physical climate risks.

CCM6.10 – Sea and coastal freight water transport, vessels for port operations and auxiliary activities

The vessels tested for alignment with a substantial contribution to climate change mitigation did not comply with one or more of the applied criteria, as they were either dedicated to the transport of fossil fuels, or did not have zero direct CO_2 emissions.

The vessels did neither meet the criteria to have implemented adaptation solutions that substantially reduce material physical climate risks. This resultet in the conclusion that the activity is considered eligible, but not aligned, under the EU Taxonomy.

CCM7.7 – Acquisition and ownership of buildings

Office buildings and warehouses tested for alignment with a substantial contribution to climate change mitigation did not comply with the criteria related to an Energy Performance Certificate (EPC) of minimum class A. The office buildings are considered large, non-residential buildings, but did not meet the criteria to document efficient operations through energy performance monitoring and assessment, under the specific efficiency systems. Hence, the activity is considered eligible, but not aligned, under the EU Taxonomy.

CCM9.2 - Research, development and innovation for direct air capture of CO_2

The specific R&D projects related to CCS were assessed to comply with a substantial contribution to the climate change mitigation objective. The projects researches, develops or provides innovation for technologies, products or other solutions that are dedicated to the direct air capture of CO_2 in the atmosphere, and has the potential to result in overall net GHG emissions reductions if commercialised.

Assessment of DNSH
All of the identified taxonomy-aligned activities are considered to have a substantial contribution to the environmental objective of climate change mitigation. The activities are further assessed to not have an adverse effect on any of the other environmental objectives: climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

Assessment of compliance with minimum safeguards
Compliance with the minimum safeguards requirements have been assessed by recognising Vår Energi's activities against four topics, mentioned in the following section. The minimum safeguards procedures are based on the United Nations Guiding Principles on Business and Human Rights (UNGPs). Vår Energi adheres to several standards, that are implemented in the Company's policies and principles.

The Company, nor any of the executives, have been found in breach or violation of any relevant human rights, corruption, tax or competition laws and regulations.

- Human rights, including workers' rights, consumer rights and the rights of communities
  Through Vår Energi's Code of Ethics, the Company is committed to respect and support internationally recognised human rights and seeks to avoid complicity in human rights violations. The commitments include

carrying out due diligence on human rights and workers' rights as described in the OECD Due Diligence Guidance for Responsible Business.

- Bribery and corruption
  Risk assessments and anti-corruption assessments are carried out at least annually for all defined compliance areas in Vår Energi. Mitigating measures, such as due diligence processes of all new business partners, are in place. The Petroleum Act provides the overall principles applicable for operations on the Norwegian continental shelf and the legal framework for the licensing system.

- Taxation
  Vår Energi has developed a Tax Control Framework within its internal control system with the goal of ensuring, with reasonably certainty, that its business is managed in accordance with the principles and ends laid out in these guidelines, reducing the risk of material violations to a remote level. The Company adopts conduct in keeping with the principles of transparency, accuracy and good faith provided for by the Company's Code of Ethics.

- Fair competition
  Vår Energi believes in business freedom and free competition in a fair and ethical manner. The Company's Code of Ethics addresses the obligation to comply with competition laws and protect competition in the market. Vår Energi is committed to full and fair cooperation with Antitrust Authorities.

Reference is made to the Social and Governance chapters in the Sustainability Statement, as well as the Transparency Act Report, for more information on the minimum safeguards topics.

Key performance indicators (KPIs)
To identify the outcome of the assessment of taxonomy aligned activities, the EU Taxonomy regulation requires non-financial undertakings to disclose the KPIs for each economic activity and the total KPIs for all economic activities. The KPI's are defined as the turnover KPI, capex KPI and opex KPI.

To avoid double counting of the relevant amounts of revenue and expenditure, the economic eligible and aligned activities have only been reported in the KPIs as independent activities.

Turnover KPI

Turnover denominator
The denominator in the turnover KPI is defined in the EU Taxonomy as the revenue derived from the sale of products and the provision of services after deducting sales rebates and value added tax and other taxes directly linked to turnover.

The total revenue related to the turnover denominator is presented in the Statement of Comprehensive Income and in Note 5 in the Financial Statements.

Turnover numerator
The numerator is calculated as the revenue derived from products or services, including intangibles, associated with the taxonomy aligned economic activities.

In 2024, none of Vår Energi's taxonomy-eligible or -aligned activities are revenue generating activities.

The turnover KPI calculated for 2024 is 0%.

Capex KPI

Capex denominator
The capex denominator as defined in the Taxonomy, is defined as total investments in tangible and intangible assets during the financial year considered before depreciation, amortisation, and any re-measurements. The investment in assets include property, plant, and equipment (PP&E), intangible assets, investment property, agriculture, and leases. Capitalised exploration wells are included in the recognition of intangible assets, by interpretation of the Taxonomy regulation and industry standard. Goodwill acquired through business combinations is excluded from the capex denominator and numerator calculations. The total capital expenditures related to the capex denominator includes additions in intangible assets as presented in Note 14, tangible assets as presented in Note 15 and right of use assets in Note 16 in the Financial Statements.

Capex numerator

The numerator equals to the part of the capital expenditure included in the denominator that is any of the following: related to assets or processes associated with the aligned activity, part of a plan to expand the activity and/or allow an eligible activity to become aligned and related to the purchase of output from taxonomy aligned activities.

In 2024, the capex numerator for the taxonomy- aligned activity related to CCS research and development projects is calculated on the basis of the total investment costs associated with the projects. Vår Energi's share of the taxonomy-aligned capital expenditures amounted to USD 1 063 thousand in 2024.

Capex related to taxonomy-eligible but not aligned activities in 2024 includes additions to leased office buildings and warehouses. The capital expenditures amounted to USD 14 308 thousand in 2024.

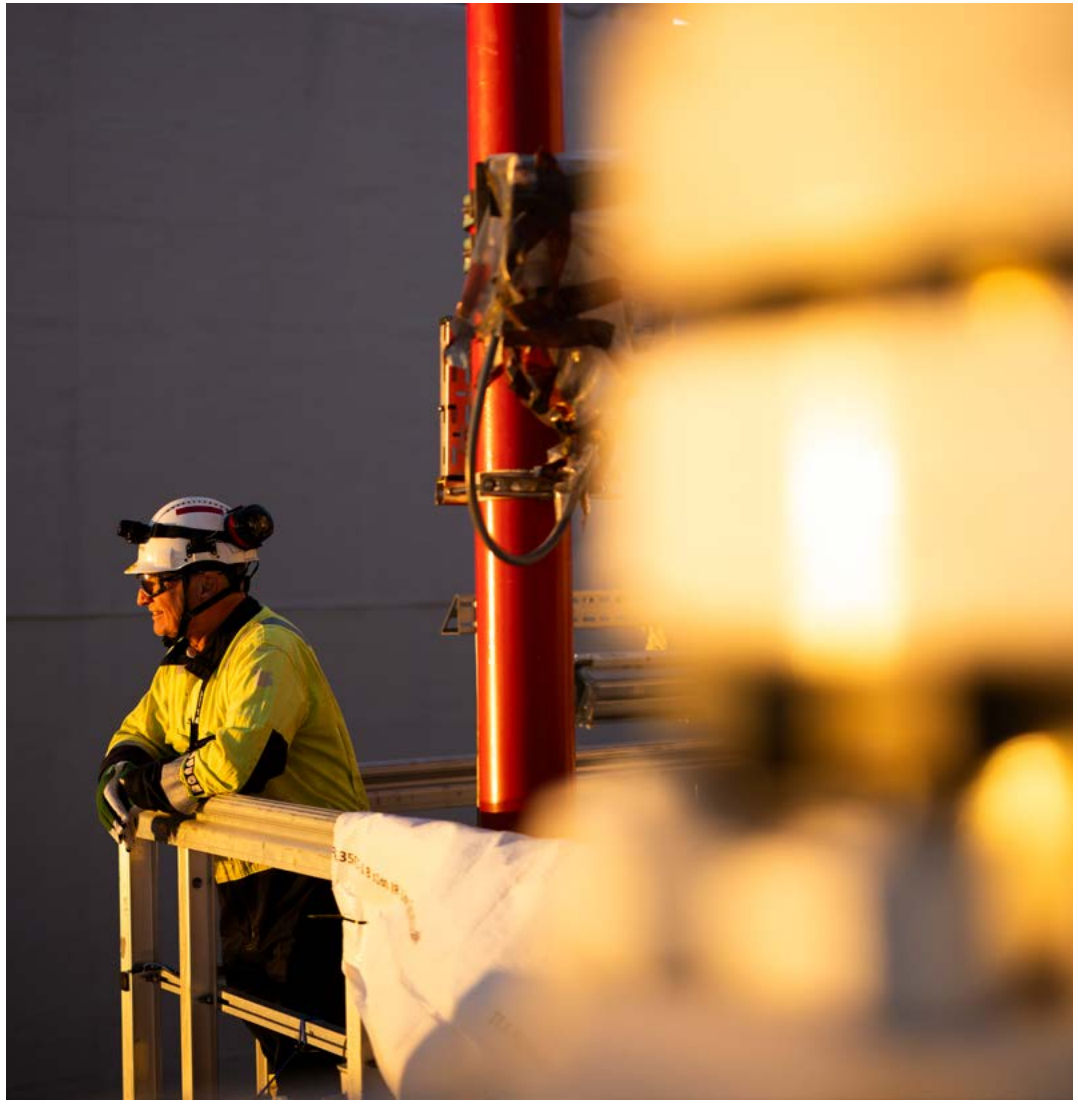
The capex KPI for taxonomy eligible activities calculated for 2024 is 0.4%.

Opex KPI

Opex denominator

The opex denominator as defined in the Taxonomy includes non-capitalised costs related to investments in assets and processes. This includes direct expenditures related to R&D costs, building renovation measures, short-term lease, maintenance and repair. Depreciation, amortisation and impairment, raw material costs, administration and general expenditures, and exploration expenses are exempted from the definition.

The opex denominator for 2024 is calculated based on industry practices and relates to operating expenditures related to JIB codes 9.5 Research and development (R&D), 6.2.2 Maintenance, 6.2.3 Well maintenance and 6.2.4 Modifications, as presented in Note 6 and Note 10 in the Financial Statements.



Opex numerator

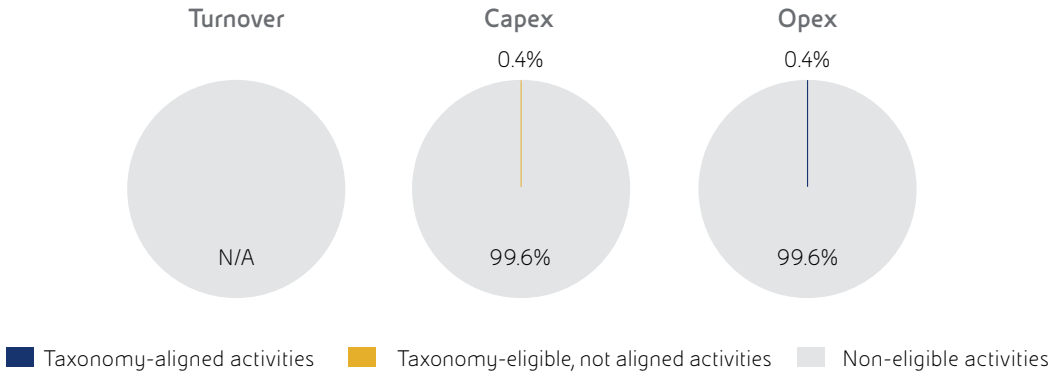
The numerator equals to the part of the operating expenditure included in the denominator that is any of the following: related to assets or processes associated with aligned activities, including training and R&D costs, part of the capex plan to expand aligned activities or allow eligible activities to become aligned, related to the purchase of output from aligned activities and to individual measures enabling the target activities to become low-carbon or lead to GHG reductions.

In 2024, the opex numerator for the aligned activity related to the Hywind Tampen project is calculated as the total operating costs presented in the Joint Interest Billing (JIB) code 6.5.2 - Other operating costs. Vår Energi's share of the operating costs amounted to USD 1 312 thousand in 2024, and represents the opex numerator in the opex KPI.

There were no opex related to the taxonomy-eligible but not aligned activities in 2024.
The Opex KPI calculated for 2024 is 0.4%.

2024 (USD thousand)

USD thousand	Turnover	%	Capex	%	Opex	%
Taxonomy-aligned activitites	-	0.0%	1 063	0.0%	1 312	0.4%
Taxonomy-eligible, not aligned activities	-	0.0%	14 308	0.4%	-	0.0%
Non-eligible activities	7 450 056	100.0%	3 433 978	99.6%	336 877	99.6%
Total	**7 450 056**	**100.0%**	**3 449 349**	**100.0%**	**338 190**	**100.0%**



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

EU Taxonomy turnover 2024

Financial Year 2024		2024		Substantial contribution criteria						DNSH criteria									
Economic Activities	Code(s)	Turnover	Proportion of Turnover, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover, year 2023	Category enabling activity	Category transitional activity
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM4.3	-	0.0%	Y						Y	Y	Y	Y	Y	Y	Y	0.0%		
Research, development and innovation for direct air capture of CO_2	CCM9.2	-	0.0%	Y						Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		
Of which Enabling		-	0.0%	0.0%													0.0%	E	
Of which Transitional		-	0.0%	0.0%													0.0%		T
A.2 Taxonomy Eligible but not environmentally sustainable activities (not Taconomy-aligned activities)																			
Acquisition and ownership of buildings	CCM7.7	-	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM6.10	-	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Turnover of Taxonomy-eligible but not environmentally susatinable activities (not Taxonomy-aligned activities) (A.2)		**-**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**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%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities		7 450 056	100.0%																
TOTAL		**7 450 056**	**100.0%**																

EU Taxonomy capex 2024

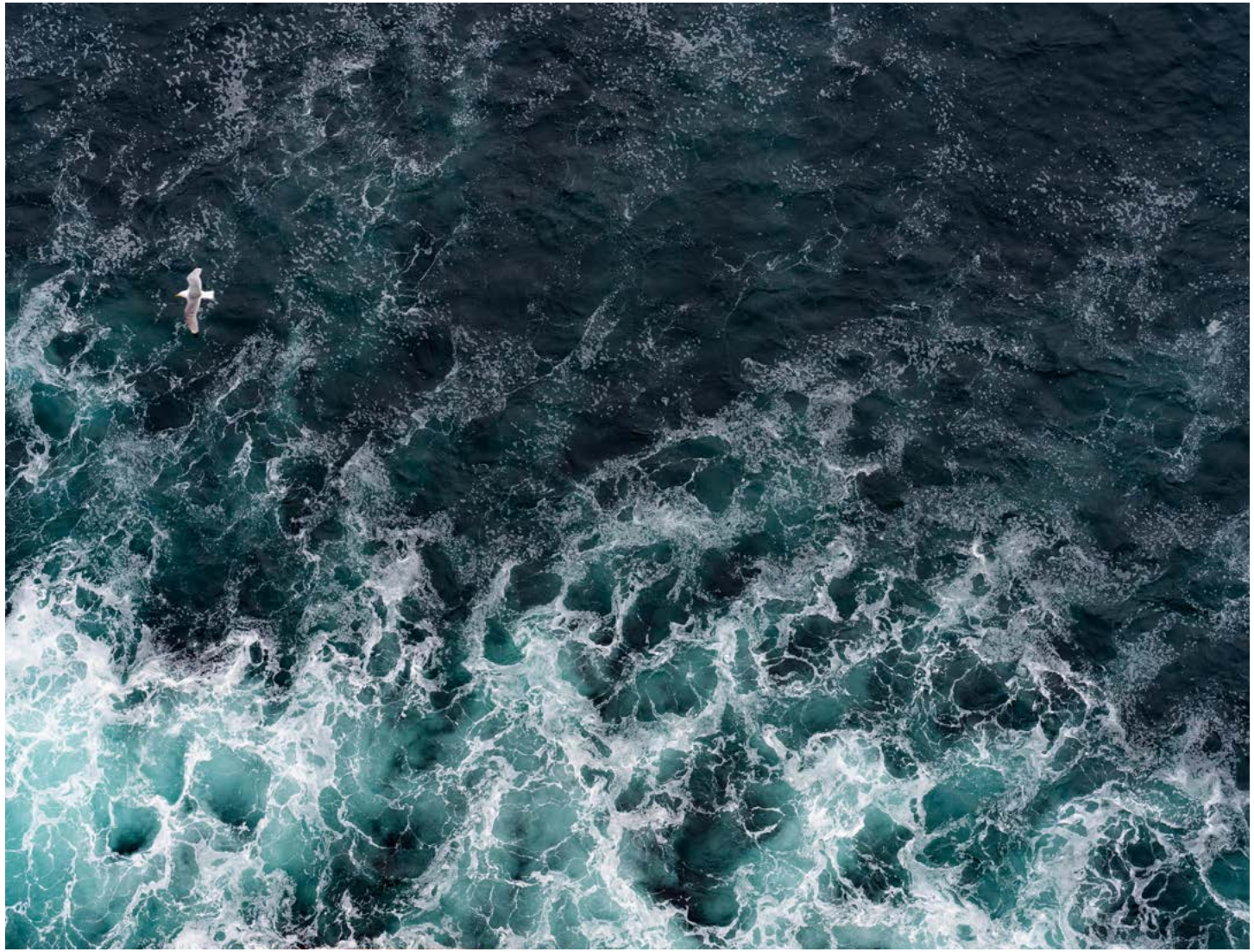
Financial Year 2024		2024		Substantial contribution criteria						DNSH criteria									
Economic Activities	Code(s)	CapEx	Proportion of Capex, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2.) Capex, year 2023	Category enabling activity	Category transitional activity
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM4.3	-	0.0%	Y						Y	Y	Y	Y	Y	Y	Y	0.4%		
Research. development and innovation for direct air capture of CO_2	CCM9.2	1 063	0.0%	Y						Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1 063**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.4%**		
Of which Enabling		1 063	0.0%	0.0%													0.4%	E	
Of which Transitional		-	0.0%	0.0%													0.0%		T
A.2 Taxonomy Eligible but not environmentally sustainable activities (not Taconomy-aligned activities)																			
Acquisition and ownership of buildings	CCM7.7	14 308	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Sea and coastal freight water transport. vessels for port operations and auxiliary activities	CCM6.10	-	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Capex of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**14 308.00**	**0.4%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
A. Capex of Taxonomy eligible activities (A.1+A.2)		**15 371**	**0.4%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.4%**		
B. Taxonomy-non-eligible activities																			
Capex of Taxonomy non-eligible activities		3 433 978	99.6%																
TOTAL		**3 449 349**	**100.0%**																

EU Taxonomy opex 2024

Financial Year 2024		2024		Substantial contribution criteria						DNSH criteria									
Economic Activities	Code(s)	OpEx	Proportion of Opex, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2.) Opex, year 2023	Category enabling activity	Category transitional activity
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM4.3	1 312	0.4%	Y						Y	Y	Y	Y	Y	Y	Y	0.0%		
Research, development and innovation for direct air capture of CO_2	CCM9.2	-	0.0%	Y						Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1 312**	**0.4%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		
Of which Enabling		1 312	0.4%	0.4%													0.0%	E	
Of which Transitional		-	0.0%	0.0%													0.0%		T
A.2 Taxonomy Eligible but not environmentally sustainable activities (not Taconomy-aligned activities)																			
Acquisition and ownership of buildings	CCM7.7	-	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM6.10	-	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Opex of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**-**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
A. Opex of Taxonomy eligible activities (A.1+A.2)		**1 312**	**0.4%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
B. Taxonomy-non-eligible activities																			
Opex of Taxonomy non-eligible activities		336 877	99.6%																
TOTAL		**338 190**	**100.0%**																

ESRS E2 – Pollution

Pollution to air from Vår Energi's operation, excluding pollutants covered by E1 - Climate change (GHG emissions), primarily stems from fuel consumption for power generation (engines and turbines) and non-methane Volatile Organic Carbon (nmVOC) from loading and storage of crude oil. Regarding pollution to water, the main streams include produced water discharge (oil and chemicals) and discharges from drilling operations (chemicals). There is significant focus on Substances of Concern (SOC) and Substances of Very High Concern (SVHC) in chemicals. Pollution resulting from offshore activities is subject to regulation, and an operational permit from the Norwegian Environment Agency (NEA) is required. Chemicals governed by this permit are considered significant with respect to SOC and SVHC. Vår Energi also has an indirect impact on pollution of microplastics due to the Company's feedstock going to production of microplastic and plastic in the downstream value chain. Pollution from incidental spills is also a potential source of environmental contamination from the Company's activities.



Impacts, risks and opportunities

A detailed description of the double materiality assessment, along with the process to identify and assess material impacts, risks, and opportunities (IROs), is provided in chapter ESRS 2 - General disclosures. A table outlining the IROs related to E2 - Pollution is presented below.

E2 – Pollution

				Value chain			Time horizon			
E2 – Pollution	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Air emissions from fuel combustion Power generation from turbines and engines, as well as safety flaring operations, leads to direct non-GHG emissions. The material parameters that may have negative impact on air quality, ecosystems, and human and animal health are sulphur oxides (SOx), nitrogen oxides (NOx) and carbon monoxide (CO).	Pollution of air		Actual negative impact		●	●		●		
Air emissions from loading and storage of crude oil Loading and storage of crude oil leads to emissions of non-methane volatile organic compounds (nmVOC). These emissions may generate ground-level ozone leading to negative impacts on health and vegetation, and indirectly contribute to global warming as nmVOC is oxidised in air to CO_2 and ozone.	Pollution of air		Actual negative impact		●	●		●		
Water discharges in the ocean Discharged produced water may impact the fauna in the water column in the direct vicinity of the discharge point. The potential impact depends on the content of the chemical components and the temperatures of the discharged water.	Pollution of water		Actual negative impact		●			●		

E2 – Pollution continued

				Value chain			Time horizon			
E2 – Pollution	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Use of substances of (very high) concern "Production Chemicals" and "Drilling Chemicals" in the NEA permit constitute the largest part of chemical use. Discharge of these chemicals may have a negative impact on the environment and is therefore considered to be material with regards to substances of concern (SOC) and substances of very high concern (SVHC).	Substances of (very high) concern		Actual negative impact		●			●		
Pollution from incidental spills and industrial hazards Incidental spills and industrial hazards connected to operations or infrastructure may lead to oil spills with disastrous impacts on environmental resources (contamination of air and water, habitat degradation, harm to species).	Pollution of air/water		Potential negative impact		●	●			●	●
Microplastics Fossil fuel products are used as feedstock for production of microplastics and plastics that may lead to microplastics pollution. There are increasing concerns about microplastics' impact on the environment.	Microplastics		Potential negative impact			●			●	
Oil spill response Potential response costs for waterway preparedness, cleanup of coast areas and organisms, and continuous operation of specialised vessels if pollution from an incidental oil spill was to occur. Note: This potential financial risk is related to pollution from oil spills in general (E2 – Pollution) and risks related to living organisms (E4 – Biodiversity and ecosystems)	Pollution of air/water		Financial risk		●				●	

As stated in the Company's impact, Vår Energi recognises that the Company's operations involve products that can ultimately contribute to pollution of microplastics. The Company's products are among others used in plastic manufacturing, which can lead to microplastic particles entering nature. However, Vår Energi has no control over the final fate of these products in the context of plastic production and has therefore no related policy, actions or targets. Most of the Company's products are used for energy production.

Impacts, risks and opportunities management

E2-1 – Policies related to pollution

Vår Energi's policies related to pollution and the Company's material impacts risk and opportunities are briefly described below:

- The Environment Policy outlines Vår Energi's commitment to sustainable development and environmental protection, including working towards zero acute emissions and spills. The Company shall systematically and continuously eliminate, reduce or minimise its material planned and accidental discharges and hazardous contaminants (pollution) in order to protect the environment. To reduce the direct or indirect effect from pollution on the environment the Company shall use Best Available Techniques (BAT) and adhere to industry standards.
- The Climate and Energy Policy outlines Vår Energi's commitment to minimise energy consumption and GHG emissions. This will include a reduced use of fossil fuels, thereby reducing emissions of the pollutants NOx, SOx and particular matter, as well as recommended guidelines for sampling and analysis of produced water. The Policy is further described in E1 – Climate change.
- The Quality, Assurance and Risk Policy outlines Vår Energi's commitment to actively manage the Company's risk exposure and adhere to governmental regulations and industry standards, such as ISO 140001, which aim to minimize the environmental footprint, including pollution.
- The Health and Safety Policy outlines Vår Energi's commitment to maintaining an organisation that is trained and prepared to respond to emergencies in order to to control and limit the impact on people and environment.

The policies listed above support the identified material IROs for E2 – Pollution, and are publicly available on Vår Energi's website. The policies are applicable to all personnel working for Vår Energi ASA, hired or contracted and subsidiaries of Vår Energi ASA and sets out the Company's expectations towards contractors, suppliers, and business partners. All of Vår Energi's policies are approved by the Board of Directors. The EVP Safety and Sustainability has the overall responsibility to oversee the effectiveness of the above policies, and the EVP for each business line is responsible for adhering to the commitments in the policies for their respective areas. Partner-operated assets are managed according to the Joint Venture Operating Agreement, and operated according to the operator's management system and policies.

Vår Energi operates under, among others, the Pollution Control Act, the Freedom of Information Act and the Environmental Information Act, ensuring full transparency on environmental data, both before and after any emission or discharge. Data reported to NEA, along with permits and authority audit reports, are publicly available.

Vår Energi holds the following certifications and voluntary commitments, which underpin the policies supporting the IROs related to E2 – Pollution along with Vår Energi Management System, which support regulatory compliance:

- NORSOK S-003 Environmental Care
- ISO 14001 Environmental Management Systems certified
- 50001 Energy Management Systems certified (from 2024)
- ISO 9001 Quality Management System
- ISO 31000 Risk Management
- ISO 19011 Guideline for Auditing Management Systems.

The significance of stakeholders in the Environment Policy is emphasised through the Company's consultation with stakeholders as per the stakeholder management plan, and by providing public reporting on environmental impacts. The Company regularly receives feedback from stakeholders, including through public hearings related to activity permit processes, upon which Company must act to ensure stakeholder input is considered. Additionally, the authorities conduct environmental-related audits, upon which the Company performs activities or adjustments in order to ensure legislative compliance. Vår Energi Management System (VEMS) has a notification function for improvement proposals for processes, procedures and policies that can be used also for stakeholder engagement results.

The Environment Policy includes measures to substitute and minimise the use of substances of concern and phase out substances of very high concern. This involves reducing chemical consumption and discharges, as well as monitoring and reducing hazardous contaminants in discharges. Additionally, it focuses on selecting and substituting chemicals to minimise environmental risks and impacts.

E2-2 - Actions and resources related to pollution

Actions and Resources Related to IRO Air Emissions from Fuel Combustions

Action	Operation/Drilling & Wells/ Supply Chain/Logistics	Key Action/Scope of Action	Time Horizon	Description of Key Actions Taken and Results
ISO 50001 certified (minimise)	Vår Energi's own operated assets	ISO 50001 certified in 2024, which implicates identifying Significant Energy Users (SEU) and plan for reducing energy consumption.	Certified in 2024	Annual energy review completed for all operated assets. Significant Energy Users are identified, energy efficiency and emissions reduction measures and projects are implemented and/or matured for further delivery. Policies, processes and procedures have been updated. A reduction in energy consumption is linked to a reduction of emissions of NOx and SOx.
Best Available Techniques Assessments (BAT) (minimise)	Vår Energi's own operated assets	Action: BATs are performed according to Offshore Norway's Offshore Norge Recommended guidelines for BAT assessments' for larger modifications as identified in an Environmental Aspects Identification (ENVID). Scope: Own activities. Geography: Desk-top exercise with no location.	BAT evaluations are performed according to Norwegian regulations (Activity Regulation) and has also been performed in 2024.	Identification of significant environmental aspects are performed according to ISO 140001. In addition, regulatory requirements and focus areas from the authorities (especially NEA) are used as a input for BAT identification. The significant environmental aspects are screened for environmental, technical and economic criteria and the technique selected shall be feasible for all three selection criteria. This ensures that emissions (including NOx and SOx) and discharges/ spills are considered as part of the selection criteria.
Vår Energi is a member of the NOx fund since 2008 and has renewed its commitment to the agreement for 2025-27. (minimize)	Vår Energi's own operated asset -Jotun FPSO	The main task of the NOx Fund is to finance concrete NOx reduction measures. The Fund provides financial support to businesses to implement technology that leads to reduced NOx emissions.	The NOx upgrade of the Jotun auxiliary engine was completed in 2024. The engine will be tested at regular intervals and used when Jotun leaves the Rosenberg yard.	Vår Energi applied to the NOx fund in 2020 for support to upgrade the auxiliary diesel engine on Jotun FPSO with a Selective Catalytic Reduction (SCR), which is expected to reduce NOx-emissions from 13.5 g/kW to 2.39 g/kW.
Purchase of low-sulphur diesel (minimize)	Financial Control (Equity)	Emissions of SOx is mainly caused by combustion of hydrocarbons containing sulphur. As gas from NCS typically contains small volumes of sulphur, combustion of diesel is the largest source of SOx.	Ongoing	Use of low-sulphur diesel cause avoidance / reduction of SOx emissions.

Action	Operation/Drilling & Wells/ Supply Chain/Logistics	Key Action/Scope of Action	Time Horizon	Description of Key Actions Taken and Results
No production flaring (avoid)	Financial Control (Equity)	Production flaring has not been allowed on the NCS since 1971.	Since 1971	Only safety flaring allowed. Reduced flaring ensures reduced emissions to air, including NOx and SOx.
Electrification (avoid)	Financial Control (Equity)	The licences Vår Energi is partner in, have evaluated electrification as part of emission reduction, which includes NOx and SOx.	Continuous	Modification projects for existing fields. Development of new fields with topside facilities are required to evaluate electrification. Reference is made to chapter E1 for more details.
Investment in offshore wind, Hywind Tampen (avoid)	Partner Operated - Tampen Area	Hywind Tampen provides renewable energy to Snorre, which is partly owned by Vår Energi.	Fully operational in 2023	Partners in Hywind Tampen, reduces combustion of hydrocarbons, and thus reduces emissions of NOx and SOx
Vår Energi focus continually on energy efficiency (minimise)	Vår Energi's own operated asset - Drilling Rigs	Mobile units/rigs – incentives for fuel reduction	Ongoing	Focus on reduction in energy consumption is often linked to a reduction of emissions of NOx and SOx. The drilling rig Deepsea Yantai (Cerissa) was used for drilling the well Cerissa, and focus on emission reduction led to a decrease in fuel consumption of 1700 T(= 647.7 m^3) compared to baseline, which led to a decrease in emissions, including NOx and SOx. Through a fuel-incentive /energy management agreement with the drilling rig West Phoenix, a reduction of approximately 5% on a daily rate in 2024 compared to 2023 was achieved. Vår Energi has signed a fuel incentive with COSL to put in place fuel incentives schemes for the rigs COSL Prospector and COSLP ioneer to ensure focus on consumption, energy efficiency and potential fuel optimisation for 2025. A fuel consumption reduction would also give a reduction in emissions of NOx and SOx.
Energy management (reduce)	Vår Energi and Equinor cooperation – Logistics	Focus on reduction of energy consumption	Ongoing	Equinor and Vår Energy cooperate to optimize transportation using Platform Supply Vessels (PSVs) (supply and emergency response) and helicopters to units in the Southern region. A decrease in fuel consumption will give a reduction in emissions of NOx and SOx. Please refer to E1 for additional information. Energy management typically reduces fuel consumption and thereby also emissions of NOx and SOx.

Actions and resources related to IRO Air emissions from loading and storage of crude oil

Action	Scope	Key Action/Scope of Action	Time Horizon	Description of Key Actions Taken and Results
Reduction of nmVOC and from shuttle tankers on the NCS.	Financial Control (Equity)	The emission limit for nmVOC for the NCS has been set by NEA at 0.45 kg/Sm^3 of loaded oil since 2021.	Ongoing	To ensure compliance with the NEA requirements and obtaining emission reductions, operators have established the Volatile Organic Carbon Industry Collaboration (VOCIC). VOCIC is a forum for sharing investment in emission-reducing technology, finance measures and also ensures joint annual emission reporting to the NEA. Both Vår Energi and Equinor, which operate all partner-operated fields where shuttle tankers are members of VOCIC, and Vår Energi is a member of the Board of Directors for VOCIC.
Reduction of nmVOC and methane from shuttle tankers.	Financial Control (Equity)	Two new shuttle tankers with Vapor Recovery Units have been contracted for use for Vår Energi in 2023.	2024 was the first full year of obtaining full benefit of the two new tankers as the last shuttle came on contract September 2023.	In 2024, the vessels on Vår Energi hire, Sindre Knudsen and Frida Knudsen, were fully commissioned with both VOC recovery units and the ability to use recovered VOC as fuel. This resulted in a reduction in nmVOC emissions in 2024.

Actions and resources related to IRO Pollution from incidental spills and industrial hazards

Vår Energi has high focus on establishing and maintaining measures and robust barriers in order to avoid incidental spills. Leak-detection systems are in place in order to detect potential leaks as early as possible. A robust and trained emergency response organisation will be mobilised as applicable to manage emergencies in a reliable and efficient manner in case of a spill scenario.

Incidental spills of all magnitudes are reported in the publicly available annual report to NEA, while incidental spills above a given threshold defined in the Management Regulation § 29 (Guideline) are alerted/notified to the Norwegian Ocean Industry Authority (Havtil). Vår Energi's own operations hydrocarbon spills that fall in "alert category" (larger than 1 m^3) are used as metrics for spills in this report. Operation, drilling and wells all have a target of zero reportable spills, according to the Management Regulation §29. Actions to avoid spills with disastrous impact are given in the table below.

Action	Scope	Key Action/Scope of Action	Time Horizon	Description of Key Actions Taken and Results
Members of The Norwegian Clean Seas Association for Operating Companies (NOFO)	Financial Control (Equity)	Operators of all Vår Energi's operations (equity) are members of NOFO.	Continuous	NOFO is a membership organization for operating companies on the Norwegian Continental Shelf. NOFO was established to coordinate and operationalize the required oil spill preparedness for the members.
Environmental risk and oil spill preparedness analysis	Financial Control (Equity)	All operating fields including drilling activities in the Vår Energi portfolio have performed an environmental risk and oil spill preparedness analysis according to Offshore Norge guideline (Guidance on environmental risk analyses using ERA Acute, 2020) as part of the permitting process towards NEA.	The environmental risk and emergency preparedness analyses shall be at least evaluated for updating every five years. (Management Regulation § 17).	In the permit received from NEA, requirements related to oil spill preparedness are defined, which are operationalized in the assets oil spill preparedness plan.
Leak detection	Financial Control (Equity)	According to the Activity Regulation § 57, the Company is required to establish a leak detection system which is independent of environmental conditions.	Continuous	Leak-detection systems shall be in place in order to detect leaks as early as possible. A robust and trained emergency response organisation will be mobilized as applicable to manage emergencies in a reliable and efficient manner.

Actions and resources related to pollution of water and the IROs Water discharges in the ocean and Use of Substances of (very high) concern

SOC can be identified by the chemicals Hazard statements (H-statements) that are used to label chemical mixtures under the Globally Harmonized System (GHS) and European Union Hazard statements (EUH-statements) that are used to label chemicals and mixtures in the EU for hazards that are not fully covered by the global H-statements.

SVHC are chemicals that have serious and often irreversible effects on human health and the environment. These substances are identified based on their hazardous properties and are included in the Candidate List for eventual inclusion in the Authorisation List under the European Union's REACH regulation.

Operators on the NCS apply to NEA for use and discharge of chemicals. The authority approved chemicals included in the permit are considered to cover the material chemicals for Vår Energi's operations.

Action	Scope	Key Action/Scope of Action	Time Horizon	Description of Key Actions Taken and Results
Risk assessment of produced water	Financial Control (Equity) with discharge of produced water	Risk assess effluent to understand environmental risk	Ongoing	To identify environmental impact, Environmental Impact Factor (EIF) is modelled for the discharged produced water to identify the impacts of discharge of produced water on marine organisms. All operators on the NCS having fields with produced water discharge cooperates in conducting water column monitoring every three years, to identify potential impact and validate the EIF model.
Produced Water Reinjection	Financial Control (Equity) where produced water is reinjected.	8 of 25 facilities have produced water reinjection. Not all have 100% reinjection of produced water. In relation to all field development projects, reinjection of produced water is evaluated.	Continually	The result of produced water reinjection is lower discharge of produced water containing oil and SOC and SVHC.
Produced water treatment	Financial Control (Equity) with discharge of produced water	Discharged produced water is treated to a maximum level of 30 ppm oil in water (OIW), unless a specific level is given in a permit NEA.	Continually	Produced water treatment systems are in place and daily monitoring measuring OIW levels are performed for discharged produced water.
Reduced use of harmful chemicals	Financial Control (Equity)	Selection, evaluation and substitution of chemicals in order to have a continuous improvement of chemical performance. The Activity Regulation § 62-66 regulates chemical management. SOC and SVHC are included in the evaluation.	Continually	Annual review of chemicals for substitution for black, red and yellow class 2 and 3 leads to an ongoing continual improvement of chemical selection.

Metrics and targets

Targets

E2-3 - Targets related to pollution

NOx, and nmVOC

Combustion of fuels cause NOx emissions, while loading and storing of crude oil cause nmVOC emissions. Vår Energi commits to reducing emissions of pollutants, such as NOx and nmVOC, through the Environment Policy, which is further supported by the Company's target of not exceeding the mandatory limits given by NEA in the use and discharge permit. Permit limits are based on estimated emissions from the operator(s), and the emissions and discharge permit applications are publicly available for stakeholders to comment on.

NEA gives absolute emission limits for NOx for oil and gas-producing fields, and these are targets for Vår Energi's own operated assets. The table below shows the NOx emissions from turbines and engines used to generate energy. Gjøa FPSO changed the gas turbine in September 2024, resulting in an overrun of NOx-emissions due to turbine not functioning in low-NOx mode.

Scope/Asset	System	Annual Long Term Target tonnes NOx/ year	Valid from	Baseline tonnes NOx/year	2024 tonnes NOx/ year
Balder FPU and Ringhorne Platfotm	Turbines and engines	1 500	February 2022	1 136	1 136
Goliat FPSO	Turbines and engines	126	April 2022	16	16
Gjøa FPU	Turbines and engines	53	November 2023	63	63

There is no requirement in the NEA permit for SOx. None of targets are science-based but for turbines the target is linked to load larger than 70%.

NEA has set a target for nmVOC in relation to offloading. The target is considered fulfilled if the operators can document that the average emission of nmVOC from loading on all fields on the Norwegian continental shelf does not exceed 0.45 kg/Sm^3 loaded crude oil to shuttle tankers over the calendar year. The baseline value for nmVOC is the 2024 results.

Spills

Vår Energi's own operated offshore operations has an absolute target of zero incidental hydrocarbon spills larger than 1m^3 (as defined in E2-2 - Actions and resources related to pollution) from oil and gas production as well as production and exploration drilling. This is also aligned with Vår Energi commitments in the Environment Policy. As the Company's target has been set to zero, Vår Energi has neither seen the need to directly involve stakeholders nor base the target on scientific evidence, when setting target. The baseline year is 2024 and the baseline value is zero. Spills in the above defined category are immediately reacted upon as soon as they are identified as they are to be alerted to Havtil. There were no spills of hydrocarbons (crude oil) larger than 1m^3 from Vår Energi's own operations in 2024.

Metrics

The table shows relevant parametres, as defined in Annex II of Regulation (EC) No 166/206 for produced water and emissions to air. Produced water parametres are according to the Offshore Norge Guidelines 085 Recommended Guidelines for Sampling and Analysis of Produced Water. Emissions to air are reported according to the Offshore Norge Guideline 044 Recommended Guideline for Discharge and Emission Reporting. The cut of value is per field and is given in Annex II.

E2-4 - Pollution of air and water

Indicator (ref. Annex II)	Unit	Threshold	Financial control (Gross)	Operational control (Net)
Atmospheric emissions				
Carbon Monoxide (CO), in air	kg/year	500 000	-	230 533
Nitrogen oxides (NOx/NO_2), in air	kg/year	100 000	1 774 388	4 016 207
Non-Methane Volatile Organic Compounds (nmVOC), in air	kg/year	100 000	1 160 701	2 157 106
Sulfur oxides (SOx/SO_2), in air	kg/year	150 000	Below threshold	Below threshold
Discharges to water				
Arsenic and derivatives as As, in discharged water	kg/year	5	Below threshold	104
Benzene	kg/year	200	24 050	104 673
Benzo(g,h,i)perylene	kg/year	1	2	1
Cadmium and derivates as Cd	kg/year	5	Below threshold	Below threshold
Chromium and derivatives as Cd	kg/year	50	Below threshold	230 533
Copper and derivatives as Cu	kg/year	50	Below threshold	Below threshold
Lead and derivatives as Pb	kg/year	20	Below threshold	Below threshold
Mercury and derivatives as Hg	kg/year	1	Below threshold	Below threshold
Naphtalene	kg/year	10	3 296	4 999
Nickel and derivatives as Ni	kg/year	20	Below threshold	5
Phenol (C6H2OH)	kg/year	20	Below threshold	33 245
Polycyclic Armomatic Hydrocarbons (PAH) as available	kg/year	5	3 964	10 087
Toluene	kg/year	200	19 575	68 243
Total Nitrogen (TKN) or global nitrogen as N	kg/year	No threshold given	N/A	N/A
Total Organic Carbon (TOC) or chemical oxygen demand	kg/year	No threshold given	N/A	N/A
Xylene (BTEX)	kg/year	200	10 700	24 634
Zinc and derivatives as Zn	kg/year	100	Below threshold	79
Volume produced water discharged to sea	**Sm^3**	**NA**	**2 820 280**	**12 621 474**
Total mass of hydrocarbons discharged to sea	**tonnes/year**	**NA**	**54**	**109**

E2-5 - Substances of concern and very high concern

All used and discharged chemicals included in the use and discharge permit from NEA are considered to be material for SOC and SVHC.

Substances of concern

Substances of Concern	Use - Operational Control	Discharge - Operational Control	Use - Financial Control	Discharge - Financial Control
Unit	**(tonnes)**	**(tonnes)**	**(tonnes)**	**(tonnes)**
Environment				
Hazardous to the aquatic environment, long term hazard H410, H411, H412, H413	20	13	145	44
Health				
Carcinogenicity H350, H350i, H351	-	-	1 062	284
Germ Cell Mutagenicity H341, 341	-	-	348	257
Reproductice toxcitiy H360, H360D, H360Df, H360F, H360Fd, H360FD, H361, H361f, H361d, H361fd	164	101	324	109
Respiratory Sensitisation Respiratory sensitivity 1,1A,1B H334	312	3	237	3
Skin Sensitisation H317	3 692	525	5 479	1 243
Specific Target Organ Toxicity – Repeated Exposure H373, H372	3 612	182	5 708	2 242
Specific Target Organ Toxicity – Single Exposure H370, H371	382	100	1 109	750
Endocrine disruption for human health EUH380, H381	-	-	-	-

Substances of very high concern

Substance of Very High Concern	Use Operational Control[1] (tonnes)	Discharge Operational Control (tonnes)
CAS no 10043-35-3	0.0002	-
CAS no 1303-96-4	0.0043	0.0033
CAS no 111-30-8	74.1403	1.4442
Total	**74.1448**	**1.4475**

As there are strict confidentiality requirements related to detailed knowledge about chemical components, Vår Energi can not access information regarding SVHC for partner-operated fields. For partner-operated fields, the SVHC amount is estimated based on Vår Energi's SVHC per produced barrel of oil equivalent (BOE). For Vår Energi's financial control, this results in 161 tonnes of SVHC use and 3.1 tonnes of SVHC discharge. There is considerable uncertainty to this estimate.

[1]No SVHC are generated during production.

Accounting policies and notes disclosures to E2

Methodologies and assumptions related to reported metrics under E2- Pollution are given in the table below.

Reported metric	Accounting policies, methodologies and assumptions
CO emission to air	For measurement methodologies, reference is made to Offshore Norge Guidelines 085 Recommended guidelines for sampling and analysis of produced water and 044 - Offshore Norge Recommended Guideline for Discharge and Emission Reporting. Guideline 085 Recommended guidelines for sampling and analysis of produced water are considered to define relevant discharge parameters for the offshore oil and gas industry in the Recommended guidelines for sampling and analysis of produced water in Annex II of Regulation (EC) No 166/2006. The metrics are not validated by an external body.
NOx/NO_2 emission to air	
Sulfur oxides (SOx/SO_2), in air	
nmVOC emission to in air	For measurement methodologies, reference is made to Offshore Norge Guidelines 085 Recommended guidelines for sampling and analysis of produced water and 044 - Offshore Norge Recommended Guideline for Discharge and Emission Reporting. Guideline 085 Recommended guidelines for sampling and analysis of produced water are considered to define relevant discharge parameters for the offshore oil and gas industry in the Recommended guidelines for sampling and analysis of produced water in Annex II of Regulation (EC) No 166/2006. The nmVOC emissions shall be calculated as combined emissions divided by combined oil loaded for the calendar year. Vår Energi, along with other operation companies that have offloading to shuttle tankers are members of Volatile Organic Carbon Industry Co-operation (VOCIC). Methane and nmVOC in relation to offloading is measured by the ship owners, while VOCIC reports the results to the authorities and operators. For 2024 the target of 0.45 kg/Sm^3 average emission of nmVOC in relation to offloading of oil to shuttle tankers has been fulfilled. The metric is not validated by an external body.
Spills of hydrocarbons	Spills of hydrocarbons (crude oil) larger than 1 m^3 from Vår Energi's own operated assets are included. This corresponds with the limit for which liquid hydrocarbons spills which are to be alerted to Havtil (ref Management regulations §29 Notification and reporting of hazard and accident situations to the supervisory authorities). Pending on the nature of the spill, it is either measured or estimated to the best ability. The metrics are not validated by an external body.
Pollutants in discharged produced water	For measurement methodologies, reference is made to Offshore Norge Guidelines 085 Recommended guidelines for sampling and analysis of produced water and 044 - Offshore Norge Recommended Guideline for Discharge and Emission Reporting. Guideline 085 Recommended guidelines for sampling and analysis of produced water are considered to define relevant discharge parameters for the offshore oil and gas industry in the Recommended guidelines for sampling and analysis of produced water in Annex II of Regulation (EC) No 166/2006. The metrics are not validated by an external body.
SOC	Chemicals which contain SOC are identified by review of the hazard statements in the Safety Data Sheet. SOC for Vår Energi's own operations are calculated based on 2024 chemical use and discharge measured and risk-sentences in the safety data sheet. For partner operated fields where actual use data is not available, chemical data reported to NEA for 2023 has been extracted from the Footprint database and has been used to estimate the 2024 SOC. The metric is not validated by an external body.
SVHC	Chemicals containing SVHC have for Vår Energi's own operated asset been identified based on the content of SVHC in a given chemical used in 2024. This has then been used together with actual chemicals use and discharge to calculate SVHC for Vår Energi's Own operated fields. As there are very strict confidentiality requirements related to detailed knowledge about chemical components, Vår Energi cannot access information about SVHC for partner-operated fields. For partner operated fields, SVHC amount is estimated based on Vår Energi's SVHC per barrel produced oil equivalent (BOE). These estimates have a high degree of uncertainty. The metric is not validated by an external body.

ESRS E4 – Biodiversity and ecosystems

Strategy

E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Vår Energi's oil and gas operations are carried out offshore on the Norwegian Continental Shelf, with a potential for impacts on habitats, biodiversity, and ecosystem services. Vår Energi does not, however, have a transition plan where biodiversity and ecosystems are considered in the strategy and business model.

Impacts, risks and opportunities

A detailed description of the double materiality assessment, along with the process to identify and assess material biodiversity and ecosystem-related impacts, risks, and opportunities (IROs), is provided in chapter ESRS 2 - General disclosures. A table outlining the IROs related to E4 - Biodiversity and ecosystems is presented below.

E4 –Biodiversity and ecosystems

				Value chain			Time horizon			
E4 –Biodiversity and ecosystems	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Climate change effects from GHG emissions GHG emissions from the end use of oil and gas products is responsible for a large portion of GHG emissions contributing to climate change that may affect biodiversity, including individual organisms, populations, species distribution, and the composition and function of ecosystems.	Direct impact drivers of biodiversity loss	Climate change	Actual negative impact			●		●		●
Environmental pressure from industrial activities Activities related to exploration and production of oil and gas may disrupt benthic habitats and ecosystems, leading to habitat degradation and potential impacts on marine species and may be the source of pressures on the environment with direct, indirect, and cumulative negative impacts on biodiversity. Discharges, spills and leaks may result in contamination, contributing to degradation of biodiversity and ecosystems.	Impacts on extent and condition of ecosystems		Potential negative impact	●	●	●		●		

Impacts, risks and opportunities management

E4-2 - Policies related to biodiversity and ecosystems

Vår Energi's impacts related to Environmental pressure from industrial activities, are managed by Vår Energi's Environment Policy. The Environment Policy, which is publicly available for stakeholders on the Company's homepage, outlines the Company's commitment to sustainable development and environmental protection, including the protection and preservation of the condition of ecosystems. Vår Energi commits to considering biodiversity in planning, avoiding operating in areas with the highest biodiversity value, and working towards no net loss or a net positive impact on biodiversity from Vår Energi's operations.

Vår Energi's Environment Policy recognises the goals of the UN Convention on Biological Diversity (CBD) and respects the legally designated and protected areas outlined by International Union for Conservation of Nature (IUCN), UNESCO and Ramsar-convention with the objective of considering biodiversity in planning and operations. In addition, the objective is creating environmental awareness to eliminate, reduce or minimise direct and indirect environmental impacts to protect the environment and preserve biodiversity across the Company's value chain. Vår Energi's direct and indirect impact includes impact on the state of species, impact on the extent and condition of ecosystems (including land degradation, desertification and soil sealing), impacts and dependencies on ecosystem services and impact drivers on biodiversity loss (including climate change, land use change, freshwater use change and sea use change, direct exploitation, invasive alien species, pollution).

The policy is applicable to all personnel working for Vår Energi, hired or contracted, and sets out the Company's expectations towards contractors, suppliers, and business partners. The policy is approved by the Board of Directors, and the EVP Safety & Sustainability has the overall responsibility to oversee the effectiveness of the policy.

Vår Energi operates near protected areas (PA) and in or near areas of high biodiversity value as defined in Norway as Particularly Valuable and Vulnerable Areas (Særlig Verdifulle og Sårbare Områder (SVOs)) as shown in ESRS 2. SVOs do not directly impose restrictions on commercial activities but signal the importance of conducting special care in these areas. The Company's biodiversity and ecosystem protection commitments apply to all its activities.

Vår Energi has the following certifications/voluntary commitments that supports avoidance of pressure on biodiversity from industrial activities as described in IRO Environmental pressure from industrial activities:

- NORSOK S-003 Environmental Care
- ISO 14001 Environmental Management Systems certified.

Public consultations are performed in relation to activities such as impact assessment processes and applications for chemical use and discharge permits. Vår Energi responds to relevant comments from the consultation. Comments are provided by a variety of stakeholders, including individuals, Non-Governmental Organisations (NGOs), companies, and local and national authorities. In addition, Vår Energi regularly consults with authorities such as the Environment Agency and the Norwegian Ocean Industry Authority.

The importance of stakeholder involvement is embedded in the Environment Policy and Quality Policy through:

- Consulting with relevant stakeholders on environmental impacts
- Providing transparent reporting on environmental impacts
  - Environmental sediment and water column surveys performed for the offshore industry are all publicly available on the NEA website
  - The annual reports for all assets and exploration wells on the NCS are publicly available on the Offshore Norge website. Moreover, data is available on the 'Norske utslipp' website hosted by the NEA
- Demonstrating compliance with relevant regulatory requirements, industry standards and Vår Energi's management system (Quality)

Partner-operated assets are managed according to the Joint Venture Operating Agreement and are operated according to the operator's management systems and policies.

Vår Energi is connected to significant GHG emissions from the use of the Company's products in Vår Energi's downstream value chain, which in turn indirectly impacts biodiversity on a global scale. Besides what is described about Vår Energi's Environmental Policy regarding indirect impacts, please refer to chapter ESRS E1 – Climate change for relevant policies and information regarding GHG emissions, reductions, actions and targets.

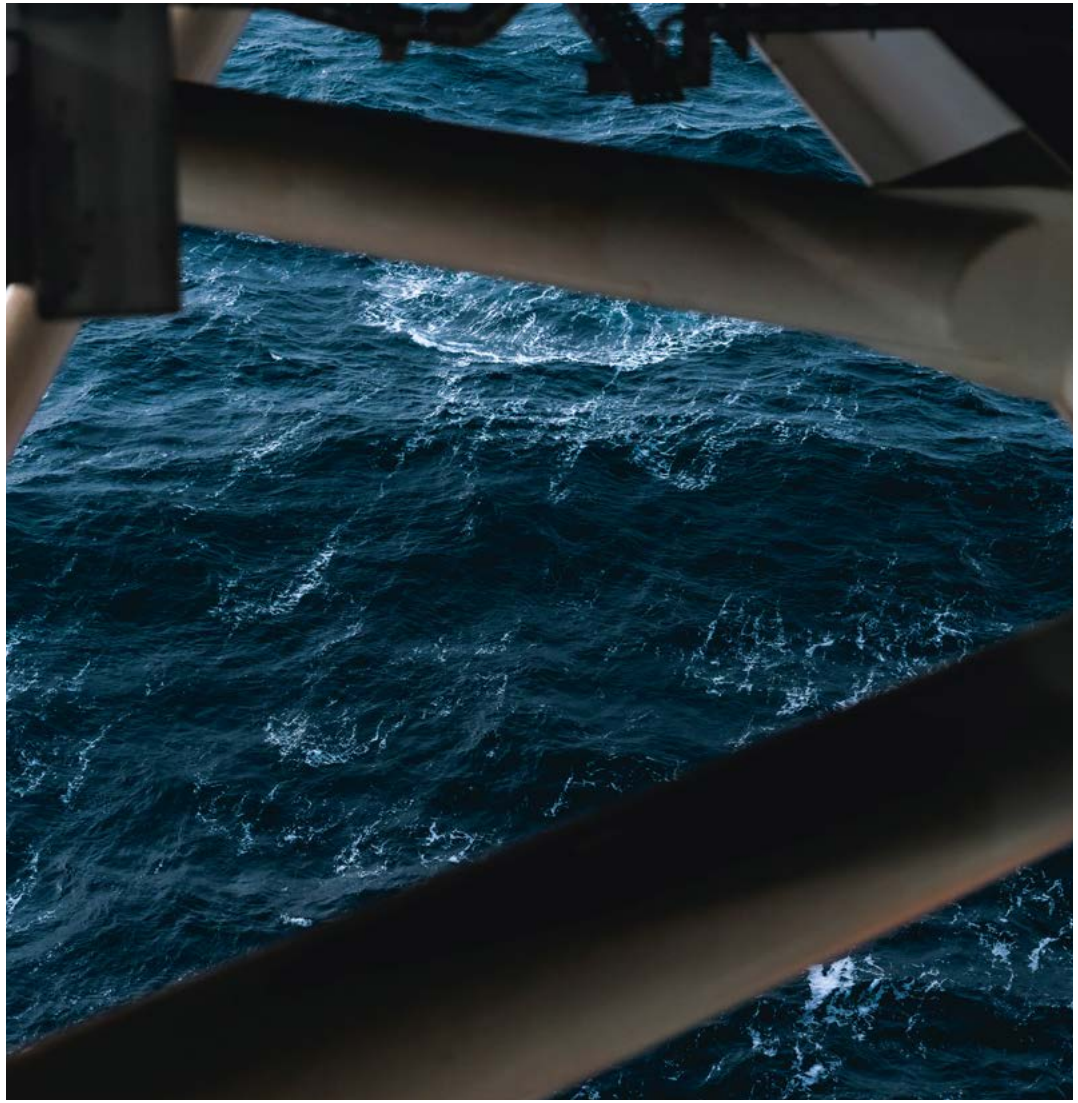
E4-3 - Actions and resources in relation to biodiversity and ecosystems

Vår Energi follows the regulations from Norwegian authorities, which are permitting activities in marine areas based on laws and regulations such as the Environment Information Act, the Pollution Act, and the Activity Regulation, as well as a Comprehensive Management Plan for Norwegian Marine Areas (Forvaltningsplan for norske havområder). The marine management plan is based on research from independent third parties as well as public consultations.

Operators on the NCS are required to finance environmental surveys and studies, which is also the case for Vår Energi's activities. Hence, the Company has allocated resources to perform environmental monitoring and surveys, impact assessments and environmental studies/evaluations according to Norwegian regulations prior to activities that require such assessments.

Descriptions of Key Actions Taken, Results and Time Horizons

In order to manage impacts on biodiversity through Environmental pressure from industrial activities, the following activities are performed when appropriate.



Action	Key Action/Scope of Action	Time Horizon	Description of Key Actions Taken and Results
Risk-based environmental monitoring, according to the NEA M300 guidelines. • Sediment surveys, typically every 3 years (Before production drilling, after production has commenced and after production has ceased) • Water column, typically every 3 years (After production has started) (Monitor)	**Action:** A risk-assessment is performed for environmental monitoring (sediments and water column). **Scope:** Own activities **Geography:** Exploration drilling locations based on evaluation of biological resources, production drilling and all own operations.	Every three years. Performed in 2024 in region II (Includes Balder Field) and Region V-VII (Fenja in VI)	Sediment Monitoring: Examples of parameters measured in the sediments are: radioactivity, grain distribution, total organic carbon, hydrocarbons, metals and fauna. Water Column Monitoring: level of contaminants from produced water discharges and effect markers in biota are measured.
Best Available Techniques Assessments (BAT) (Avoidance/Minimise)	**Action:** Identification of significant environmental aspects (ISO 14001) are used to identify areas where BAT is required. In addition, regulatory requirements and focus areas from the authorities (especially NEA) are used as input for BAT identification. BATs are performed according to 'Offshore Norge Recommended guidelines for BAT assessments' for development projects and larger modifications as identified in an Environmental Aspects Identification (ENVID). **Scope:** Own activities, upstream **Geography:** Places where the BAT would be implemented	BAT evaluations are performed according to Norwegian regulations (Activity Regulation) and has been performed in 2024.	The significant environmental aspects are screened for environmental, technical and economic criteria and the technique selected shall be feasible for all three selection criteria.
Environmental evaluation of blocks - Award in Predefined Area (APA) (Avoidance)	**Action:** Desk-top environmental assessments are done prior to applying for APA ensuring screening for vulnerable environmental resources. **Scope:** Own activities. **Geography:** Areas on the NCS opened for application which the Company considers to have potential value.	Prior to APA, typically annually, also in 2024.	Environmental issues are summarized and considered when applying for APA.
Environment Impact Assessments (EIAs) (Avoidance/Minimise)	**Action:** Environmental impact assessments are performed according to the Plan for Development and Operation (PDO) and Plan for Installation and Operation (PIO). **Scope:** Own operations **Geography:** Areas where Company is planning development activities that need impact assessments.	Prior to activity that require impact assessment. Several EIAs are ongoing in relation to field development.	Impact from a planned activity is posted publicly for consultation, and planned emissions to air, discharges to sea and emergency response systems are described.

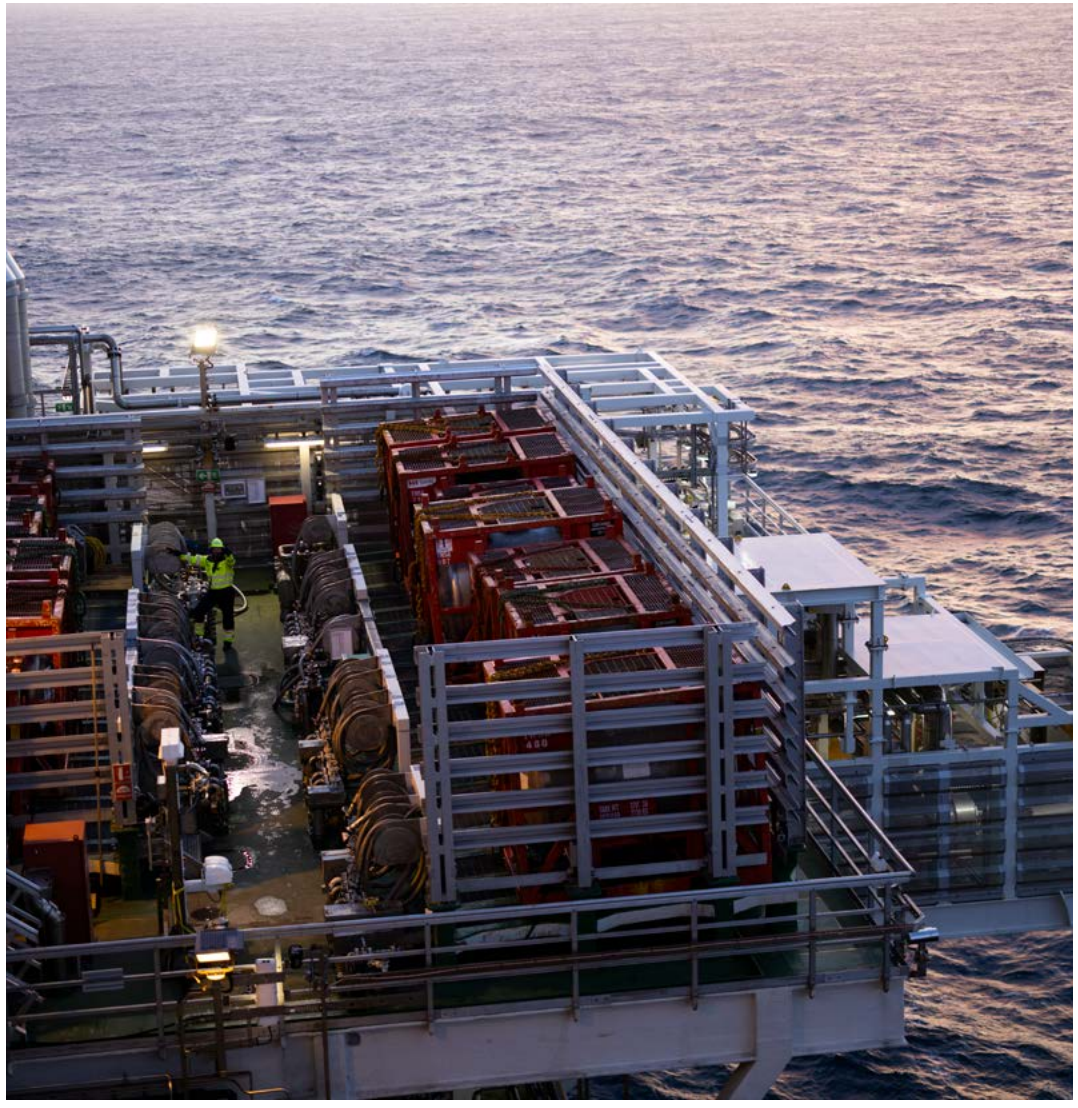
Action	Key Action/Scope of Action	Time Horizon	Description of Key Actions Taken and Results
Visual habitat surveys prior to drilling (Avoidance/Minimise)	**Action:** Visual habitat surveys are performed prior to production drilling if known sensitive habitats/valuable corals are located in the area. Further studies, such as particle dispersion analysis and anchor spread analysis, are based on the results of this, if appropriate. **Scope:** Own operations **Geography:** Area where drilling activity is planned where sensitive habitat/valuable corals is expected to be found.	Prior to drilling, planned for the future. Not performed by Company in 2024.	The result from the activity is mitigation and avoidance of sensitive areas due to drilling operations.
Chemical substitution (Minimise)	**Action:** Chemicals in 'black', 'red' and 'yellow' subcategory Y2 and Y3 are at minimum annually considered for substitution (Ref Activity Regulation,§ 65). **Scope:** Upstream, own operations. **Geography:** Areas where the Company has activities (drilling/production) which uses chemicals in high hazars classes.	Annually.	The use and discharge of chemicals in 'black', 'red' and 'yellow' subcategory Y2 and Y3 has been declining on the Norwegian Continental Shelf since the regulatory requirement of substitution came into force.
Environmental Risk Assessment (ERA) and oil spill preparedness analysis (Avoidance/Minimise)	**Action:** Oil drift modelling is paired to occurrence of environmental habitats shoreline and resources (birds, mammals, fish), and the potential for effect and consequences of an acute spill is calculated. Also, oil contingency planning is performed and the requirements for oil contingency measures are calculated. **Scope:** Own operations. **Geography:** Areas where Company has activities (production/drilling) that may cause acute/accidental oil spills.	ERA (including oil spill preparedness) prior to an activity that may have an impact on the environment. ERA and oil spill preparedness analyses have been performed for activities in 2024.	A consequence of a potential hydrocarbon leak is calculated and adequate oil spill contingency resources are confirmed. Acute/MRABA (Miljørisiko- og beredskapsanalyse)

Vår Energi has not used biodiversity offsets in 2024, nor incorporated local and indigenous knowledge and nature-based solutions into biodiversity and ecosystems-related actions.

Metrics and targets

E4-4 - Targets related to biodiversity and ecosystems

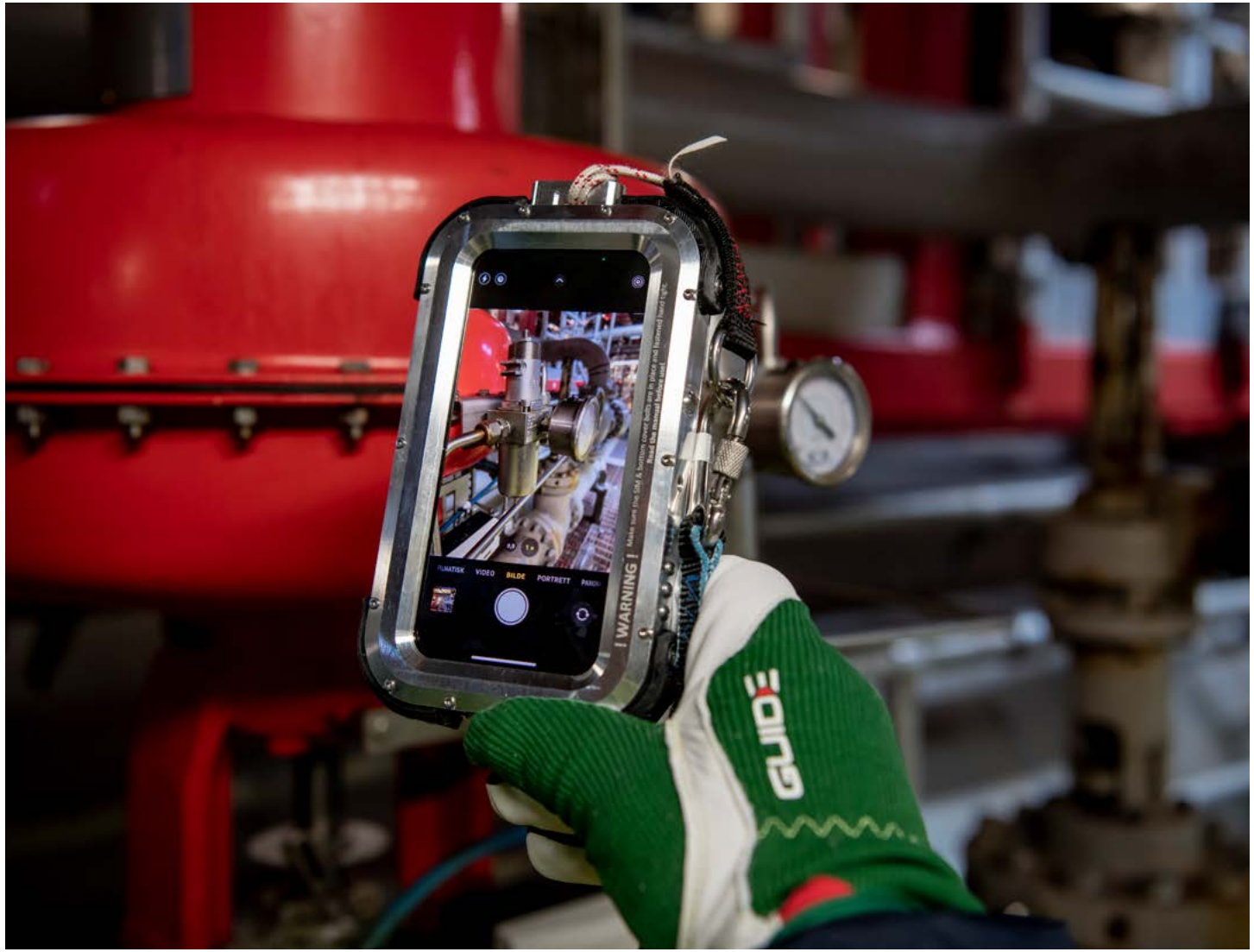
Vår Energi has not established specific targets regarding the impact on biodiversity and ecosystems, as benthic surveys are deemed an adequate method for monitoring potential negative effects. However, the commitment to working towards no net loss or a net positive impact on biodiversity from Vår Energi's operations remains. Prior to operation, sediment samples of biodiversity are collected in accordance with the Risk-Based Environmental Monitoring, as specified by the NEA in their M300 guidelines. This original sediment sampling functions as a baseline prior to field development. The field is monitored through the operational phase to measure Environmental Pressure from Industrial Activities, in order to work towards no net loss or a positive impact on biodiversity, as stated in the Environment Policy. Prior to decommissioning a field, a cessation plan is formulated and approved by the relevant authorities. This plan includes the monitoring of biodiversity in sediments. Biodiversity will be monitored according to regulatory requirements as mentioned above, for a certain period after completion of the cessation pending biological disturbance and pollution, as agreed with NEA. Restoration may be performed if required.



ESRS E5 – Resource use and circular economy

Impacts, risks and opportunities

A detailed description of the double materiality assessment, along with the process to identify and assess material impacts, risks, and opportunities (IROs), and stakeholder management is provided in chapter ESRS 2 - General disclosures. A table outlining the IROs related to E5 - Circular economy is presented in ESRS 2.



E5 – Circular economy

				Value chain			Time horizon			
E5 – Resource use and circular economy	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
High use of (virgin) raw materials Chemicals, cement and steel are necessary to construct offshore platforms and onshore facilities, as well as for the equipment and infrastructure needed to extract, process and transport oil and gas (e.g., valves, tubing and pipelines).	Resource inflows, including resource use		Actual negative impact	●	●		●			
High volumes of waste, including hazardous waste If not properly managed, hazardous and non-hazardous waste from oil and gas activities may contaminate surface water, groundwater, seawater with chemicals or heavy metals, and may negatively impact plant and animal species as well as human health.	Waste		Actual negative impact		●		●			

Impacts, risks and opportunities management

E5-1 – Policies related to resource use and circular economy

Vår Energi's Environment Policy outlines the Company's commitment to reduce volume of waste, prioritising waste prevention, reuse and recycling. The Company shall in addition improve energy efficiency and use BAT. Examples of BAT are:

- Reducing energy consumption will have both a direct and indirect effect on use of virgin raw materials through for instance reduction of fuel use and reduction of infrastructure needed in relation to energy production and distribution in general.
- Use of BAT which has a positive effect on waste reduction and use of virgin material, for example through reuse of drilling fluids.

These commitments collectively promote sustainable solutions concerning the impacts associated with Resource use and the circular economy. The Policy thereby supports transitioning away from use of virgin resources, including relative increases in use of secondary (recycled) resources, sustainable sourcing and use of renewable resources. Moreover, the Company also invests in research and development, which contribute to develop improved ways of working for the industry in Norway.

The Company's policies are applicable to all personnel working for Vår Energi ASA, hired or contracted and subsidiaries of Vår Energi ASA and sets out the Company's expectations towards contractors, suppliers, and business partners. The Company's policies are approved by the Board of Directors and are publicly available on the Company's website.

The EVP Safety & Sustainability has the overall responsibility to oversee the effectiveness of this policy. Partner-operated assets are managed according to the Joint Venture Operating Agreement, and operated according to the operator's own management system and policies.

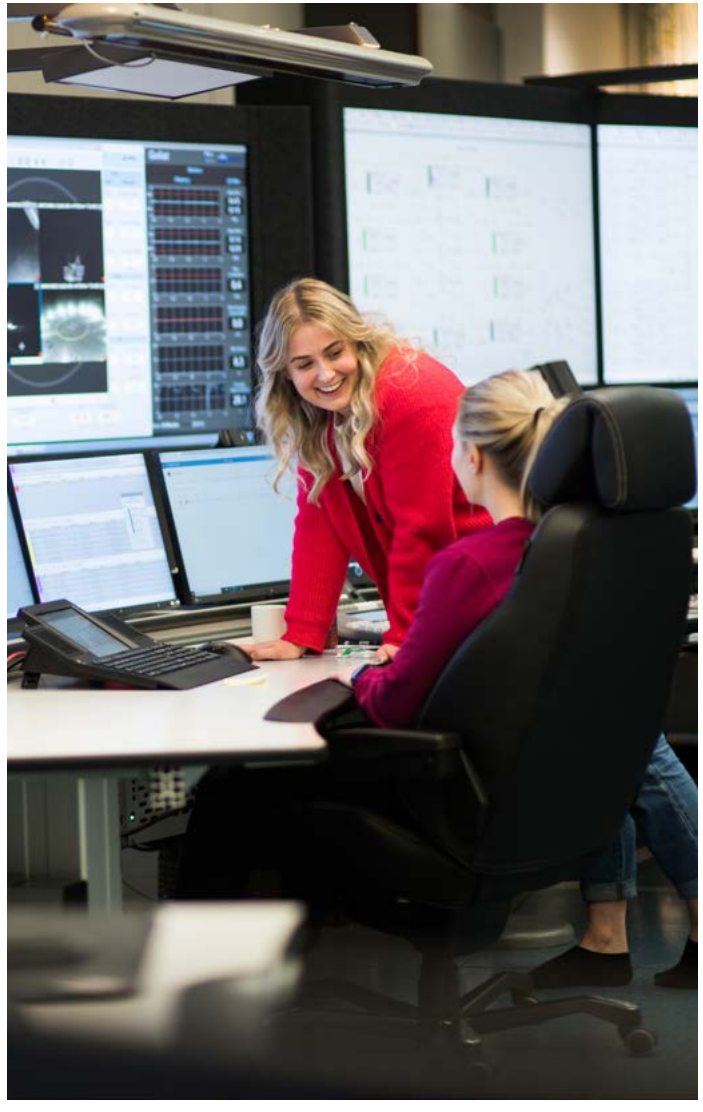
Vår Energi's waste management for operations is governed by the Pollution Control Act and the Activities Regulations. Vår Energi follows national waste regulations and industry standards for efficient waste management based on the waste management hierarchy of prevention, reuse, recycling, energy recovery and disposal to prevent or mitigate potential negative impacts. These are key circular economy principles. Vår Energi also adheres to the Norwegian oil and gas industry practices, Offshore Norge's guideline 093 - Recommended guidelines for waste management in the offshore industry. In addition, all offshore assets have a dedicated waste management plan. For third-party standards or initiatives that are respected in the policies and consideration of stakeholders, please refer to chapter E1 – Climate change and E2 - Pollution.

E5-2 – Actions and resources related to resource use and circular economy

Improper waste management can lead to the contamination of surface water, groundwater, seawater, and soil with chemicals or heavy metals, adversely affecting plant and animal species in the marine environment, as well as posing risks to human health.

To promote circularity, as outlined in the policies referenced in E5-1, Vår Energi has implemented several initiatives in 2024, none of which are remedial, in relation to the Company's impacts. These actions aim to minimise the use of virgin materials, thereby reducing the volume of waste generated. Consequently, these efforts will lessen the negative impact on natural resources and, in turn, reduce the effects on relevant stakeholders.

The actions listed in the following table are expected to become more integrated into normal operations (e.g. on-demand manufacturing will become a more standardized way of obtaining spare parts in the future). The exception is lifetime extension, which is linked to specific assets. All actions apart from Environmental, Social and Governance (ESG) as part of contract management and Life Cycle Assessments (LCA) as part of contract evaluation, award an management have a inherent effect on reduction of use of virgin material and thus the Company does not have metrics for measuring the effectiveness of these actions. ESG and LCA have a holistic approach aiming to select the optimum solution with regards to ESG parameters and cost, where material use and waste generation are important parameters.

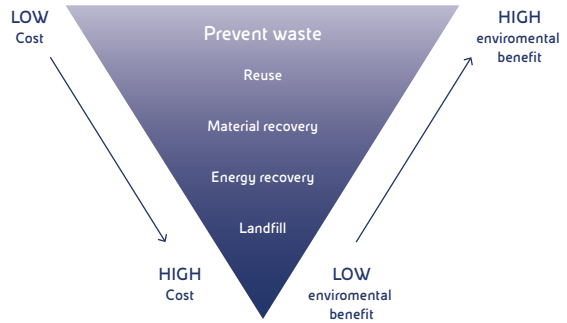


Action	Key Action/Scope of Action	Time Horizon	Description of Key Actions Taken and Results
On-demand manufacturing	On-demand manufacturing reduces actual materials needed to produce an item, reduces waste and supports recycling of materials. The action applies to Vår Energi's own operated assets and selected partner-operated activities.	Ongoing since 2022.	On-demand manufacturing, currently being implemented in Vår Energi, ensures recycling of most metals, decreased use of virgin material, gives cost saving, reduced lead time, reduction of CO_2 emissions (reduced energy consumption and reduced transportation). Optimized designs and material quality gives improved functionality that will give parts longer lifetime. On-demand manufacturing has been ongoing on the Johan Castberg project, where Equinor is operator, in 2024.
Service life extension	Developing lifetime extension applications according to "122 – Offshore Norge Recommended Guidelines for the Management of Life Extension". Lifetime extension reduces use of virgin material and reduces waste as existing infrastructure is re-used instead of building new infrastructure. The action applies to Vår Energi's own operated assets and selected partner-operated activities.	Ongoing	Jotun FPSO is being refurbished and modified in order to be reused at the Balder field, with startup in 2025. Ringhorne end of design life in February 2028. Planning to submit application for life extension in February 2027, in order to extend lifetime towards 2050. By lifetime extension of a facility, there will be a significant reduction in use of virgin materials and waste compared to development of new facilities. Lifetime extension for a facility is considered when new resources are discovered.
Procurement of low-carbon "intensity" steel	Reduces use of virgin materials. The action applies to Vår Energi's own operated assets.	Ongoing	More than 90% of steel delivered from the Company's Oil Country Tubular Goods (OCTG) supplier is low-carbon steel based on renewable energy and recycled material. Reporting from vendor.
Evaluating the implementation of minimum requirements for low-carbon steel where applicable and feasible, starting in 2025..	Encouraging reduced use of virgin material. The action applies to Vår Energi's own operated assets.	Ongoing	Increased use of low-carbon steel, defined by a combination of recycled steel and renewable energy.
ESG as part of contract management	Evaluating ESG elements in contracts. The procurement categories define the different ESG elements and typically consist of HSE management, emissions, material selection, waste management, and environmental impact, thus supporting reduced use of virgin material. The action applies to Vår Energi's own operated assets.	Ongoing	Evaluating ESG elements up to 30% where material and feasible as part of contract awards. The evaluation model will consist of the various elements depending on the procurement categories in question. When material and feasible, the model is used when selecting suppliers. The model will support identification and selection of suppliers that, among others, can document their focus on material use (reduce usage of virgin materials) and waste management, including recycling.
LCA as part of contract evaluation, award and management	Evaluating the use of LCA as a tool to determine environmental impact and considerations as part of project executions, thus encouraging both reduced use of virgin material and recycling. The action applies to Vår Energi's own operated assets.	Ongoing	LCA is a systematic mapping and assessment of environmental and resource impacts throughout the entire life cycle of a product, or a product system, from the extraction of raw materials, through materials processing, use and disposal or recycling at the end of the products' life (from cradle to grave or cradle to cradle).
Optimize re-use of drilling fluid for operations	Evaluating concept and technologies for re-use and/or repurpose drilling and completion fluids that have previously been designated as waste, thus reducing waste and use of virgin material. The action applies to Vår Energi's own operated drilling operations.	Ongoing	Evaluating centrifugal onshore treatment of waste fractions to extract drilling fluid.

Metrics and targets

Targets

E5-3 - Targets related to resource use and circular economy



The waste triangle

Waste sorting

Vår Energi focuses on waste sorting as a metric to reduce waste volumes from operations, in line with resource use and circular economy principles. Waste sorting is a prerequisite for reuse and recycling of waste, which again implicitly will reduce use of virgin material. Vår Energi has set a target for 90% sorting degree of non-hazardous waste for the Company's own operated assets. The target is related to recycling and disposal, and has been chosen as it is considered to be a better indicator of the Company's performance over time, rather than an absolute waste volume, which is dependent on the Company's activity level (e.g. number of wells drilled, repair and maintenance etc.).

The target for Vår Energi is not required by legislation, but is voluntary and set annually. The 2024 target relates to Vår Energi's own operated assets and supports the policies named in E5-1. Vår Energi considers increasing the coverage of the target to full equity in the coming years. The Company's baseline value, 89%, is the 2024 obtained sorting degree for the offshore operated assets.

Cement, Chemicals and Steel

Chemicals in "Black" and "Red" environmental categories are regulated by volume per product, while chemicals in the "Yellow" category are regulated by total volume in the discharge permit. Vår Energi considers the given volume to be a maximum target annually for operations. There is regular follow-up to ensure that the permit is not exceeded. To reduce chemical waste, Vår Energi aims to optimise the use of chemicals for a given operation and minimise the Company's use of primary raw materials.

Vår Energi has not specified any explicit targets in the contract with SLB or Haliburton. However, for Schlumberger Limited (SLB), a Key Performance Indicator (KPI) of more than 70% reuse of Oil Based Mud (OBM) is expressed.

Stakeholders have not been involved in any target setting, and none of the targets are based on conclusive scientific evidence. There is no target on steel, while there is a target for cement chemicals in environmental category "Yellow" and higher ("Black" & "Red").

Metrics

E5-4 - Resource inflows, including resource use

Vår Energi reports on mass of cement, steel and chemicals, which are considered to be material with regards to resource inflow and resource use, as described in the IRO High us of (virgin) raw materials.

Vår Energi is aware that the estimates for partner operated assets have a higher degree of uncertainty than for own operated assets. Biological materials are considered to be insignificant in relation to manufacturing of Vår Energi's products.

Indicators	Unit	Operational Control	Financial Control
Inflows - weight of products and technical and biological materials used during the reporting period	1000 tonnes	-	-
Amount of steel purchased	1000 tonnes	7.05	14.8
Amount of cement purchased	1000 tonnes	3.09	6.06
Amount of chemicals purchased	1000 tonnes	31.79	62.7

E5-5 - Resource outflow and waste

Waste streams from Vår Energi's activities are generated offshore from drilling operations, processing of oil and gas as well as repair and maintenance activities. Waste volume is highly dependent on operational activity and will therefore vary between years (e.g. caused by increased number of drilling operations and modification activity). The Offshore Norge's 093 - Recommended guidelines for waste management in the offshore industry lists all waste fractions used in offshore waste classification. All Vår Energi operations have waste management plans according to the Offshore Norge Standard.

Waste

	Unit	Operational Control	Financial Control
Hazardous waste	**1000 Tonnes**	**23.65**	**38.34**
Diverted from disposal	**1000 Tonnes**	**11.56**	**22.58**
Preparation for reuse	1000 Tonnes	1.05	1.82
Recycling	1000 Tonnes	0.09	0.11
Other recovery operations	1000 Tonnes	10.42	20.64
Directed to disposal	1000 Tonnes	12.09	15.52
Incineration	1000 Tonnes	4.24	3.45
Landfill	1000 Tonnes	7.85	12.07
Other disposal operations	1000 Tonnes	-	-
Non-hazardous waste	**1000 Tonnes**	**1.23**	**2.56**
Diverted from disposal	**1000 Tonnes**	**0.74**	**1.20**
Preparation for reuse	1000 Tonnes	0.00	0.00
Recycling	1000 Tonnes	0.73	1.20
Other recovery operations	1000 Tonnes	-	0.00
Directed to disposal	**1000 Tonnes**	**0.49**	**1.35**
Incineration	1000 Tonnes	0.42	0.95
Landfill	1000 Tonnes	0.08	0.40
Other disposal operations	1000 Tonnes	-	-
Total waste	**1000 Tonnes**	**24.88**	**40.90**
Diverted from disposal	1000 Tonnes	12.30	23.78
	%	49%	58%
Directed to disposal	1000 Tonnes	12.59	16.88
	%	51%	41%
Non-recycled waste	**1000 Tonnes**	**24.06**	**39.59**
Non-recycled waste	%	97%	97%

Accounting policies and notes disclosures to E5

Methodologies and assumptions related to reported metrics under E5- Resource use and circular economy are given in the table below.

Reported metric	Accounting policies, methodologies and assumptions
Cement	Cement use in Vår Energi's own operated activities is based on reported use from vendors/Company. When data has not been reported for the partner-operated assets, estimates have been based on 2023 data reported to the Norwegian Environment Agency through the Footprint database. The metric is not validated by an external body.
Steel	Steel use is based on steel use from production and exploration drilling only, as this is the material contributor in operation. Steel use by Vår Energi for exploration wells is based on well design while steel from production wells is based on a generic steel weight factor. The weight factor is received from Equinor and is based on Equinor's drilling and well activities. For partner operated wells, steel use is based on the above given generic factor for both exploration and production wells apart from Aker BP and OMW, where use is also based on well design. The metric is not validated by an external body.
Chemicals	Chemical use in Vår Energi's own operated activities is based on reported use from vendors/Company. When data has not been reported for the partner-operated assets, estimates have been based on 2023 data reported to the Norwegian Environment Agency through the Footprint database. The metric is not validated by an external body.
Waste	Waste generated from offshore activities are classified offshore and reclassified by the onshore waste contractor when the waste reaches shore. SAR is the main waste contractor for Vår Energi's own operated assets. Full documentation from offshore to final handling onshore is required and non-conformities are reported by the waste contractor monthly. The data system "Norsk avfallsdeklarering", a solution for declaration of hazardous waste and radioactive waste, is managed by the NEA and the Norwegian Radiation and Nuclear Safety Authority (DSA). Vår Energi's relevant contractors have full access to this system for the Company's waste. Both hazardous and non-hazardous waste are reported in publicly available annual reports to NEA. Additionally, the same data are also publicly available at norskeutslipp.no. Waste metrics are based on measurements and reported by field operators for fields in operation, exploration wells and capital projects. For some partner-operated fields, the fate (diverted from disposal & directed to disposal) of some waste fractions was not provided. Therefore, the respective waste fractions were estimated based on the given total amount (actual data), using the average distribution for the fate of waste.

Social information

ESRS S1 – Own Workforce

Impacts, risks and opportunities

A detailed description of the double materiality assessment, along with the process to identify and assess material impacts, risks, and opportunities (IROs), is provided in chapter ESRS 2 - General disclosures. A table outlining the IRO's related to S1 - Own workforce, including their matters on a sub-topic and sub-sub-topic level, is presented on the following pages.

S1 – Own workforce

				Value chain			Time horizon			
S1 – Own workforce	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Wellbeing of offshore workers Offshore operations may have negative implications on the working conditions and overall well-being of employees (including extended working hours, shift patterns, work-life balance, exposure to harsh conditions, restricted recreational activities).	Working conditions	• Working time • Work-life balance • Health and safety	Potential negative impact		●			●		
Industrial hazards Vår Energi's exploration and production activities are associated with risk of work-related hazards, such as working with heavy machinery and exposure to or handling of explosive, flammable, poisonous, or harmful substances. Falling objects, faulty handling of heavy machinery, or malfunctioning electrical, hydraulic, or mechanical installations may result in high consequence work related injuries. Workers may also be at risk of injuries from slips, trips, and falls. The activities also involve working in confined spaces, which may contain a high concentration of gases, such as carbon monoxide, methane, and nitrogen, that may lead to poisoning or asphyxiation. Physical and ergonomic hazards include harmful levels of machinery noise or vibration, which may cause hearing impairment or loss and musculoskeletal disorders.	Working conditions	• Health and safety	Potential negative impact		●			●		
Working conditions Vår Energi may impact working conditions through employment practices and labour relations.	Working conditions	• Social dialogue • Freedom of association, the existence of works councils and the information, consultation and participation rights of workers • Collective bargaining, including rate of workers covered by collective agreements	Potential negative impact		●			●		

				Value chain			Time horizon			
S1 – Own workforce	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Discrimination and inequality in the workplace Vår Energi is part of a male-dominated industry which may involve workers being subject to various forms of discrimination and inequality in the workplace. Discrimination may be in the form of unequal opportunities and treatment of workers in e.g. different parts of the recruitment process, unequal pay, lack of an inclusive culture, lack of equal opportunities to promotions or unequal access to services and utilities.	Equal opportunities	• Gender equality and equal pay • Training and skills development • Measures against violence and harassment in the workplace • Diversity	Potential negative impact		●			●		

Working conditions

Impacts, risks and opportunities management

S1-1 – Policies related to working conditions in own workforce

It is clearly stated in the Human Rights and People policies and enforced through the governing document ("Vi er Vår") that Vår Energi is committed to providing a safe work environment, work-life balance, upholding workers' rights and trade union freedoms. "Vi er Vår" consolidates essential policies that define the Company's identity and operational practices, serving as the highest governing document within the Company's management system. This document highlights principles related to work environment, employee participation and diversity & inclusion. The CEO is accountable for the overall implementation and development of the "Vi er Vår" document. In addition, the Code of Ethics, and the Human Rights and People policies state that the Company refuses all forms of child labour and forced, bounded or compulsory labour. This applies to all members of the administrative and control bodies, employees of Vår Energi, and any third party who collaborates or works on behalf of Vår Energi.

The Company's policy is to adhere to internationally recognised Human Rights standards in its operations, supply chain, and business relationships, in line with the Norwegian Human Rights Act, the Norwegian Transparency Act, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGP) and the ILO Declaration on Fundamental Principles and Rights. All of these international commitments are outlined in the Human Rights Policy. The Company commits to engagement with employees through the Human Rights policy that outlines the Company's acknowledgement and endorsement of employees' basic human rights, including freedom of association and assembly and collective bargaining rights.

Both the Human Rights and the People Policy are approved and endorsed by the Board of Directors and the CEO. VP Compliance is accountable for implementing, maintaining and developing the Human Rights policy and EVP People, Communication, IT & Digital is accountable for implementing, maintaining and developing the People Policy. Key stakeholders have been involved through consultations with labour unions during the development of these policies. Both policies are available to all stakeholders on the Company's website through the Code of Ethics and "Vi er Vår".

The Code of Ethics includes provisions to address precarious work in line with International Labour Standards including the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work (See G1-1 for further description of Code of Ethics). The Company integrates these principles into its internal regulatory system and conducts due diligence assessments of its business relationships to ensure compliance. The Human Rights policy states Vår Energi's commitment to providing appropriate remediation in instances where the Company has caused or contributed to adverse impacts on human rights. This is handled through the whistleblowing process. For more information, reference is made to 1-3 - Processes to remediate negative impacts and channels for own workforce to raise concerns.

The Human Rights policy outlines the trade union freedoms, including freedom of association and collective bargaining, through responsible and constructive dialogue with workers' rights organisations. Collective bargaining agreements cover 25% of the permanent workforce. These agreements extend to all permanent employees except for select management roles, which operate under individual contracts that are aligned with the principles of the collective agreements.

Monitoring compliance with working condition commitments

Vår Energi monitors compliance with the commitments through several mechanisms:

- **Whistleblowing channel and process:** The Company encourages employees and stakeholders to report any potential negative impacts on the working conditions through established whistleblowing channels where dedicated HR personnel is allocated to follow-up and take appropriate actions.
- **Training and Communication Programs:** Annual training and communication programs are implemented to keep all employees informed about their rights and responsibilities.
- **Organised structure for unions:** The Company has established a structure for handling relations with all unions. This includes processes integrated in the management system related to both informing, consulting and negotiating with unions. The Company has dedicated a resource within People, Communication, IT & Digital which is responsible for these processes.
- **Tracking feedback and concerns in annual people survey:** The Company monitors several parameters connected to working conditions through the annual people survey. All feedback is gathered and structured into action points for relevant leaders and followed up through the company's KPI score board.
- **Monitoring offshore workload and overtime:** Offshore leaders are provided with monthly reports detailing the time writings of all offshore employees. They hold the responsibility to address any instances of high workload. In addition, the time writing system will notify when an employee is about to reach limit working hours according to the Norwegian Working Environment Act (WEA). High overtime cases are escalated to quarterly Offshore Working Environment Committee (WEC) meetings where necessary actions are taken and followed-up.
- **Due diligence assessment for offshore work schedules:** The Company has implemented a process to ensure that actual work schedule is prudent with regard to the employees' health, safety, and welfare, even if the work schedules are within the collective agreements. When reaching certain working time parameters, a fatigue vulnerability questionnaire will be filled out by the employee and leader.

[1] The Whistleblowing channel changed name to Ethics channel in 2025

S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

The Company has several processes for engaging with its own workforce both directly with employees and through workers' representatives.

Employees can engage directly with a Company representative through structured people development conversations with their nearest resource leader, conducted at least twice a year. These meetings, accessible to all permanent employees, are integrated into the HR system and address topics related to working conditions, work-life balance, overtime, and health and safety. The process for development conversations is implemented in the Company's management system under ownership of VP for People & Leadership who has the operational responsibility for this process. The effectiveness of development conversations in mitigating risks associated with working conditions is evaluated both during the discussions, where topics such as work-life balance and health are addressed, and through an anonymous annual employee survey. This survey includes questions related to working hours and overtime, and the consolidated team results are shared with each resource leader.

More broadly, the Company engages with all employees and contractors through monthly townhall meetings where all participants are able to ask open questions directly to the Executive Committee and CEO as part of a Q&A session.

The townhall meetings are owned and coordinated by the CEO Office with the CEO as overall responsible. While the Company has no direct way to measure the effectiveness of this form of engagement, a high number of questions asked to the leadership team during these events is a positive indicator of employee interest and involvement.

All permanent employees and contractors in the Company are invited to participate in an annual anonymous people survey, as a mechanism to engage with the employer and have an impact on topics related to working conditions. The people survey provides insights into the perspectives of vulnerable groups within Vår Energi's workforce. The people survey provides insights into the perspectives of vulnerable groups within Vår Energi's workforce. This survey includes questions regarding work-life balance, work related absence, work related stress and overall employee wellbeing. Furthermore, the survey gathers feedback on leadership effectiveness and organisational culture. The EVP People, Communication, IT & Digital is responsible for the people survey process. The Executive Committee and all leadership positions are responsible for communicating results and follow-up concrete action points. Employee representatives are included to review the results and will be presented a series of actions, desired outcomes and timeline for implementation based on the findings of the survey. To measure the effectiveness of the people survey and its action points, this years' survey included a question regarding how the employee experienced the follow-up of actions from last year.

By engaging in responsible and constructive dialogue with workers' rights organisations, the Company works actively to uphold the principles of freedom of association and collective bargaining. The Company has a structure in place to handle dialogue with the workers' representative through different meeting points, hereby Work Council and WEC. The committee meetings are held quarterly both onshore and offshore. In addition, the Work Council has established Sub Committee meetings on a bi-weekly basis. Both meeting forums have the mandate to discuss, advise and decide on topics related to the working environment and working conditions. EVP for People, Communication, IT & Digital is responsible for the overall people process that includes union collaboration. The Company has no direct way to measure the effectiveness of this form for engagement, but the meeting arenas can be used to provide input on the structure and effectiveness of these meeting forums.

S1-3 - Processes to remediate negative impacts and channels for own workforce to raise concerns

The Company has established a grievance procedure and processes within its management system, enabling both permanent employees and contractors to report concerns and complaints, regarding all matters including safety and working conditions, industrial hazards and topics related to equal opportunities and discrimination. Whistleblowing provides an opportunity for all employees to report suspicions of misconduct.

This is an early warning system to reduce risks and foster high ethical standards. This process is run by a third party to ensure that the confidentiality of individuals is protected and takes different forms such as anonymous online messages and meetings. The Company ensures that employees are aware of and can use this channel by incorporating it into the Company's policies and management system processes. The whistleblowing channel is available through the Company's intranet and is regularly communicated to the business by the VP for Internal Audit, who is responsible for the process.

Every report is handled in a way that ensures that confidentiality is fully maintained. Upon receiving a grievance, the whistleblowing committee assesses its severity. Subsequently, an investigation is conducted in accordance with the recommended procedures from the Norwegian Labour Inspection Authority. Once the grievance is verified, relevant parties are notified, made aware of their rights and way forward. Guidance is provided to both parties on measures to follow-up and mitigate adverse impacts. The type and nature of remedial actions are determined by the specific impact identified. Ultimately, the responsibility for implementing these measures and continuously monitoring the efficiency of the overall process, as well as understanding trends over time, lies with the Executive Committee and the EVP for People, Communication, IT & Digital. The whistle-blowing committee conducts an annual assessment to ensure employees are aware of the process for raising concerns. While direct monitoring of employee trust in the process is not conducted, all whistleblowing cases are tracked and monitored. In 2024, the Company achieved a 100% resolution rate, with all cases addressed immediately within the established deadline of ten calendar days. For more information about the whistleblowing process and policies to protect individuals that use them, reference is made to G1-1.

Employees can raise concerns regarding working conditions directly to their respective leader and HR, or through a Safety delegate. If a concern regarding working conditions is raised to an offshore leader, the leader should perform a due diligence assessment including a vulnerability questionnaire. In addition, concerns regarding working conditions are also raised through union representatives in WEC meetings.

The Company has a process in place to provide remedy if it has contributed to a material impact regarding working hours on its own offshore workforce. In cases where an employee has reached the limit working hours according to the Norwegian WEA, the resource leader will receive a notification. In addition, HR monitors these limits monthly and will notify leader in case of breaches. When an offshore employee is close to the limit, the leader and employee must apply to the employee representatives to increase the limit. If an employee has reached the limit of working hours, the leader will prohibit the employee to work overtime. If necessary, the leader is responsible for redistributing tasks to reduce workload. The Company indirectly measures the effectiveness of this process through the ability to prevent breaches.

Vår Energi does not have a direct way to assess that people are aware of these processes as ways to raise concerns, but the Company monitors the trust to raise concerns to leaders through the annual people survey, where this is included as a specific question. The Company follows the policies provided by the WEA and Basic Agreement LO-NHO regarding protection of people that use the WEC and Safety Delegates as a channel to raise concerns.

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

Wellbeing of offshore workers

In order to prevent and mitigate the Company's potential negative impacts on working conditions in own workforce, the Company has established a comprehensive system to monitor and manage working conditions for the offshore personnel:

IRO	Key Action	Frequency	Time horizon	Description of Key Actions taken & Results
Wellbeing of offshore workers	**Timesheet Review**	Monthly	Ongoing	HR conducts review of timesheets and provides a detailed overview to the responsible leaders, safety delegates, and union representatives.
	Risk Assessment	Quarterly	Ongoing	During the offshore work union meetings, the Company performs a walkthrough to identify and address potential risks associated with overtime.
	Automated Monitoring	Continuously	Ongoing	Vår Energi's time writing system includes an automated monitoring feature that alerts both the resource leader and the employee when they are approaching the hour limitations set by the WEA (Nw: "AML").
	Follow-up on Hour Limit Exceedance	Continuously	Ongoing	Employees who exceed the hour limits specified in the WEA are given special attention and follow-up by the relevant leader in cooperation with HR.
	Mental Health Support	Continuously	Ongoing	Provide access to mental health resources, including counselling services and stress management programs, to help employees cope with the demands of offshore work.
	Health and Wellness Programs	Continuously	Ongoing	Have health and wellness programs that include fitness activities, healthy eating initiatives, and wellness workshops to support the overall wellbeing of the employees.
	Flexible Work Schedules	Continuously	Ongoing	Offer flexible work schedules to accommodate the challenges faced by offshore employees in certain conditions related to sickness and pregnancy. This includes the option to work onshore for a period when possible.
Working conditions	**Local Compensation & Benefit negotiations**	Annually	Ongoing	Perform negotiations in line with the tariff agreement and main agreement for unions.
	Meeting structure for unions and work councils	Quarterly and bi-weekly	Ongoing	The Company arranges quarterly meetings with Work unions and WEC in addition to bi-weekly meetings with work union sub committee.

The Company has different mechanisms to identify what actions to take as response to a particular actual or potential negative impact. The WEC shall be used as a discussion forum to raise questions for discussion on its own initiative and upon request from the safety representative. The committee will agree on focus areas based on importance and urgency. Furthermore, the annual people survey shall be followed up on department level through a common workshop for employees and leaders. The output of this workshop will determine the specific action point each department is accountable for following up throughout the year. All actions will be filled in and monitored through the strategy, performance & risk management tool (RoP).

The process for identifying actions to address Vår Energi's impact on the wellbeing of offshore workers involves collaboration with union members, general feedback to leadership, and insights from the annual people survey. This results in tailored action lists with dedicated HR business partners and offshore installation managers assigned to monitor their specific installations. In addition, all offshore leaders are tasked to follow-up sick leave, working hours and overtime for their respective employees. Through these processes, the Company aims to ensure that own practices, such as procurement, sales and data use, do not cause or contribute to actual negative impacts on its own workforce. For all aforementioned processes, the main financial resources used are the need based allocated full-time equivalents (FTE's) from employee representatives, HR and leadership.

The effectiveness of actions and initiatives related to the wellbeing of offshore workers is monitored and assessed through various channels. The Company has a dedicated WEC for offshore personnel, where actions are reviewed quarterly with allocated representatives from both offshore leadership and offshore employees. Additionally, offshore workers are included in the annual people survey, with follow-ups conducted separately for each offshore installation.

The effectiveness of actions and initiatives related to working conditions for Vår Energi's own workforce, in particular social dialogue and work councils, is continuously measured through member feedback and regular meetings. The effectiveness of collective bargaining is assessed by benchmarking against peers and feedback from annual negotiations. Moreover, department-level feedback is gathered through the annual people survey. Relevant HR personnel are allocated to monitor the process for social dialogues, work councils and collective bargaining agreements through a dedicated Industrial Relations Lead. In addition, the Company has dedicated resources as union members and employee representatives.

In the reporting period, the Company has not identified any significant actual negative impacts on working conditions for its own workforce and has not taken any action to provide remedy.

Performance, metrics and targets

S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Vår Energi applies a target based on Net Promoter Score (NPS) to monitor the wellbeing at work, including working conditions. This is a market research metric that is based on a single survey question asking the own workforce to rate the likelihood that they would recommend a company, product, or service to a friend or colleague. NPS is calculated by subtracting the percentage of customers who answer the NPS question with a 6 or lower (known as 'detractors') from the percentage of customers who answer with a 9 or 10 (known as 'promoters'). NPS scoring range is between -100 to 100. There are some limitations with applying NPS as a measure for wellbeing and working conditions as it provides a broad and simplified categorisation, lack of context and will not always correlate with actual employee wellbeing. Vår Energi formalised this as a KPI in 2023. The target for 2025 is to maintain an average NPS exceeding 30. The process for setting this target has been to identify previous years' score as a starting point in addition to internal and external factors that could impact the 2025 target, e.g. large organisational changes. The EVP People, Communication, IT & Digital, together with the Strategy & Performance group makes a suggestive target that is evaluated by the CEO and the Board of Directors. After Board approval, all targets are presented and informed to the employee representatives for their input.

Progress towards this target is tracked through the annual people survey. Employee representatives are involved in the tracking through consultation meetings of the people survey results. Employees are directly involved in identifying lessons and setting improvement as a result of the NPS performance through annual department workshops. The NPS score and all improvement actions related to this score from the people survey output is monitored through a shared dashboard. This dashboard is available to all employees in the Company.

Through the annual people survey, the measurement of the NPS metric is applied by an external partner to ensure confidentiality and quality in data output.

S1-6 - Characteristics of own workforce

The Company has 1 404 employees located across the four core regions: Stavanger, Oslo, Hammerfest, and Florø. The following tables provide more detail about the composition of the workforce.

Number of employees

Gender	Number of employees (head count)
Male	1 003
Female	401
Total employees as per 31.12.2024	**1 404**
Average number of employees in 2024	**1 301**

Number of employees

Number of employees as per 31.12.2024	Male	Female	Total	Average numbers in 2024
Number of employees (head count/FTE)	1 003	401	1 404	1 301
Number of permanent employees (head count/FTE)	998	392	1 390	1 285
Number of temporary employees (head count/FTE)	5	9	14	16
Number of non-guaranteed hours employees (head count/FTE)	0	0	0	0
Number of full-time employees (head count/FTE)	1 002	387	1 389	1 288
Number of part-time employees (head count/FTE)	1	14	15	12

Turnover

	2024
Number of employees who have left the Company	85
Percentage of employee turnover	6%

S1-8 - Collective bargaining coverage and social dialogue

All tariffed employees are covered by collective bargaining agreements. All employees in Vår Energi are represented by workers' representatives in the WEC as the main form for social dialog with the Company. Thus, the employees' requirement for participation in social dialogue has been addressed.

Collective bargaining coverage and social dialogue

	Collective bargaining coverage	Social dialogue agreements
Coverage rate	Employees - EEA	Workplace representation
0-19%		
20-39%	25% of employees are covered by collective bargaining through Tariff agreement	
40-59%		
60-79%		
80-100%		100% of employees are covered for social dialogue represented by WEC

S1-11 - Social protection

As a Norway-domiciled company with all its operations in Norway, all employees are covered by social protection against loss of income due to sickness, unemployment starting from when the employee is working for the undertaking, employment injury and acquired disability, parental leave and retirement regulated through the Norwegian Working Environment Act. In addition, the Company offers group, life and personal insurance, ensuring the family's financial security in case of death, illness or accidents that occurs after someone has been included in the group policy, and health insurance covering both medical, physical, and psychological treatment.

S1-15 - Work-life balance metrics

Work-life balance

Family-related leave	Male	Female	Total
Percentage of employees entitled to take family-related leave	100%	100%	100%
Percentage of entitled employees that took parental leave	8%	14%	9%
Percentage of entitled employees that took leave related to care of next of kin	1%	3%	1%
Percentage of entitled employees that took leave related to sickness of child (self-declaration and care leave with NAV benefits)	1%	3%	1%
Total percentage of employees that took family-related leave	9%	20%	12%

Health and safety

Impacts, risks and opportunities management

S1-1 – Policies related to health and safety in own workforce

The Health and Safety policy is applicable to all personnel working for Vår Energi, hired or contracted and subsidiaries of Vår Energi and sets out Vår Energi's expectations towards contractors, suppliers, and business partners. It outlines the principles and commitments governing occupational health and safety, including accident prevention, within Vår Energi based on compliance with all relevant laws, regulations, and industry standards. Furthermore, the policy relates to the identified potential negative impact of industry hazards on the Company's own workforce, with focus on delivering a healthy and safe working environment through safe design by recognising risks and handling them according to hierarchy of controls throughout the asset lifecycle, acknowledging occurrence of human errors, safely managing consequences, as well as involving workers and workers' representatives in matters related to health and safety and communicating transparently with stakeholders.

The policy is approved by the Board of Directors and the EVP Safety & Sustainability has the overall responsibility to oversee the effectiveness of this policy. The EVP for each business line is responsible for adhering to the commitments in this policy for their respective areas. The implementation and efficiency are monitored through regular performance reviews, audits and verifications.

Vår Energi operates under regulatory requirements where mainly the Petroleum Act and WEA concerns health and safety. Underpinning the policies supporting the Company's impacts related to health and safety, Vår Energi's occupational health and safety management system is certified according to the ISO 45001 standard. The standard provides a framework to manage risks and improve occupational health and safety performance and establishes criteria for an occupational health and safety policy, objectives, planning, implementation, operation, auditing and review. Key elements include leadership commitment, worker participation, hazard identification and risk assessment, legal and regulatory compliance, emergency planning, incident investigation and continual improvement.

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

The Company has a Works Council and WEC where the employer, employees, and the occupational health service are represented. The committees participate in planning of health and safety work, review all reports related to occupational health and safety inspections and measurements, and closely monitor the development of the working environment. For general processes on how the Company engages with its own workforce, as well as for more information regarding the Company's structure in place to handle dialogue with the workers' representative through Work Council and WEC, reference is made to S1-2 – Working conditions.

In addition, Vår Energi has a Safety Delegate Service in accordance with the WEA that safeguards the interests of workers in matters related to occupational health and safety, including workers particularly vulnerable to negative impacts. The safety delegates ensure that the working environment is properly maintained, and that work is performed in a manner that secures the health, safety, and welfare of all personnel working for the Company. The Safety Delegate Service engages directly with Vår Energi's own workforce and workers' representatives. These engagements are structured as committees, first at a local level (e.g. an offshore installation), then at more aggregated levels (e.g. offshore committee covering all installations) and finally at company level. At all levels, the committees interact with corresponding management levels in regular meetings (e.g. bi-weekly on an offshore installation). Meetings occur quarterly between the main safety delegate and the Company's EVP Safety & Sustainability to ensure that emerging issues are captured at an early stage. In addition, there are quarterly meetings held in the established WEC both at asset and at company level. The position as chair for these meetings alter every year between the employees'- and the employer's representatives to ensure equal distribution of responsibility. The Company CEO is the function and the most senior role within Vår Energi that has operational responsibility for ensuring that this engagement occurs and that the results inform the Company's approach. Feedback is recorded and integrated into decision-making in the WEC meetings and followed up in an action tracking register, where progress can be monitored by all parties involved.

At a local level, employees and contractors are strongly encouraged to contribute via the observation card system as described in S1-3.

S1-3 - Processes to remediate negative impacts and channels for own workforce to raise concerns

The Company has a system where identified unsafe conditions, near-misses and accidents are reported according to requirements in the WEA. Vår Energi encourages that unsafe and concerning conditions are reported and managed as soon as possible. Therefore, anyone working at the Company's sites, both employees and contractors, can raise concerns related to possible unsafe conditions through observation cards, a low-threshold reporting system established by Vår Energi. The observation cards can be submitted both electronically and on paper, ensuring availability. Any issue raised is handled according to the Company's process for handling observations. The purpose is to ensure that necessary actions are taken to prevent HSE incidents and work-related illness. Some issues raised can easily be resolved within the observation card system. However, the justification for closing the observation is traceable in the system and communicated to relevant personnel through meetings or direct feedback. Other issues requiring more follow-up are transferred to the HSE incident reporting and handling tool, which is covering accidents, near-misses and unsafe conditions.

The general approach to, and processes for, providing or contributing to remedy where Vår Energi has caused or contributed to a material negative impact related to health and safety on its own workforce is as follows: review causes of the incident, identify corrective actions and preventive actions based on the causes to prevent reoccurrence. For serious incidents and incidents with high learning potential a mandate for a formal investigation is issued by Operations Managers or senior management within the Safety and Sustainability function. Vår Energi assesses that the remedy provided is effective through regular review of cases, through site visits and involvement of those affected by the remedy solutions, or through audits and verifications. Vår Energi tracks and monitors issues raised and addressed through observation cards and HSE incident management tool through HSSE dashboard, which is a tool used to monitor, analyse, and report on various metrics related to health and safety performance. The Company ensures that employees are aware of and can use these channels by incorporating them into the Company's management system processes. The reporting channel is easily available through the Company's intranet and is regularly communicated to the workforce by leaders on different levels. All intended users have the possibility to be involved in the improvement of observation and HSE incident management processes by making a change request to the processes and tool through the management system.

Vår Energi facilitates for its own workforce to report unsafe conditions anonymously, and the identity of individuals involved in HSE incidents is protected to ensure safety against retaliation.

The Company-wide channels for own workforce to raise concerns are described in S1-3 – Working conditions.

S1-4 - Actions and resources related to health and safety in own workforce

Regulations governing health and safety in the Norwegian petroleum industry contain risk- and performance-based requirements. The industry is regulated through legislation and statutory regulations which specify that all key activities in every phase of oil and gas operations require permits, consents and approvals from the regulatory authorities. These regulations primarily comprise performance-based (functional) requirements, which specify which level of safety is to be achieved – but not how. The companies are solely responsible for complying with Norway's HSE legislation. The performance-based requirements emphasise that the individual company is responsible for planning and executing their activities in such a way that the safety targets are met. Vår Energi identifies appropriate actions based on this approach to ensure these requirements are met. Key actions for health and safety are closely monitored through HSSE plans and dashboards, including discussions in the Works Council and WEC to ensure effectiveness of the actions.

Descriptions of Key Actions Taken, Results and Time Horizons

In order to manage impacts on health and safety, hereunder the material IRO Industrial hazards, and fulfil the regulatory requirements, the following activities are performed when appropriate.

Action	Key Action/Scope of Action	Time horizon	Description of Key Actions taken & Results
Strengthen safety culture through active use of the annual safety wheel Always Safe	Action : Quarterly learning packages within the following topics: Q1: Avoid major accidents Q2: Prevent personal injuries Q3: Safe work at height/prevent falling objects Q4: Health and working environment Scope: Vår Energi's own workforce	Quarterly	The learning packages are designed to be used as a team exercise, enabling leaders to actively engage their teams in important safety issues and commit to local actions. The process contributes to identifying and resolving safety issues by collecting feedback from the teams and reporting it back to the relevant functions.
Implementation of Lifesaving rules (LSR)	Active use of lifesaving rules in relevant work and work permits, e.g confined spaces, working in height, awareness to outing oneself and others in the line of fire Scope: Vår Energi's own workforce	Continuously	The intention of the Life-Saving Rules is to prevent serious personal injuries and fatalities in the workplace by adopting IOGPs clear, actionable guidelines that workers can follow to protect themselves and their colleagues. These rules are designed to address the most common causes of fatal incidents and ensure that safety measures are consistently applied across the industry.
Proactive learning teams	Proactive learning addressing specific topics related to safety and work execution according to the annual wheel "Always Safe" Scope: Vår Energi's own workforce	Quarterly	Learning teams cover topics that are deemed to be of particular relevance for current or planned activities. The topics are selected based on input from authorities (e.g. annual topics from Havtil), need for preparations for upcoming activities, transfer of experience from other operators etc. The idea is that the learning sessions shall be proactive and thereby serve as a supplement to the more reactive initiatives taken after an incident (safety alerts, incident investigations etc).
Learning from exposure incidents	Monitoring health hazardous exposure Scope: Vår Energi's own workforce	Immediately after an exposure incident has occurred	Exposure incidents shall be reported if a worker is exposed beyond the "safe" level in combination with insufficient or lacking control measures. Exposure incidents are classified based on inherent property of the exposure factor and classified into four severity levels: 1. Potential for reversable, non-fatal Work-related illness (WRI) 2. Potential for irreversible, non-altering, non-fatal WRI 3. Potential for irreversible/life altering non-fatal WRI 4. Potential for life shortening/life -threatening WRI The purpose is to create awareness of exposure risk and hence preventing health hazardous exposure
Investigation of HSE incidents	Issue mandate for investigation to ensure identify root causes and recommendations contributing to increasing the HSE level and hence prevent future incidents. Scope: Vår Energi's own workforce	Shortly after an HSSE incident has occurred	For incidents with potential above the thresholds outlined in the Company's management system, incident investigations are launched. The aim of the investigation is to identify causes and thereby set actions to avoid recurrence and to rectify the situation. Safety delegates are invited to take part in the investigations.

Action	Key Action/Scope of Action	Time horizon	Description of Key Actions taken & Results
MARI (Major Accident Risk Indicator)	Scope: Vår Energi's own workforce	Quarterly through the year	The MARI tool consists of 24 indicators that when combined provide a balanced overview of the accident risk for an asset. The indicators span from leading indicators such as fulfilment of competence requirements for personnel to lagging indicators such as number of exposure incidents. Quarterly reviews are performed at asset level in the organisation, and safety delegates are invited to take part in these sessions. The objective is to prevent serious harm to people, environment and assets through proactive monitoring and mitigation of major accident risks.
Health and safety training	40 hours working environment course Scope: Management, Safety delegates and working environment committee (WEC) Working environment risk factors (noise, chemicals, ergonomics etc.) Scope: Vår Energi's own workforce	Refreshment every five years for offshore safety delegates and supervisors, for others in the target group; one-off Refreshment every five years for offshore personnel	For Vår Energi to succeed in safety work, the personnel need a high level of risk awareness, and good knowledge about both risk factors and protective measures. All employees, supervisors, and line management are given sufficient and appropriate training, information and instructions about the nature of the working environment, safety risks, and possible preventive measures. Mandatory courses are monitored and tracked in competence management system.
Emergency response training and exercises	Emergency response training for all personnel, including formalised training of all roles in 1st line (offshore) and 2nd line (onshore).	Regularly, as presented for each response level	Maintaining an organisation that is trained and prepared to respond to emergencies is an activity aimed at managing the identified potential negative impact of industry hazards on the Company's own workforce. Frequency of training depends on role, 1st aid team offshore have one training/exercise per six weeks, 2nd line members have two exercises annually and formalised training every 2nd year. All offshore personnel undergo a basic safety training course (five days first time, then two days on refresher training every four years). The course includes basic first aid, basic firefighting, helicopter escape and use of lifesaving equipment.
Working environment mapping and follow up	Scope: Vår Energi's own workforce and assets	Continuously	Risk reducing measures and continuous improvement based on the mapping, e.g. measures to eliminate, substitute, technical measures, administrative and organisational measures and use of Personal Protective Equipment (PPE)
Collaboration with occupational health service provider	Monitor the working environment Scope: Vår Energi's own workforce and assets	Continuously	The Company cooperates with an occupational health service provider approved by the Norwegian Labour Inspection Authority to help monitor the working environment, propose improvements, and provide professional competency to prevent unsafe conditions and work-related illness and injuries.

The Company has not identified any actual negative impacts related to health and safety in 2024 where remedy was provided or enabled.

Performance, metrics and targets

S1-5 - Targets related to managing negative impacts, advancing positive impacts, and managing material risks and opportunities
Vår Energi has an ambition to be the safest operator on the NCS and applies Serious Incident Frequency (SIF) and Total Recordable Injury Frequency (TRIF) for Vår Energi's own workforce as targets to monitor performance, in line with the Health and Safety policy commitments and directly related to the identified potential negative impact of industry hazards on the Company's own workforce.

Serious Incident Frequency (SIF) includes all incidents with an actual or potential consequence for people, environment or assets. Including incidents with potential for serious personal injury gives the Company the opportunity to take precautionary actions to eliminate hazards and minimise risks.

TRIF includes medical treatment injuries, restricted work injuries and lost time injuries (LTIs). The scope of TRIF reporting includes employees, contractors and all visitors to Company sites and main contractors' sites.The Company applies the previous year(s) result(s) as the baseline value for SIF and TRIF, aiming for continuous improvement. The target for SIF was set to 0.3 in 2024 based on a result of 0.4 in 2023.

The target for TRIF was set to 1.6 in 2024 based on a result of 1.9 in 2023.

The targets are set annually and monitored monthly based on 12 months rolling average. The use of previous year's results as basis to ensure continuous improvement is a principle agreed in, and followed up by, the WEC at Company level. The agreed targets are approved by the Board of Directors.

The mechanisms to track performance against these targets includes regular reporting to ensure transparency and accountability and monitoring through the live HSSE Dashboard, which is a tool used to monitor, analyse, and report on various metrics related to health and safety performance. This dashboard displays key performance indicators (KPIs) and other relevant data in a visual format, such as charts and graphs, making it easier to track progress, identify trends, and make informed decisions. The dashboard shows incidents on these metrics registered in the system by the workforce. The dashboard and the corresponding underlying incident reports of the KPI performance are accessible to all employees, as are corresponding assessment of incident classification and actions to restore the situation and avoid recurrence.

Vår Energi continuously evaluates performance and identifies lessons learned to make necessary improvements and ensure that the Company is on track to achieve the targets. The set TRIF target was not achieved in 2024. Most of these personal injuries leading to the high TRIF are related to trips, slips and falls, and the majority occurred at Contractors work sites, involving workers in the supply chain. Vår Energi remains confident in the possibility of reducing these types of incidents by closely collaborating with Vår Energi's contractors to implement proactive measures and consistently focusing on implementation of safety tools.

Vår Energi places a strong emphasis on active engagement with its workforce and workers' representatives to identify lessons learned. This engagement is embedded in the Company's process for handling HSE incidents, ensuring a collaborative approach in identifying improvements and sharing lessons learned within different shifts and across installations. Vår Energi conducts incident reviews and root cause analyses involving workforce representatives. These reviews help pinpoint the underlying causes of accidents and near-misses, ensuring that lessons learned are documented and shared across the organisation. By involving the workforce in this process, the Company ensures that the solutions and improvements are practical and effective. Vår Energi solicits feedback from employees and contractors regarding safety and wellbeing in the workplace through the people survey.

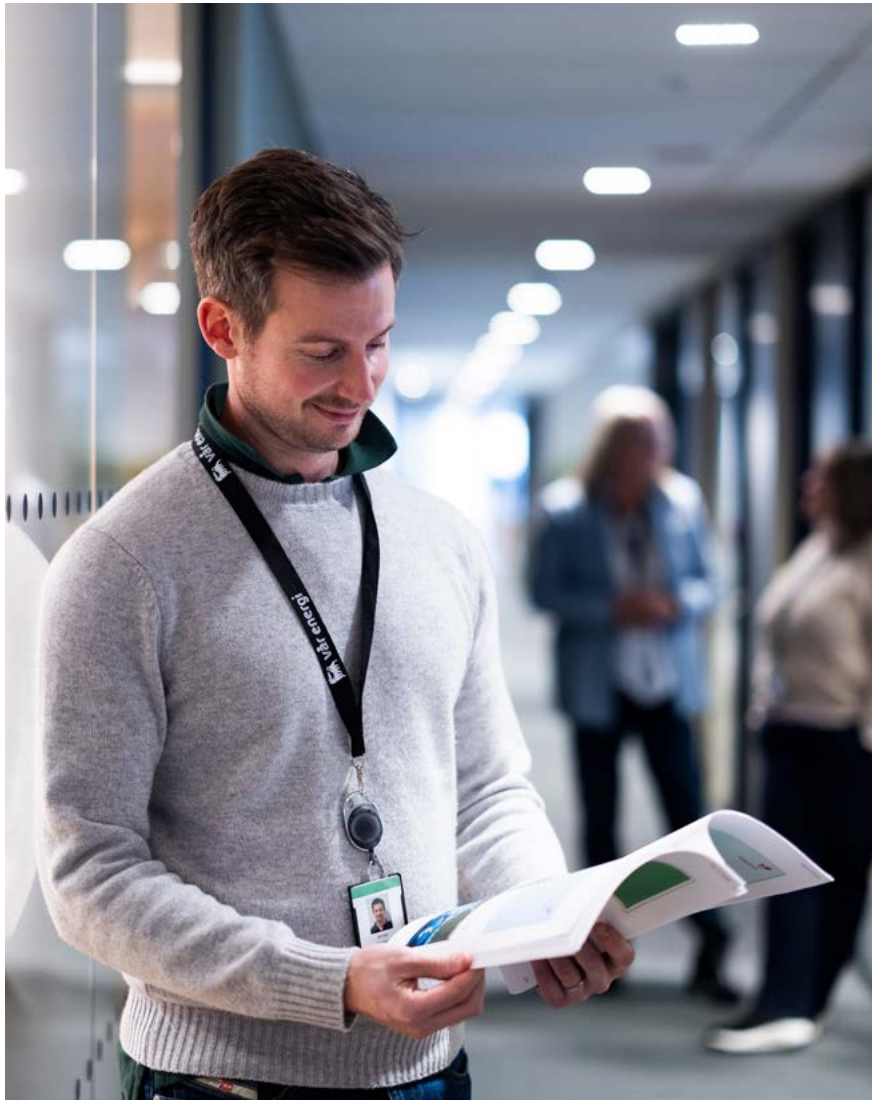
Vår Energi's commitment to engaging with its workforce and their representatives in identifying lessons learned is considered vital to creating a safer and more efficient working environment. This collaborative approach not only enhances safety performance but also fosters a culture of continuous improvement and mutual respect within the Company.

S1-14 - Health and safety metrics

Health and safety

Metric	Employees	Own workforce
SIF: Number of incident with and actual or potential serious consequence for people or environment per million hours worked	0	0.3[1]
TRIF: Number of personnel injuries (excluding first aid injuries) per million hours worked.	0	3.5[1]
Percentage of people in own workforce who are covered by the health and safety management system	100%	100%
Fatalities		
Number of fatalities in own workforce as a result of work-related injuries and work-related ill health	0	0
Number of fatalities of other workers working on undertaking's sites	0	0
Accidents		
Number of recordable work-related accidents	0	36[1]
Rate of recordable work-related accidents	N/A	3.5[1]
Ill health		
Number of cases of recordable work-related ill health of employees	2	N/A
Number of cases of recordable work-related ill health, subject to legal restrictions on the collection of data	2	3[1]
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health[2]	0	235[1]

[1]Total number, including value chain workers; IOGP contract mode 1 and contract mode 2
[2]Only includes days away from work related to injuries, not illness



Equal treatment and opportunities for all

Impacts, risks and opportunities management

S1-1 – Policies related to equal treatment and opportunities for all

The People Policy defines the expected behaviours regarding diversity and equal opportunities for everyone. This policy applies to all members of the administrative and control bodies, employees of Vår Energi, and any third party who collaborates or works on behalf of Vår Energi. It states that Vår Energi is committed to creating an inclusive and respectful workplace, where discrimination and harassment, including sexual harassment, are strictly prohibited. The policy reaffirms Vår Energi's commitment to providing equal opportunities for all individuals, irrespective of race and ethnic origin, colour, gender, disability, religion, nationality, political beliefs, sexual orientation, social status, age, or any other personal characteristics unrelated to job requirements. Additionally, it underscores the Company's dedication to implementing a fair remuneration system for all employees within its workforce.

Vår Energi does not have a specific policy commitment related to inclusion or positive action for people from groups at particular risk of vulnerability in its own workforce.

To effectively implement the aforementioned policies, the Company has established a procedure for managing diversity, equity, and inclusion (DEI). This procedure is accessible to all employees through the management system and outlines an annual framework for systematically addressing DEI-related matters, guided by a gap analysis approach. The objective of this process is to facilitate concrete actions aligned with the overall DEI agenda. Furthermore, the Company is committed to addressing issues of bullying, harassment, and discrimination through a dedicated full-time employee in HR who manages employee relations on a one-on-one basis. This critical topic is also monitored separately in the people survey.

The EVP People, Communication, IT & Digital holds overall responsibility for overseeing the effectiveness of these policies, while the EVP of each business line is accountable for ensuring compliance with the policy commitments within their respective areas.

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

For the IRO's related to equal treatment and opportunities, hereby; Gender equality and equal pay, Training and skills development, Measures against violence and harassment in the workplace and Diversity, the Company applies the same channels as elaborated in S1-2 under Working conditions.

While the described processes are the same, the content covers IRO's related to equal treatment and opportunities. The processes include people development conversations with leader, annual people survey and engagement through work unions.

The development conversations cover topics related to gender equality and equal pay, training and skills development, measures against violence and harassment in the workplace and diversity. The people survey provides insight into the perspectives of vulnerable groups within Vår Energi's workforce. This survey includes questions regarding equal treatment (phrased as whether an employee has been or seen others be treated differently due to gender, age sexual orientation or religion), training and skill development (whether the employee feels empowered and gets enough challenges), and bullying and harassment from leaders or co-workers. Furthermore, the survey gathers feedback on leadership effectiveness and organisational culture.

S1-3 - Processes to remediate negative impacts and channels for own workforce to raise concerns

Employees can raise concerns regarding discrimination and inequality in the workplace directly to their respective leader and HR, or through a Safety delegate. In addition, concerns regarding discrimination and inequality are also raised through union representatives in WEC meetings. For more inormation, reference is made to corresponding section under Working conditions.

The Company has a whistleblowing process in place to remediate negative impacts on own workforce regarding equal treatment and opportunities, reference is made to section G1-1 under the subheading Whistleblowing process for more information.

S1-4 - Actions and resources related to equal treatment and opportunities for all

The process for identifying which actions to take regarding equal treatment and opportunities are aligned with the process elaborated in S1-4 under Working conditions. In addition, the Company has established a separate process for handling DEI. According to this process, HR is responsible for an annual review of DEI actions and for establishing new actions driven by the People, Communication, IT & Digital department. The scope of the Company's key actions covers all members of the administrative and control bodies, employees of Vår Energi, and any third party who collaborates or works on behalf of Vår Energi.

The Company takes the following actions related to equal treatment and opportunities for all:

IRO	Key Action	Frequency	Time horizon	Description of Key Actions taken & Results
Discrimination & inequality in the workplace	Establishing clear expectations and responsibilities	By demand	Q2 2025	The Company takes various action to improve the clarity of roles and responsibilities, hereby; • Accountability document where all department accountabilities are gathered in a common management system to enable better understanding and transparency of roles and responsibilities. This promotes equality through common expectations and goals. • Improvement of resource allocation process and tool, will enable better understanding and transparency of roles amd responsibilities. This promotes equality through common expectations and goals.
Discrimination & inequality in the workplace - Measurements against violence & harassment in workplace	Addressing bullying & harassment	By demand	2025	Based on identified problem areas through people survey 2024 (see S1-2), concrete actions are taken on specific departments and followed up by HR. This includes conversations with leaders, conflict handling and extra follow-up of young professionals.
Discrimination & inequality in the workplace - Training & skills development	Define strategic workforce plan	Annually	Q3 2025	Identify high-level people requirements, skills and competencies within all departments to ensure that the Company have the right capability mix to deliver on business goals.
Discrimination & inequality in the workplace- Gender equality & equal pay and diversity	Recruitment processes	Annually	Ongoing	Hiring managers and HR representatives receive training in diversity and awareness of potential unconscious biases in recruitment to prevent biased decisions.
	Fair remuneration system	Annually	Q3 2025	Gender pay ratios are addressed through the annual salary review, where a particular focus has been addressed to close the gender pay gap for comparable positions.

In 2024, the Company has proactively addressed the negative impacts of bullying and harassment in the workplace. Insights from the people survey highlighted specific departments or teams requiring attention related to cases of conflict or bullying, alongside cases reported through the whistleblowing process. Relevant leaders and HR have collaborated to resolve these issues on a case-by-case basis, while also implementing a comprehensive approach within the pertinent departments.

Additionally, the Company has taken significant steps to address the gender pay gap, as the compensation ratio revealed disparities between genders in 2023. In response, measures have been implemented during the 2024 salary review to ensure equitable compensation for equal roles. This includes providing higher salary increases in instances where some groups have been underpaid, reinforcing the Company's commitment to fairness and equality in the workplace.

The effectiveness of the actions mentioned above is monitored at a high level through the annual people survey. The effectiveness of pay gap actions are monitored annually in the salary review. Additionally, specific feedback is provided and tracked through structured development conversations between leaders and employees. A people data dashboard, accessible to all company leaders and HR personnel, offers key insights into the development of equality measures and turnover, indicating the effectiveness of these initiatives. HR personnel are allocated to follow up on actions related to remuneration, recruitment, and strategic workforce planning. Furthermore, designated leaders are assigned to address action points pertaining to roles and responsibilities. Both HR and leadership share a collective accountability for monitoring and addressing issues related to bullying and harassment. To support this commitment, the Company has allocated a full-time employee specifically focused on managing employee relations, including conflict resolution and the handling of bullying and harassment cases.

Performance, metrics and targets

S1-5 - Targets related to managing negative impacts, advancing positive impacts, and managing material risks and opportunities

For 2024, the target was 90% female-to-male average pay ratio on base salary, excluding CEO compensation. The 90% target is an average of women's salary compared to men's salary, not considering the time in service or technical versus non-technical roles. The difference is explained by two factors: female employees have, on average, five years less professional tenure than male employees, and the Company has a higher share of male employees in technical roles. Excluding CEO compensation, the Company reached the target by achieving a 90.5% ratio. Including CEO compensation, the result for 2024 was 89.5%.

In line with commitments to fostering equal opportunities for all, Vår Energi has established targets to achieve equal pay for comparable positions, considering the same discipline, level of complexity (Hay grade), professional tenure, and experience level.

For 2025, Vår Energi has established a new target for compa-ratio. The ratio target for 2025 is 100%, measured based on equivalent experience levels. The compa-ratio is a metric that compares an employee's salary to the median salary for similar positions within the Company and the external target market. Hence, this target includes differences between professional tenure and experience level within the same discipline. The CEO and COO compensations are excluded from the new compa-ratio target.

The compa-ratio and gender pay ratio targets are proposed by the EVP People, Communication, Digital & IT and is discussed with the Executive Committee and in the Remuneration and Leadership Development Committee. The proposed compa-ratio target and updated gender pay ratio target are decided by the Board of Directors. The KPI's are monitored through a shared strategy and performance dashboard. Status is also shared through the Remuneration and Leadership Development Committee meetings and an annual report. The 2024 targets are not validated by an external party. Progress towards the targets are tracked through the annual salary review. The Executive Management, the Board and employee representatives are presented last year's results prior to current years' salary review. Lessons are identified as part of these forums and actions for improvement are established.

S1-9 - Diversity metrics

Gender distribution

	Male		Female		Total
	Number	Percentage	Number	Percentage	Number
Number of employees (head count) at top management level	4	66%	2	33%	6

Age distribution

	Number	Percentage
Employees under 30 years old	99	7%
Employees between 30-50 years old	680	48%
Employees over 50 years old	625	45%
Total	**1 404**	**100%**

S1-13 - Training and skills development metrics

Performance and career development reviews

	Male	Female	Total
Percentage of employees that participated in regular performance and career development reviews in 2024	90.0%	95.5%	91.5%

Training hours

On average, male training is significantly higher than female training. This is due to extensive mandatory training sessions for offshore workers, where the number of female workers is significantly lower than male.

	Male	Female	Total
Average number of training hours in 2024	40	15	33

S1-16 - Remuneration metrics

In 2024, the average wage of a female employee was approximately 89.5% of the average male employee's wage across all employees. The share of female employees is higher in support areas than in technical areas, and the average age of female employees is lower than the average age of male employees. These two factors influence the overall gender pay ratio, as defined by the ESRS. Excluding CEO compensation, the gender pay ratio for 2024 was 90.5%.

The compa-ratio for 2024, however, was at 97%.

The median total remuneration for the Company was 6% of the total remuneration of the highest paid individual.
Excluding both the CEO and COO as the highest paid individuals presents a total remuneration ratio of 18%.

S1-17 - Discrimination and harassment metrics

Throughout the reporting period, there have been zero reported instances of discrimination.

Discrimination and harassment

	2024
Number of incidents of discrimination	0
Number of complaints filed to raise concerns	4
Number of incidents of discrimination	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0
Amount of fines, penalties, and compensation for damages as result of incidents of discrimination, including harassment and complaints filed	0

The number of complaints filed to raise concerns is the number of concerns reported through the whistleblowing channel in 2024 related to discrimination and harassment. All four cases are closed without any censurable condition being found.

Accounting policies and notes disclosures to S1

Methodologies and assumptions related to reported metrics under S1 - Own workforce are given in the table below.

Reported metric	Accounting policies, methodologies and assumptions
Number of employees	The methodology applied for extracting data is SAP SuccessFactors with date 31.12.2024. Assumptions taken are that the employee number includes Permanent employees, Expats and Temporary employees and that full-time employee equals 1 FTE, while part-time employee equals <1FTE. For the total number of employees (female and male) end of period (EOP) numbers are used. For average EOP numbers for each month, EOP is divided by twelve. Data is not validated by an external party. Average number of employees has cross reference to Note 7 in the Financial Statements. Please note that the definition of employees is different under ESRS and IFRS, where the latter includes permanent employees and inpats. Employees from Neptune Energy Norge are included in the IFRS definition (Note 7) from January 2024. Under the ESRS definition on average number of employees, Neptune Energy Norge employees are included from May 2024.
Turnover	The methodology applied for extracting data is SAP SuccessFactors with date 31.12.2024 with a range from 1.1. 2024 to 31.12.2024. Assumptions taken are that "Leavers" includes Permanent employees, Expats and Temporary employees (34 of turnovers are summer interns). Numbers include all kinds of reasons for leaving. For number of employees, the total within range period is applied. For percentage, the total turnover within range divided by Headcount EOP (31.12.24) is applied. Data is not validated by an external party. No cross reference to the Financial Statements.
Work-life balance	The methodology applied for extracting data is based on extracting data from the timewriting system Zalaris from November and December 2024, and extrapolate data over the previous reporting months. Vår Energi applied three different timewriting systems during 2024, and is therefore unable to provide exact figures. One timewriting system was discontinued in May 2024, while legacy Neptune Energy Norge employees applied a different system until October 2024. Consequently, extracting accurate figures for the entire year was challenging, and the reported figures for 2024 are based on estimates on data from the last two months of the year. Assumptions taken are "Family related leave" is defined as parental leave, leave related to care of next of kin and leave related to sickness of child (self-declaration and care with NAV benefits). Data extraction applies "parental leave", including Permanent employees, Expats and Temporary employees. By Norwegian law, all employees are entitled to parental leave. Measurement for male or female employees is calculated through number of male or female employees that took leave in range period divided by the total male or female EOP Headcount, respectively. The calculation for the total is number of leaves in range period divided by total EOP Headcount. Data is not validated by an external party.
Collective bargaining and social dialogue	The methodology applied for extracting data from Tariffed Employees from SAP SuccessFactors End of Period 31.12.2024. Assumptions taken are that all tariffed employees are covered by collective bargaining agreements. Measurement for Collective bargaining is total number of tariffed employees EOP headcount divided by total number of employees EOP. Measurement for social dialogue is the total number of employees EOP headcount. Data is not validated by an external party.

Reported metric	Accounting policies, methodologies and assumptions
Health and safety	TRIF is calculated as follows: Number of personnel injuries (excluding first aid injuries) per million hours worked. TRIF is not validated by an external body. Definitions are in accordance with the definitions used by the Norwegian Ocean Industry Authority. SIF is calculated as follows: Number of incidents with an actual or potential serious consequence for people or environment per million hours worked. SIF is not validated by an external body. In addition to Own workforce, some value chain workers are included in the SIF and TRIF targets described in S1-5, where contractors defined as IOGP contract mode 1 and 2 are included. Contract mode 1: Work at Company site where the contractor provides personnel and tools for the execution of the work under the supervision, instruction and Management system of the Company. Examples: modification and maintenance at Company site, ISO services, catering services offshore. Contract mode 2: Complex and/or large contracts where contractor as a main rule perform all work under their own management system at Contractor's site. The work may include work at Company site. Examples: EPCI projects, hired drilling rigs, drilling and wells services.
Performance and career development reviews	The methodology applied for extracting data is SAP SuccessFactors from end of period 31.12.2024. Assumptions taken are that "regular performance and career development review" is defined as the annual development conversation that is registered by resource leader in SAP SuccessFactors and that all development conversations that are marked as ongoing or completed as of 31.12.2024 are included, as deadline for completion of 2024 conversations was 31.01.2025. The measure used is count of conversations for male, female or total EOP divided by total male, female or total EOP Headcount, respectively. Data is not validated by an external party.
Training hours	The methodology applied for extracting data is LMS module in SAP SuccessFactors with range from 1.1.2024 to 31.12.2024. Assumptions taken are that employees in data extraction can include inpats as they are provided the same training opportunities. Some training sessions (approx. 5 500 of 17 000) are given as an estimated timing based on type of course, as total time was not registered. Training includes both mandatory and voluntary training. The data for training is limited to what is registered in the LMS modules, and does not take into account other types of training (e.g. classroom training, on the job training or others internal or external courses). The measure used is the sum of hours within the reporting period for male, female or total divided by total employees EOP for male, female or total, respectively. Data is not validated by an external party.
Gender distribution	The methodology applied for extracting data is SAP SuccessFactors end of period 31.12.2024. Assumptions taken are that "Top Management" is defined as members of Executive Committee. The measure used is total number of top management EOP Headcount divided by total number of employees EOP Headcount. Data is not validated by an external party.
Age distribution	The methodology applied for extracting data is SAP SuccessFactors end of period 31.12.2024. Assumptions taken are that data extraction using "age" includes Permanent employees, Expats and Temporary employees. The measure used is total employees within age range EOP Headcount divided by total employees EOP Headcount. Data is not validated by an external party.
Gender pay ratio	The gender pay ratio was derived from the average annual base salary of all female and male employees, including pension and bonus but excluding overtime, duty allowance, and offshore compensation.
Compa-ratio	The compa-ratio compares the base salary, including pension and bonus but excluding overtime, duty allowance, and offshore compensation, between female and male employees, differentiated by position type (technical versus non-technical), level, and years of experience.

ESRS S2 – Workers in the value chain

Impacts, risks and opportunities

A detailed description of the double materiality assessment, along with the process to identify and assess material impacts, risks, and opportunities (IROs), is provided in chapter ESRS 2 - General disclosures. A table outlining the IRO's related to S2 - Workers in the value chain, including their matters on a sub-topic and sub-sub-topic level, is presented on the following page.

S2 – Workers in the value chain

				Value chain			Time horizon			
S2 – Workers in the value chain	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Industrial hazards Vår Energi's exploration and production activities and its supply chain may be associated with work-related hazards – see S1 - "Own workforce".	Working conditions	• Health and safety	Potential negative impact	●	●			●		
Working conditions Part of Vår Energi's activities may involve labour-intensive and involvement of multiple contractual partners and sub-contractors which increases complexities in ensuring consistent adherence to adequate working conditions and labour standards.	Working conditions	• Working time • Work-life balance	Potential negative impact	●	●			●		
Discrimination and inequality in the workplace Vår Energi is part of a male dominated industry, and may through partnerships, industry collaboration and supplier relationships, be directly linked to or contribute to discriminatory practices and inequal treatment of workers in the value chain. Vår Energi may be exposed to business relationships with operational activities in countries with high gender inequality and where human rights and worker rights are less protected by legal provisions.	Equal opportunities	• Gender equality and equal pay • Training and skills development • Measures against violence and harassment in the workplace • Diversity	Potential negative impact	●	●			●		
Labour rights violations Global supply chain and outsourcing of services such as facilities management and services may increase the exposure to potential labour rights violations.	Working conditions	• Freedom of association, including the existence of work councils • Collective bargaining	Potential negative impact	●				●		
Violations of human rights Exposure to global supply chains may increase the risk of forced labour occurring in countries and in sectors with known vulnerabilities to forced labour issues.	Other work-related rights	• Child labour • Forced labour	Potential negative impact	●				●		

Impacts, risks and opportunities management

S2-1 - Policies related to value chain workers

Vår Energi has identified five material potential impacts related to workers in the value chain: industrial hazards, working conditions, discrimination and inequality in the workplace, labour rights violations, and violations of human rights.

Vår Energi's success relies on robust relationships with suppliers who uphold strong ethical principles. While the Company does not maintain a separate Supplier Code of Conduct, it sets out expectations to all supplied workers in the Code of Ethics (see G1-1). Additionally, the Human Rights policy outlines the Company's responsibility to comply with international recognised human rights. The Behaviour & Conduct policy emphasises the Company's responsibility to ethical behaviour and conduct, and the Health & Safety Policy outlines the Company's responsibility to prioritise a healthy and safe work environment. These policies are easily accessible on the Company's website and are applicable to all personnel working for Vår Energi ASA, hired or contracted, including subsidiaries, and sets out the Company's expectations towards contractors, suppliers, and business partners. The Compliance requirements in all Vår Energi contracts (Appendix I) and purchase orders (General terms and conditions) requires the suppliers to ensure that all other companies working for Vår Energi as part of the contract is bound to the requirements in Vår Energi's Code of Ethics and policies and that they shall include similar compliance clauses in their own contracts. This is also verified in Human Rights audits of suppliers, please see S2-2 for more information on audits. The Human Rights policy explicitly addresses and prohibit human trafficking, forced labour or compulsory labour and child labour, and is further elaborated in chapter S1-1 - Working conditions. All aforementioned policies are approved and endorsed by the Board of Directors and the CEO. The VP Compliance is accountable for implementing, maintaining and developing the Human Rights policy, the EVP Safety & Sustainability is accountable for implementing, maintaining and developing the Health & Safety Policy and the EVP Legal, Compliance & Public Affairs is accountable for implementing, maintaining and developing the Behaviour & Conduct policy. The Code of Ethics and aforementioned policies addresses all identified material potential impacts.

The Human Rights policy cover Vår Energi's supply chain and is in line with the Norwegian Human Rights Act, the Norwegian Transparency Act, the Organisation for Economic Co-operations and Development (OECD) Guidelines for Multinational Enterprises, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, and the United Nations (UN) Guiding Principles on Business and Human Rights. Mechanisms to monitor compliance with internal and third-party commitments is described in detail in chapter S1-1 - Working conditions. During the reporting period, no instances of non-compliance with these internationally recognised instruments within Vår Energi's value chain have been reported.

It is stated in Vår Energi's Human Rights policy that the Company shall engage with its value chain workers (on-site contractors and upstream value chain workers, see definition in ESRS 2, S2.SBM-3 through "good industrial relations, communications and dialogue ".

The Code of Ethics and aforementioned internal policies state that all workers within the value chain must adhere to international human rights standards and national laws concerning child and forced labour, working hours, wages and benefits, and non-discrimination. Compliance with the Code and policies is integrated into the standard terms and conditions for both contracts and purchase orders. It commits the contractors to have in place policies and procedures which enable them to comply with Vår Energi's Code of Ethics and policies.

The CEO is the most senior-level executive accountable for the implementation of the Code of Ethics and policies. Vår Energi takes action to provide and/or enable remedy for human rights impacts through grievance mechanisms, engagement and dialogue with potential affected stakeholders, training and capacity building for employees and supplied workers in the value chain, and monitoring and reporting through internal audits and third-party assessments. For more information, reference is made to section S2-3 and S2-4. The mentioned measures help the Company not only to address human rights impacts but also work towards preventing future occurrences. These actions and practices are addressed in the Human Rights policy.

Vår Energi is committed to imposing restrictions on vendors found to be in violation of applicable laws and the Company's values, such as termination of the contract and indemnification of loss or damage. This is clearly stated in Appendix I - Compliance requirements, which is an attachment to all supplier agreements.

S2-2 - Processes for engaging with value chain workers

Vår Energi collaborates with various stakeholders in the value chain, including the Coordinating Working Environment Committee (C-WAC) within its operated areas in the North Sea and Barents Sea. The COO is accountable for ensuring the engagement in C-WAC. The Committee holds quarterly meetings aimed at fostering cooperation between Vår Energi and key suppliers[1] through their legitimate representatives, including management and employees. Through this collaboration, Vår Energi gains valuable insights and addresses challenges related to the working conditions, employee welfare and general health conditions, industrial hazards, and mitigates risks for labour and human rights violations, discrimination and inequality. These challenges are tracked and followed through action plans where relevant.

Vår Energi's procurement process involves several stages of engaging with a direct supplier and their legitimate representatives.

It begins with the selection of suppliers, where all contracts and purchase orders exceeding 2.5 million NOK undergo an integrity due diligence process conducted by the Compliance function prior to contract signing. The process also includes the main sub-suppliers and all other business partners, including new joint venture partners. This approach ensures that all identified material groups within the value chain, including on-site contractors and upstream workers, are integrated into the procurement process. The purpose of the process is to mitigate risks related to, amongst others, potential violation of human and labour rights. If the integrity due diligence assessment shows a higher risk of human or labour rights violations, the potential supplier must complete a comprehensive questionnaire to demonstrate that robust human rights procedures and sufficient safeguards are in place before the supplier is approved as a potential supplier. Qualification requirements are used to ensure that the supplier has sufficient technical and professional qualifications to safeguard human rights as part of the contract when this is possible. For new suppliers, Vår Energi ensures that contractual provisions are in place. This may include setting Key Performance Indicators (KPIs) to monitor compliance and performance. In 2024, the Company did not identify any suppliers where it deemed necessary to establish such KPIs. Ongoing supplier relationships are monitored by company representatives to ensure continuous insights and maintain close relations. The VP Supply Chain Management is accountable for implementing, maintaining and developing this process.

Additionally, all suppliers can be selected for an audit conducted by a third party. If there is a suspicion that a potential negative impact on value chain workers might materialise within Vår Energi's supply chain, or if there is a higher risk of negative impact, the company responsible for the value chain workers may be considered for a Human Rights audit. If no areas of concern related to potential negative impacts on workers have been identified for any particular suppliers, candidates for Human rights audit can be selected based upon industry risk and/or nature of the contract. For instance, labour intensive contracts with low-skilled workers with use of sub-suppliers from countries outside Norway have been selected based upon perceived higher risk for forced labour and unsatisfactory working conditions. Operators on the NCS has a collaborative approach to performing and sharing audits of suppliers, either with focus on the operational management system of the supplier or with focus on human rights, including potential impact on working conditions, discrimination in the workplace, labour rights violations as well as risk of human rights violations. This collaboration is facilitated by Offshore Qualific, a subsidiary of Offshore Norge, and is open to participation from all operators on the NCS. EVP Safety & Sustainability is accountable for implementing, maintaining and developing the process for audits related to operational management system of suppliers.

During onsite Human Rights audits, interviews are conducted with management, employee representatives, safety representatives as well as with individual workers.

[1] Representatives from the eight largest suppliers. Additionally, rig companies and shipping companies with operational activities at Vår Energi (typically exceeding one year) are represented as long as the activity is ongoing.

For the latter interviews, only third-part auditors are present, providing workers with the opportunity to raise any grievances they may have, whether related to their employer or Vår Energi as a contractor. The auditors select interview candidates from a list of potential candidates, ensuring that the management is unaware of who was interviewed. This approach allows workers to speak freely without fear of retaliation. Through the collaboration facilitated by Offshore Qualific, Vår Energi also gets access to Human Rights audits of several other suppliers. In 2024, the collaboration was expanded to include suppliers, enabling them to nominate additional suppliers for audits. Vår Energi nominated four companies for Human Rights audits in 2024. Two on-site audits have been completed, but the on-site visit for the last two were postponed to January 2025. The suppliers' policies and processes to safeguard the rights of vulnerable groups are also addressed. Whenever possible and applicable, interviews with vulnerable groups are prioritised. These audits help mitigate risks for violations of human and labour rights, discrimination and inequality, working conditions and industrial hazards. VP Compliance is accountable for implementing, maintaining and developing the process for Human Rights audits of suppliers.

S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns

Vår Energi is committed to contribute to remedies if an issue is identified that can negatively impact value chain workers. Vår Energi has not identified any such negative impacts in 2024. However, should the Company determine that it has caused or contributed to a material adverse effect on value chain workers, it will adhere to its established approach and processes for providing or contributing to remedies. In such cases, the Company will either cease activities that are causing or contributing to these adverse impacts or develop and implement fit-for-purpose plans to prevent and mitigate potential adverse impacts, in accordance with the OECD Due Diligence Guidance for Responsible Business Conduct.

The Company will seek to consult and engage impacted or potentially impacted value chain workers when determining the approach to mitigation and to track the effectiveness of the measures to identify, prevent, mitigate and, where appropriate, support remediation of impacts the enterprise has, or may, cause or contribute to.

The Company utilises the third party provided Whistleblowing channel as the primary grievance mechanism. The channel is referred to in the Code of Ethics, and all value chain workers must familiarise themselves with it. The channel is easily accessible to all value chain workers and other third parties as it is publicly available through the Company's website, providing the opportunity to raise concerns or needs, and have them addressed. The whistleblowing committee will send a response or follow-up questions within ten days of receiving a concern. If the concern is reported anonymously, it is still possible to communicate with the individual through the Whistleblowing channel, whilst keeping full anonymity. This can help to protect against retaliation for all individuals that use it, in addition to the clear statement in the Code of Ethics that Vår Energi will not tolerate, under any circumstances, any form of retaliation against any person who has raised concerns in good faith. Every report is handled with the highest sensitivity, ensuring confidentiality is maintained to the fullest extent possible.

Upon receiving a grievance, the whistleblowing committee assesses its severity. Subsequently, an investigation is conducted in accordance with the recommended procedures from the Norwegian Labour Inspection Authority. Once the grievance is verified, relevant parties are notified, made aware of their rights and way forward. Guidance is provided to both parties on follow-up measures and mitigating adverse impacts. The type and nature of remedial actions are determined by the specific impact identified. Ultimately, the responsibility for implementing these measures and continuously monitoring the efficiency of the overall process, as well as understanding trends over time, lies with the Executive Committee and the VP Internal Audit. While direct monitoring of employee trust in the process is not conducted, all whistleblowing cases are tracked and monitored. In 2024, the Company achieved a 100% response rate, addressing all cases within the established deadline of ten calendar days. Most cases were closed within a short period of time and only cases reported in December remained open at end of the year. This demonstrates the efficiency of the whistleblowing channel and process.

For further information regarding the Company's whistleblowing process, including the protection of those raising a concern, reference is made to section G1-1 - Business conduct policies and corporate culture. In 2024, one whistleblowing report is known to be from an external party. This was concluded to not represent a censurable condition. All whistleblowing reports identified during the reporting period have been investigated and addressed, with the majority resolved. Consequently, the necessary remedies have been implemented.

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

The Company has both ongoing and planned actions aimed to prevent and mitigate potential negative impact for workers in the value chain. Vår Energi is addressing its potential negative impacts on value chain workers related to industrial hazards, working conditions, discrimination and inequality in the workplace, labour right violations and violations of human rights. The implementation of the planned actions does not require significant operational expenditures and/or capital expenditures.

Action	Key Action/Scope of action	Time horizon	Descrption of Key Actions taken & Results
Human and labour rights training	Human rights awareness training of Vår Energi's Supply Chain Management personnel handling contracts	Annually	Make key personnel aware of their responsibilities in discovering, mitigating and preventing negative impacts on value chain workers related to labour and human right breaches
Contract classification	Implement strategy for categorising the Company's contracts into one of the three groups: strategic, operational or critical	Ongoing	Enhance supplier evaluation to mitigate and prevent negative impacts related to labour and human rights breaches. Allow even smaller contracts to be classified as critical and receive more attention.
Contract guideline	Develop a contract follow-up guideline for all Vår Energi personnel managing contracts	Q4 2025	Establish clear rules for required level of follow-up based on tailored evaluation to mitigate and prevent negative impacts related to labour and human rights violations
Actions based on C-WAC meetings	Continuous improvement of the Company's own operated activities based on input from meeting participants in quarterly meetings	Ongoing	Actions based on input from meetings, e.g. industrial hazards, working time, overtime and anti-bullying & harassment initiatives hereby, adjustments for workers with dyslexia and other disabilities
Emergency response training and exercises	Emergency response training for all Vår Energi personnel, including formalised training of all roles in 1st line (offshore) and 2nd line (onshore).	Regularly, as presented for each response level	Maintaining an organisation that is trained and prepared to respond to emergencies is an activity aimed at managing the identified potential negative impact of industry hazards on the value chain workers. Frequency of training depends on role, 1st aid team offshore have one training/exercise per six weeks, 2nd line members have two exercises annually and formalised training every 2nd year. All offshore personnel undergo a basic safety training course (five days first time, then two days on refresher training every four years). The course includes basic first aid, basic firefighting, helicopter escape and use of lifesaving equipment.

Preventative measures are being implemented to identify areas of concern related to the material IRO's in the value chain. Vår Energi has defined processes for identifying which actions to take in response to potential negative impacts for workers in the value chain. These are made available through the Company's management system and webpage for workers in the value chain. As described in S2-2 Process for engaging with value chain workers, Vår Energi's main approach to identify relevant mitigating, and remediation actions are through Vår Energi's due diligence process, audits and human rights audits. Based on the results of these actions the Company will decide on the necessary actions.

Once a contract is in place, risk of potential negative impacts in the value chain are monitored through dialogue and follow-up with the value chain workers, or through C-WAC. Potential negative impacts on workers are always a topic in dialogue meetings with the value chain workers, particularly related to working conditions and health and safety. Working hours are monitored through the monthly approval of timesheets for all individuals who log their hours in the timewriting system. This includes permanent employees, temporary employees, inpats, and contract workers. Potential impacts can also be identified through other audits conducted via the Offshore Qualific cooperation, as mentioned under S2-2 - Processes for engaging with value chain workers. This will then be reported to the Human Rights workgroup.

Closure of findings, observations and recommendations found in these human rights audits are followed up through a system administered by Offshore Qualific named Magnet JQS. Additionally, the results of audits conducted by other companies are provided. The effectiveness of actions and initiatives from the audits is assessed through direct feedback with the supplier in question. The effectiveness of the Human Rights audit process and the improvement thereof are discussed in a Human Rights network managed by Offshore Qualific.

The Whistleblowing Committee (WBC) will consider potential negative impacts that are reported through the whistleblowing channel as well as the respective mitigating measures (further described in section S1-3 - Processes to remediate negative impacts and G1-1 - Business conduct policies and corporate culture).

Both the Human Rights workgroup and the WBC consist of dedicated resources allocated to manage material impacts, if identified. If any areas of concern are discovered through a Human Rights audit, this will be handled via dialogue and follow-up meetings with management of the value chain worker, the Company Representative and the Compliance function. Action plans will be made based upon the findings, with concrete tasks and deadlines for resolving the identified issues. The Supply Chain Management function and management will also be involved as applicable depending on the issue and severity. The third-party auditor performing the audit can also help facilitate the follow-up and in setting up an action plan. So far, no material actual impacts and no severe human rights issues have been identified. For details regarding the resources of the WBC reference is made to G1-1.

In addition, the Company has a system where identified unsafe conditions, near-misses and accidents are reported according to requirements in the Working environment Act (WEA). Vår Energi encourages that unsafe and concerning conditions are reported and managed as soon as possible. Therefore, anyone working at the Company's sites, both employees and value chain workers offshore and onshore, can raise concerns related to possible unsafe conditions. Reference is made to S1-3 where this this is further described.

Vår Energi's Internal Audit department conducted an audit in Q4 2024 regarding "Detection and follow-up of human rights breaches in the supply chain" to verify if the Company's processes for detecting and following up potential human rights breaches are in compliance with the Transparency Act requirements. There were no findings from the audit, only a few observations with recommendations that will be followed up in 2025.

Performance, metrics and targets

Targets

S2-5 - Targets related to managing negative impacts, advancing positive impacts, and managing material risks and opportunities

Vår Energi has not established measurable outcome-oriented targets for managing negative impacts for workers in the value chain, as this requires cooperation with the suppliers regarding what is achievable to measure and it has not been a priority to get this in place in 2024. This will be further looked into in 2025. However, the Company did have measurable outcome oriented targets for tender evaluations related to gender diversity and equal payment, and some value chain workers are included in the SIF and TRIF targets described in S1-5, where contractors defined as IOGP contract mode 1 and 2 are included.

Vår Energi tracks the effectiveness of its policies and actions through its audits, inspections and contract follow-up meetings. The level of ambition and base period may be set in specific cases or contracts, but no defined general targets are set.

ESRS S3 – Affected communities

A detailed description of the double materiality assessment, along with the process to identify and assess material impacts, risks, and opportunities (IROs), is provided in chapter ESRS 2 - General disclosures. A table outlining the IRO related to S3 - Affected communities, including their matters on a sub-topic and sub-sub-topic level, is presented on the following page.

Hammerfest

S3 – Affected communities

				Value chain			Time horizon			
S3 – Affected communities	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Disruption of indigenous communities Activities related to oil and gas production may affect areas inhabited by indigenous peoples and potentially lead to disputes over land rights and disruption of indigenous communities' traditional ways of life and their access to carry out traditional, cultural activities.	Rights of indigenous people	• Cultural rights	Potential negative impact	●					●	

Impacts, risks and opportunities management

S3-1 - Policies related to affected communities

Through its Code of Ethics, Vår Energi is dedicated to respecting the rights of indigenous peoples and communities by recognising their cultures in accordance with international standards. The Company is committed to fostering ongoing and transparent consultations to inform local communities, ensuring that their expectations are considered in all of its activities.

Through the Human Rights policy, the Company is committed to uphold internationally recognised Human Rights in own operations, supply chain, and other business relationships, aiming to prevent complicity in human rights violations, with special attention given to the impact on particularly vulnerable groups such as indigenous people. The approach to respect for the human rights of indigenous peoples is to interact with relevant stakeholders and conduct human rights due diligence in line with international standards, applying risk assessments to identify, prevent, mitigate, and account for negative human rights impacts and providing appropriate remediation.

The Policy is aligned with:

- The Universal Declaration of Human Rights of 1948
- The International Covenant on Economic, Social and Cultural Rights of 1966
- The International Covenant on Civil and Political Rights of 1966
- The United Nations Guiding Principles on Business and Human Rights
- The ten principles of the United Nations Global Compact
- OECD Guidelines for Multinational Enterprises

The VP Compliance has the overall responsibility to oversee the effectiveness of the policy. The EVP for each business line is responsible for adhering to the commitments in the policy for their respective areas.

No cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve affected communities have been reported in 2024.

S3-2 Processes for engaging with affected communities

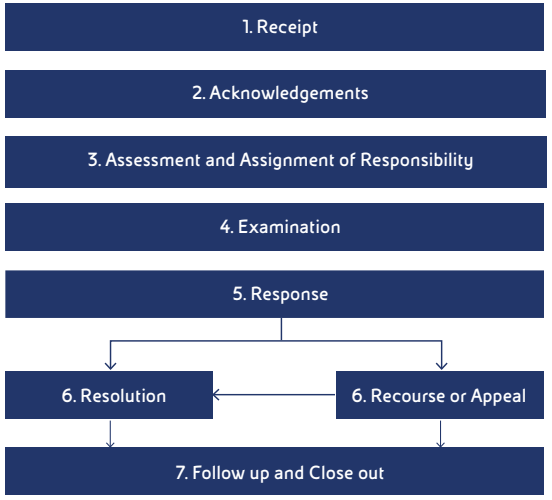
Vår Energi has not adopted a process for engagement with indigenous people, as this is included in the general stakeholder management processes. However, the Company is committed through the Human Rights policy to align with the OECD Guidelines for Multinational Enterprises, including its recommendations for stakeholder engagement.

S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns

In the event that Vår Energi identifies that it has caused or contributed to a material negative impact on indigenous peoples, the Company would follow its general approach to and processes for providing or contributing to remedy. Based on that, the Company stops activities that are causing or contributing to adverse impacts, or develop and implement plans that are fit-for-purpose to prevent and mitigate potential adverse impacts, as described in the OECD Due Diligence Guidance for Responsible Business Conduct.

The Company will seek to consult and engage impacted or potentially impacted indigenous groups when determining the approach to mitigation and to track the effectiveness of the measures to identify, prevent, mitigate and, where appropriate, support remediation of impacts the enterprise has, or may, cause or contribute to.

The main activities in the process are described below:



The general approach to providing or contributing to remedy where the Company has identified that it has caused or contributed to a material negative impact on affected communities is to:

- Stop activities that are causing or contributing to adverse impacts, or;
- Develop and implement plans to seek to prevent or mitigate actual or potential adverse impacts. These plans should detail the actions Vår Energi will take, as well as its expectations towards its suppliers, buyers and other business relationships.

The Company does not have a separate grievance mechanism for affected communities and indigenous peoples. However, the whistleblowing centre (further described in section G1 – Business conduct) provided by an external party is available on the Company's website to raise any concern, including concerns from indigenous peoples. The Code of Ethics protects any person who has raised concerns in good faith against retaliation.

S3-4 Actions and resources

During 2024, Vår Energi has not conducted any actions related to indigenous peoples. The Company's current operated activities are not assessed to have a negative impact on indigenous peoples, and the Company has therefore not implemented any mitigating efforts at this time. Further, the Company has not identified or been made aware of any negative impacts that have required remediation actions. If made aware of any such instances, Vår Energi will implement the appropriate actions in the future.

Governance information

ESRS G1 – Business conduct

Impacts, risks and opportunities

A detailed description of the double materiality assessment, along with the process to identify and assess material impacts, risks, and opportunities (IROs), is provided in chapter ESRS 2 - General disclosures. A table outlining the IRO's related to G1 - Business conduct, including their matters on a sub-topic and sub-sub-topic level, is presented on the following page.

G1 – Business conduct

				Value chain			Time horizon			
G1 – Business conduct	Sub-topic	Sub-sub-topic	IRO	Upstream	Operations	Downstream	Short	Medium	Long	Linked to risk or opportunity
Corporate culture Given the wide sustainability impacts of Vår Energi's activities, a system of shared values and norms are essential to provide a clear expectation on behaviours for stakeholders across the whole value chain. The corporate culture is essential to manage the risks related to governance.	Corporate culture		Potential negative impact	●	●	●			●	
Whistleblowing Whistleblower reporting channels, procedures to follow-up on reports by whistleblowers and measures to protect against retaliation on whistleblowers are essential to identify concerns related to sustainability impacts and responsible business conduct.	Protection of whistle-blowers		Potential negative impact	●	●				●	
Influencing public policy Engagement with policy makers and lobbying activities may impact societal and environmental interests if advocating for corporate interests over broader public and environmental concerns.	Political engagement and lobbying activities		Potential negative impact		●				●	
Exposure to corrupt practices Vår Energi may be exposed to possible corrupt practices at various stages throughout the global supply chain. Corruption may lead to various negative impacts, such as misallocation of resources revenues, damage to the environment, abuse of democracy and human rights, and political instability.	Anti-corruption	• Prevention and detection including training • Incidents	Potential negative impact	●	●				●	

Impacts, risks and opportunities management

G1-1 - Business conduct policies and corporate culture

Vår Energi's approach to business conduct is anchored in the management system, which has been developed and improved since Vår Energi was first established in December 2018. By merging Eni Norge and Point Resources in 2018, and the following business combinations of ExxonMobil non-operated activities and Neptune Energy Norge operations joining since then, creating a Vår Energi corporate culture and a common way of working has been a priority and focus. The Board of Directors have established the foundation of the corporate culture through their adoption of the Company's Code of Ethics and policies. These documents have also been updated and improved over the years. Vår Energi's values, "Proactive", "Entrepreneurial", "Responsible" and "Collaborative", aim to support a common direction and reflect desired behaviour in the Company. This was elaborated upon further in the new "Vi er Vår" (We are Vår) document, established in 2024, which is ranked as the highest governing document in the management system. This gives an insight into the principal elements of Vår Energi's business, who Vår Energi is and how Vår Energi works. Corporate governance is a key part of this, and further details on Vår Energi's approach to corporate culture and business ethics are provided in the Code of Ethics. This sets out the rules and standards that apply for all Vår Energi's activities and business relationships. It constitutes a guide for decisions and actions that is consistent with Vår Energi's culture of responsibility, legality, transparency, and long-term value creation for all stakeholders. The corporate culture is evaluated through an annual People Survey, which covers amongst others topics on culture and wellbeing at the workplace. Executive Committee and key leadership positions are responsible for following up results from their department to address any negative impacts highlighted in the survey. Please see S1-2 - Process for engaging with own workforce and workers' representatives about impacts for more information on the People Survey.

In addition to the Code of Ethics, the Board of Directors has adopted a Human Rights policy and a Behaviour and Conduct policy, outlining the Company's commitment to uphold internationally recognised human rights and ethical behaviour and conduct.

Through the Code of Ethics and the Human Rights policy, Vår Energi is committed to respect and support internationally recognized human rights in its own operations, its supply chain and other business relationships and seeks to avoid complicity in human rights violations, in line with the Norwegian Human Rights Act, the Norwegian Transparency Act, the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The commitments include applying the precautionary principle related to health, safety and the environment and conducting due diligence on human rights and worker rights as described in the OECD Due Diligence Guidance for Responsible Business Conduct.

The Behaviour and Conduct policy outlines, in addition to the Code of Ethics, Vår Energi's commitment to ethical business conduct and adherence to applicable law, including on anti-corruption and anti-bribery.

"Vi er Vår", the policies, and the Code of Ethics is communicated to all Vår Energi's employees upon hiring. It is also disseminated when updates or changes occur, and reminders are provided through training and announcements to all employees. In addition, mandatory webinars are distributed to all employees and contractors on different topics related to the Code of Ethics every year. For 2024, the focus was on anti-corruption and inside information. The webinars are also distributed to all new employees when hired. Employees considered to be more exposed to breaches of the Code of Ethics and anti-corruption requirements are functions with high exposure to third parties, the Supply Chain Management, Business Development and Commercial functions. Additionally, these employees receive classroom training in compliance topics as per the Compliance training plan. While the primary focus is on anti-corruption, the training also encompasses essential topics like human rights, competition law, trade sanctions and data privacy. The training is managed by the Compliance function and is in accordance with the Company's Compliance training plan approved by the Executive Committee. For 2024, 100% of those considered at risk received and completed training on anti-corruption and inside information.

It is a requirement in all supplier agreements to follow the principles set out in the Code of Ethics and when there are updates to the Code of Ethics this is communicated to all suppliers Vår Energi has framework agreements with. There were no updates to the Code of Ethics in 2024.

Whistleblowing process

In the Code of Ethics, the Company encourages anyone that have questions or concerns to contact either their manager or the Compliance function. The Code also sets out the duty to report if someone is not applying, or is about to violate, legal provisions and any of the principles of the Code of Ethics.

Vår Energi has a reporting process for whistleblowing cases in accordance with the requirements of the Norwegian Working Environment Act (WEA). This process is available for both internal and external stakeholders via Vår Energi's home page and was prepared in cooperation with the workforce representatives. A reminder of the whistleblowing function was communicated to all employees in November 2024 to ensure that everyone working for Vår Energi is aware of what to do with and how to report any concerns they may have. Graduates, safety delegates and union representatives also receive an introduction of the whistleblowing[1] channel and the conflict handling processes. In addition, the mentioned anti-corruption webinar as well as Compliance classroom training both refer to the whistleblowing channel as a means for reporting censurable conditions.

Vår Energi uses an externally provided and web-based tool, WhistleB, for managing whistleblowing cases. Grievances can also be reported here. WhistleB ensures anonymity unless the user decides to disclose their identity. The communication channel is encrypted, password protected and complies with the ISO 27001 IT security standard. Whistleblowing cases are handled promptly and objectively by the Whistleblowing Committee (WBC) in accordance with the Whistleblowing procedure setting out the guidelines for investigation. The whistleblowing procedure and the whistleblowing committee is administered by the Internal Audit function to preserve independence from management. The WBC consists of three senior employees from the Internal Audit, Legal & Compliance and People & Communication departments. Both the member of the WBC and the stand-in from the Legal & Compliance department are lawyers from the Legal function, and not part of the Compliance function that is involved with prevention and detection of corruption and bribery on a regular basis. The EVP Legal, Compliance & Public Affairs is the head of both functions, but as the WBC is headed by the VP Internal Audit, the investigating committee is considered separate from the management involved in prevention and detection of corruption and bribery. Whistleblowing cases and other cases concerning breaches of Code of Ethics (e.g. bribery, fraud and corruption) are handled in accordance with the Company's procedure, process and checklist for whistleblowing. All members of the WBC have been trained through one or more Institute of Internal Auditors (IIA) course(s) or equivalent on how to manage whistleblowing cases including investigations. Seminar attendances on the topic are encouraged and take place frequently through the IIA, the lawyers association and individual law firms.

Only the WBC has access to WhistleB. Deputies for the members in the WBC can be appointed when considered necessary, for instance to ensure impartiality. If the Company is not considered impartial, or the required competence is not available in the Company, external assistance may be used. If the case is believed to be illegal it is reported to the police. Concerns and grievances can also be raised to the relevant manager, the Legal & Compliance department or the Vice President Internal Audit, who is the chair of the WBC. Additionally, it is a requirement that the employer or the safety representative should be notified as soon as one becomes aware of harassment or discrimination in the workplace. Moreover, fraud is considered and checked for in every internal audit in the Company.

Vår Energi encourages reporting of suspected violations and the Company's policy is to not tolerate, under any circumstances, any form of retaliation against any person who has raised concerns in good faith and in no case will take or threaten any adverse action or discrimination of any kind against those who report wrongdoings or express concerns regarding ethical issues. The Whistleblower, the person the notification concerns and the working environment can be affected by whistleblowing cases. All employees are always entitled to a fully responsible working environment.

[1]The channel changed name to the Ethics channel in 2025

According to the Whistleblowing procedure when one or more employees are in a vulnerable situation, the WBC shall undertake a risk assessment of the situation so that all parties to the case are ensured a fully responsible working environment throughout the whole process. The Company shall particularly have a high focus on initiatives for preventing retaliation. The WBC will evaluate if it is required to inform line management to prevent escalation of a censurable situation or to clarify other matters that might be of importance for the investigation. The whistleblower may remain anonymous as the whistleblowing channel allows for communication without disclosing identity. If necessary, the Company will implement measures suitable for preventing retaliation.

The WBC is responsible for preparing an investigation report and a high-level summary of individual cases to the CEO, and for preparing a semi-annual report containing number of whistleblowing cases, types of censurable conditions and how the cases were handled which are distributed to the Executive Committee, the Working Environment Committee, and the Board of Directors via the Audit Committee.

G1-3 - Prevention and detection of corruption and bribery

Vår Energi has zero tolerance for bribery and corruption. This is clearly stated both in the Behaviour and Conduct policy and the Code of Ethics, supported by Vår Fundamentals Anti-corruption. This document sets out further requirements and information for all employees to prevent incidents of corruption and bribery, including an attachment with specific rules regarding gifts and hospitality. All gifts and hospitality above a specified threshold must be registered in a Gifts & Hospitality register, which is regularly reviewed by the Compliance function for compliance with the internal requirements. In 2024, an application was developed for the Gifts & hospitality register to make the register more easily accessible for all employees, also on their mobile phones. Reminders about the Vår Fundamentals Anti-corruption, and in particular the rules for Gifts & hospitality and register are provided to all employees and contractors via Workplace at least annually, in addition to being part of the Compliance training plan. Anti-corruption and bribery training is handled by the Compliance function together with other compliance training, please see section G1-1. Details of attendance are listed on the following page.

Risk assessment is conducted at least annually for all defined compliance areas, including anti-corruption. The risk assessment is done using the same format as for enterprise risk assessments and in accordance with Vår fundamentals Governance, Risk and Compliance. The assessment is performed in a workshop with the EVP Legal & Compliance, the VP Compliance, the VP Legal and the Compliance Advisor. The corruption risk for the Company is evaluated, including risk factors and mitigating measures to reduce risk of corruption. While the impact of corruption could be high, Vår Energi only operates on the Norwegian continental shelf, which reduces the risk of corruption compared to higher general corruption risk in the oil and gas industry outside of Norway. The likelihood of a corruption risk materialising is thus considered low and with the mitigating measures in place the risk of corruption is not considered to be significant.

One of the mitigating measures in place to avoid getting involved in corruption is integrity due diligence of new business partners as described in the Company's Integrity Due Diligence procedure and the Compliance with Due Diligence risk requirements in Procurement procedure. Business partners are checked using a dedicated IT tool where the companies, their directors, senior managers, and ultimate beneficial owners are all checked for sanctions, political exposure, fines, charges, and/or adverse media, for instance related to corruption, fraud and human rights violations. Financial due diligence is also included.

Any concerns regarding corruption or bribery are handled in the same manner as other concerns regarding legal provisions and/or other principles of the Code of Ethics. Reference is made to the "Whistleblowing process" in section G1-1.

Classroom training is provided to high-risk functions. The classroom training is a two-hour session where the section on anti-corruption and anti-bribery covers an overview of the main applicable anti-corruption laws and Vår Energi's policies and guidelines for Anti-corruption. It also explains the tools and resources available in the Company to ensure compliance, with a special focus on gifts and hospitality.

The Human Rights section gives an overview of Vår Energi's commitment to respect human and labour rights, the requirements pursuant to the Transparency Act and what the Company does to ensure compliance with the requirements. Trade laws and sanctions provides a general understanding of applicable sanctions, export control legislation and specific sensitive regions, as well as tools and resources available to ensure compliance. Integrity Due Diligence (IDD) explains when an IDD is required and what is covered by an IDD.

The section on Competition law covers what is included under competition law and risks to look out for, as well as what to do in case of a regulatory investigation. Inside information explains what constitutes inside information and what obligations and duties follows from having inside information.

The final section is on Data Privacy and includes what personal data is, what the requirements are for processing personal data and where to seek guidance. The compliance classroom training ends with an overview of where one can get help or report issues regarding compliance, including the whistleblowing channel. In addition, mandatory webinars are sent out to all employees and contractors, which for 2024 consisted of webinars on inside information and anti-corruption.

Anti-corruption and bribery training

	At-risk functions	Managers[1]	AMSB[2]	Other employees and in-house contractors
Training coverage				
Total	104	116	18	1506
Total receiving training	104	116	10[3]	1497
Total received classroom training	91	0	0	0
Delivery method and duration				
Classroom training	2 hours	2 hours		
Computer-based training	1 hour	1 hour	1 hour	1 hour
Frequency				
Anti-corruption / Anti-Bribery	Annually	Bi-annually	Bi-annually	Bi- annually
Various compliance themes	Annually	Annually	Bi-annually	Annually
Topics covered				
Anti-corruption / Anti.Bribery	●	●	●	●
Human Rights	●			
Trade laws and sanctions	●			
Integrity Due Diligence	●			
Competition law	●			
Inside information	●	●	●	●
Data privacy / GDPR	●			

[1] Managers for at-risk functions included under "At-risk functions"
[2] Administrative, management and supervisory bodies
[3] Members of the Board of Directors which are not employees of Vår Energi receives training from external sources on compliance matters, including on anti-corruption and anti-bribery matters

Metrics

G1-4 - Incidents of corruption and bribery

Convictions for violation of anti-corruption and anti-bribery laws

	2024
Number of convictions for violation of anti-corruption and anti-bribery laws	0
Amount of fines for violation of anti-corruption and anti-bribery laws (USD)	0

Incidents of corruption and bribery

	2024
Number of confirmed incidents of corruption or bribery	0
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0

G1-5 - Political influence and lobbying activities

Vår Energi engages directly with elected political representatives in the Norwegian Parliament, including members of the Energy and Environment Committee as well as local politicians in matters related to continued stability of framework conditions for oil and gas production on the Norwegian continental shelf (NCS) and access to exploration acreage to maintain and expand production of oil and gas, which will contribute to climate change through increased GHG emissions from the end use of the product. The EVP People, Communication, IT & Digital is responsible for overseeing these activities.

The Company is also an active member of Offshore Norge, an employer and industry organisation for companies with activities related to the NCS, with employees participating in several of its committees, fora and networks. Vår Energi's CEO is also part of Offshore Norge's Board of Directors. Offshore Norge's positions on relevant sustainability matters are aligned with Vår Energi's and are publicly available on the Offshore Norge website.

Data on public affairs and lobbying is gathered through a digital stakeholder management tool. Approximately one full-time equivalent (FTE) was dedicated to public affairs and public policy development in 2024. Stakeholder feedback has not been used systematically to assess the effectiveness of the public policy management.

According to the Code of Ethics, Vår Energi may not make financial or in kind contributions to political parties. No such contributions took place in 2024.

There were no appointments of any members of administrative, management and supervisory bodies who held comparable positions in public administration in the two years preceding such appointment.

Sandnes, 28 March 2025 – The Board of Directors of Vår Energi ASA

Signed electronically

Thorhild Widvey
Chair

Liv Monica Bargem Stubholt
Deputy Chair

Francesco Gattei
Board member

Guido Brusco
Board member

Francesca Rinaldi
Board member

Claudia Almadori
Board member

Fabio Ignazio Romeo
Board member

Ole Johan Gillebo
Board member

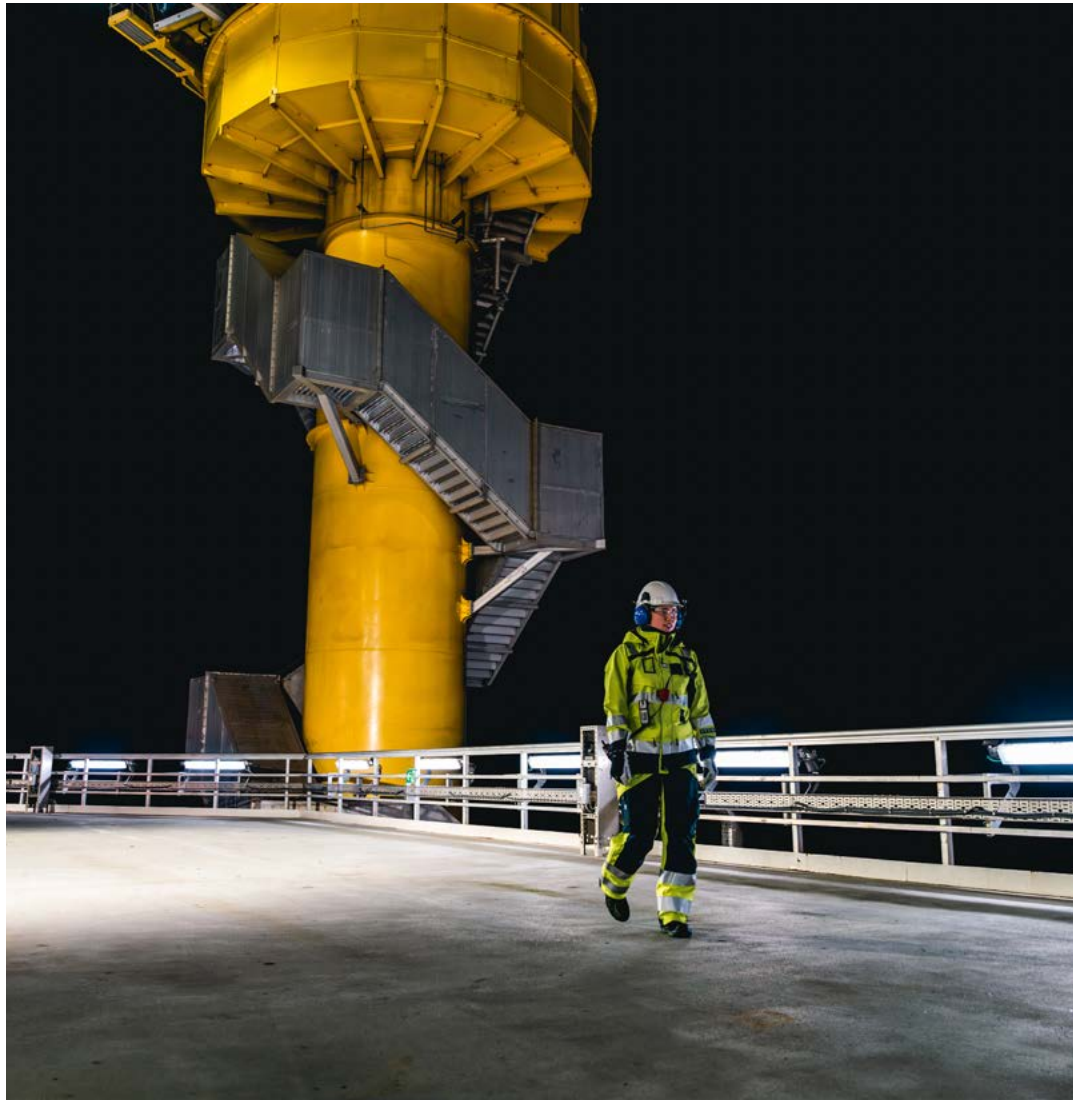
Jan Inge Nesheim
Board member, employee elected representative

Martha Skjæveland
Board member, employee elected representative

Carl Anders Olof Kjörling
Board member, employee elected representative

Lilli Sahlman Fagerdal
Board member, employee elected representative

Nicholas John Robert Walker
Chief Executive Officer



Auditor's report

To the General Meeting of Vår Energi ASA

Independent Sustainability Auditor's Limited Assurance Report

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Vår Energi ASA (the «Company») included in the 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 section IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities within the General Information; and
- compliance of the disclosures in section EU Sustainable Finance Taxonomy 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 the Managing Director (Management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in section IRO-1 – Description of the process to identify and

PricewaterhouseCoopers AS, Kanalsletta 8, Postboks 8017, NO-4068 Stavanger
T: 02316. org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

assess material impacts, risks and opportunities within the General Information of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group'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 Group'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 section EU Sustainable Finance Taxonomy 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 Group. 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 section IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities within the General Information.

Our other responsibilities in respect of the Sustainability Statement include:

- 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 section IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities within the General Information.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by:
  - Obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
  - Obtaining an understanding of the Group'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;

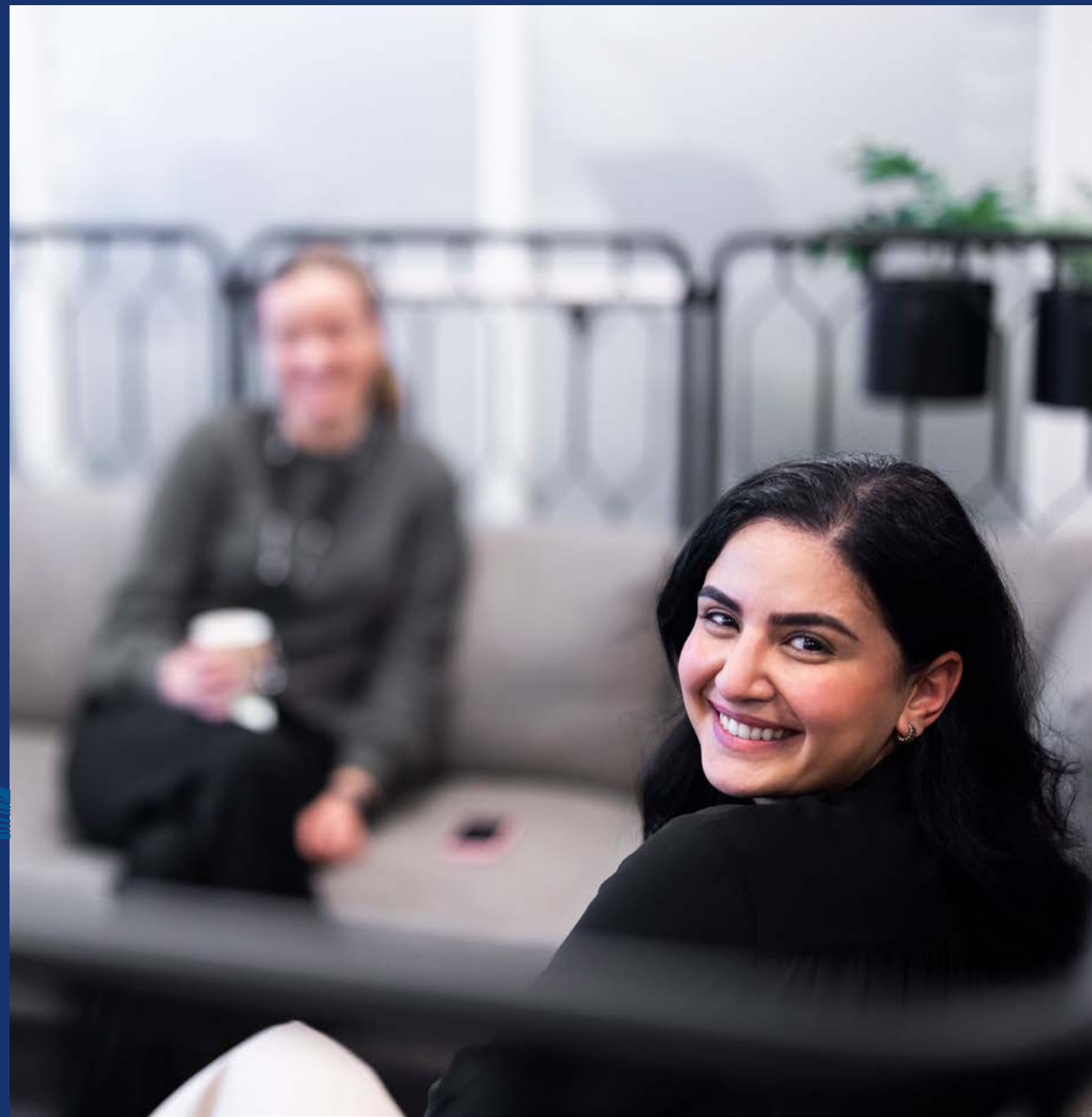
- Performed inquiries of relevant personnel on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures 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;
- 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 and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Stavanger, 28 March 2025
PricewaterhouseCoopers AS

Per Arvid Gimre

State Authorised Public Accountant – Sustainability Auditor

Governance



Corporate governance report

Vår Energi is committed to providing information in an open, transparent, and timely manner to its shareholders and stakeholders. On 16 February 2022, the Company was listed on Oslo Stock Exchange (OSE). As of 31 December 2024, Eni International B.V. is the only large shareholder, holding 63.04% of the shares. No other shareholder holds above 10% of the shares.

1. Implementation and reporting on corporate governance

The Board of Directors (BoD / the Board) has approved a "Corporate Governance Policy" (the CG Policy) which is based on the Corporate Governance Code issued by the Norwegian Corporate Governance Board (www.nues.no). The CG Policy addresses the framework of guidelines and principles regulating the interaction between the Company's shareholders, the board, the CEO and the Company's Executive Committee. The CG Policy supplements the Company's Code of Ethics and other Policies and Management System Guidelines (MSGs).

The BoD provides a report on the Company's corporate governance practices in the annual report which addresses each individual section of the Corporate Governance Code based on the "comply or explain" principle should the Company's practices differ from the recommendation of the code. As of 31 December 2024, the Company deviated from section five of the Corporate Governance Code: The Company has two share classes with deviating voting rights in respect of Board elections, whereby the holder of the Class B shares shall be entitled to appoint four of the shareholder-elected directors to the Board. There are no specific measures in place regulating the exercise of the influence which follows from holding a majority of the shares in the Company.

2. The business

Vår Energi is a leading independent upstream oil and gas company. The Company's business is as defined by article 3 in the Articles of Association, last updated 7 May 2024.
"The business of the Company is exploration for and production and sale of oil and gas and other business in connection therewith. The business of the Company may be operated through participation in other companies."

The Board has established objectives, strategies, and risk profile for Vår Energi's activities within the scope of the definition of its business, to create value for its shareholders in a sustainable manner, also considering economic, social, and environmental factors. The Company's objectives, strategies and risk profile are subject to annual review by the BoD. The Company's objectives, principal strategies and corporate responsibility framework are further described in this report, and available at www.varenergi.no.

3. Equity and dividends

Equity and capital structure

As of 31 December 2024, the Company's equity was USD 833 million, which is equivalent to 4% of total assets. The Board considered the capital structure at year-end to be satisfactory in relation to the Company's objectives, strategy and risk profile.

Dividend policy

The Company is committed to maintain a satisfactory equity ratio according to the Company's goals, strategy, and risk profile, and to create long-term value for its shareholders. The dividends will be contingent on the Company's financial position and the business outlook.

The annual general meeting (AGM) on 7 May 2024 authorised the BoD to resolve and declare dividends during 2024 based on the Company's annual financial statements for 2023. The authorisation is valid until the Company's annual general meeting in 2025.

For the financial year 2024, the Company distributed a total of USD 1 080 million in dividends, of which USD 810 was paid during the year, and USD 270 million were distributed in February 2025. The dividends were paid quarterly in line with policy. The dividends were paid in NOK per share, totalling approximately NOK 4.69 per share for the year.

Board authorisations

As of 31 December 2024, the Board held the following authorisations granted at the annual general meeting on 7 May 2024.

- An authorisation for the Board to resolve and declare dividends based on the Company's annual financial statements for 2023. The authorisation is valid until the Company's annual general meeting in 2025.
- An authorisation to increase the Company's share capital by up to NOK 39 942 500 through issuances of ordinary shares. The authorisation may be used for the purpose of raising equity capital for investments within the Company's scope of operations and general corporate purposes, or as consideration in connection with acquisitions, mergers, de-mergers, or other transactions. The shareholder's preferential rights may be set aside. The authorisation is valid until the AGM in 2025, but at the latest expires on 30 June 2025.
- An authorisation to acquire shares in the Company (treasury shares) for an aggregate nominal value of up to NOK 19 971 250, for use for investment purposes, for the purpose of sale and/or transfer to employees in the Company or for the purpose of utilising the Company's shares as transaction currency in acquisitions, mergers, de-mergers, or other transactions. When acquiring treasury shares the consideration per share may not be less than NOK 1 and may not exceed NOK 200. The authorisation is valid until the AGM in 2025, but at the latest expires on 30 June 2025.

4. Equal treatment of shareholders

Pre-emption rights to subscribe

According to the Norwegian Public Limited Liability Companies Act, the Company's shareholders have pre-emption rights in share offerings against cash contribution. Such pre-emption rights may, however, be set aside, either by the General Meeting or by the Board of Directors if the General Meeting has granted a board authorisation which allows for this. Any resolution to set aside pre-emption rights will be justified by the common interests of the Company and the shareholders, and such justification will be publicly disclosed through a stock exchange notice from the Company. There were no such resolutions in 2024.

Trading in own shares

According to the Norwegian Public Limited Liability Companies Act, the Company's shareholders have pre-emption rights in share offerings against cash contribution. Such pre-emption rights may, however, be set aside, either by the General Meeting or by the Board of Directors if the General Meeting has granted a board authorisation which allows for this. Any resolution to set aside pre-emption rights will be justified by the common interests of the Company and the shareholders, and such justification will be publicly disclosed through a stock exchange notice from the Company. There were no such resolutions in 2024.

5. Shares and negotiability

There are two classes of shares in the Company, where one class (the B shares) has certain appointment rights in relation to the Board, save for this all shares carry equal rights. The Company emphasises equal treatment of its shareholders.

The ordinary shares of the Company are freely transferable on the Oslo Stock Exchange. The class B shares are not transferable as specified in article 8 of the Articles of Association.

6. General meetings

All shareholders have the right to participate in the general meetings of the Company, which exercise the highest authority of the Company. The AGM shall normally be held before 31 May each year. The 2024 AGM was held on 7 May. There was also an extraordinary general meeting on 25 September in order to appoint a new supplemental director.

The full notice for general meetings shall be sent to shareholders no later than 21 calendar days prior to the meeting and shall provide the shareholders with sufficient details to assess all the cases to be considered as well as the relevant information regarding procedures of attendance and voting. The notice and related documents may be sent to or made available for the shareholders by electronic communication as set out in the Company's Articles of Association.

Notices for general meetings shall provide information on the procedures shareholders shall observe in order to participate in and vote at the general meeting. The notices set out: (i) the procedure for representation at the meeting through a proxy, including a form to appoint a proxy, and (ii) the right for shareholders to propose resolutions in respect of matters to be dealt with by the general meeting.

The cut-off for confirmation of attendance is set as short as practically possible and the BoD will arrange matters so that shareholders who are unable to attend in person, will be able to vote by proxy. A form of proxy will be distributed with the notice.

7. Election committee

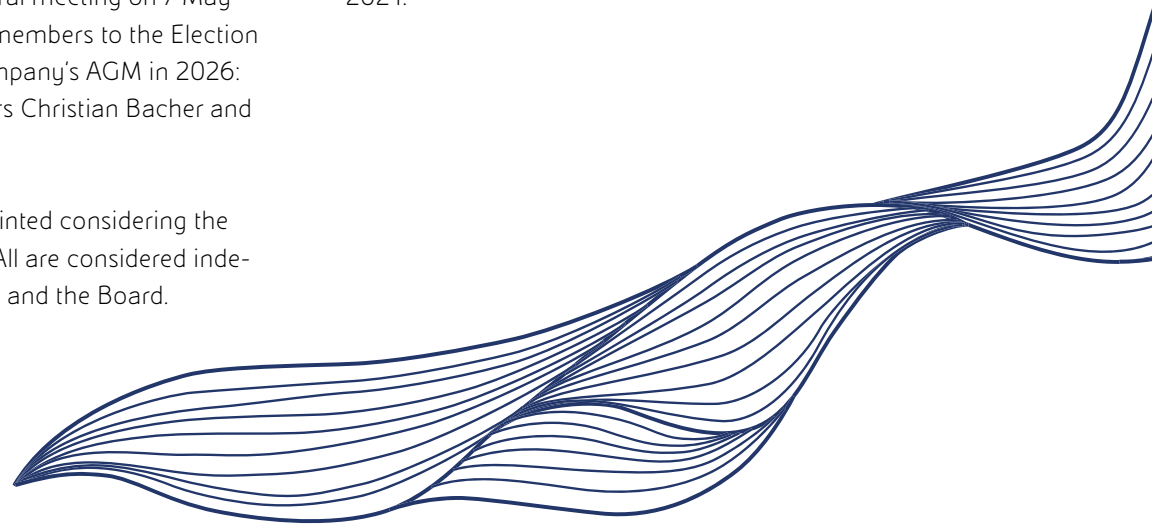
The Company has an Election Committee as set out in the Articles of Association. The general meeting on 7 May 2024 appointed the following three members to the Election Committee with a term until the Company's AGM in 2026: Philip Duncan Hemmens (Chair), Lars Christian Bacher and Lars Erik Moen.

The committee members were appointed considering the interests of shareholders in general. All are considered independent of the Executive Committee and the Board.

The instructions for the Election Committee were issued in 2022 and approved by the Company's general meeting. The committee's main task is to propose to the general meeting (i) candidates to be elected as members of the Board other than the members of the Board to be elected by the Class B shares, (ii) candidates to be elected as members of the Election Committee, and (iii) remuneration of the members of the Board and the Election Committee.

Each proposal is justified on an individual basis. All shareholders are entitled to nominate candidates to the Board of Directors, and information on how to propose candidates can be found by contacting ir@varenergi.no.

There have been five meetings in the Election Committee in 2024.



8. The Board of Directors – composition and independence

Pursuant to article 6 of the Company's Articles of Association, the Board of Directors has eight members elected by the shareholders at a general meeting, in addition to any employee representatives. Board members shall be elected for periods not exceeding two years at a time, with the possibility of re-election.

On 31 December 2024, the Board comprised of 12 members, of which four were elected shareholders, four were appointed by the holder of class B shares and four were elected by and among the employees. The Company does not have a corporate assembly.

The Chair of the Board was appointed from among the independent directors.

Name	Role	Considered independent of main shareholders	Served since	Term expires	Participation Board meetings 2024
Thorhild Widvey	Chair	Yes	26.01.22	AGM 2026	100%
Liv Monica Bargem Stubholt	Deputy chair	Yes	26.01.22	AGM 2026	88%
Francesco Gattei	Member	No[1]	11.09.20	AGM 2026	100%
Guido Brusco	Member	No[1]	10.12.21	AGM 2026	100%[3]
Francesca Rinaldi	Member	No[1]	07.05.24	AGM 2026	100%
Claudia Almadori	Member	No[1]	07.05.24	AGM 2026	100%
Ole Johan Gillebo	Member	Yes	25.09.24	AGM 2026	100%
Fabio Ignazio Romeo	Member	Yes	26.01.22	AGM 2026	100%
Jan Inge Nesheim	Employee rep.[2]		04.05.22	AGM 2026	100%
Martha Skjæveland	Employee rep.[2]		04.05.22	AGM 2026	100%[3]
Carl Anders Olof Kjörling	Employee rep.[2]		07.05.24	AGM 2026	100%
Lilli Sahlman Fagerdal	Employee rep.[2]		07.05.24	AGM 2026	100%

1. Affiliated with the largest shareholder Eni International B.V.
2.Elected by and among employees
3.Including deputies

All the shareholder elected members of the Board are considered independent of the Company's executive management and material business contacts.

The Board has the necessary competence to act independently and function well as a team. Information on the expertise of the members of the Board is included in this annual report and on Vår Energi's website. The Board considers its composition to be diverse and represents required competencies and capacities including financial and industrial experience. Board members are encouraged to own shares in the Company.

9. The work of the Board of Directors

The BoD is responsible for the overall management of the Company and shall supervise the Company's day-to-day management and the Company's activities in general.

Responsibility of the Board of Directors

The Board prepares an annual plan for its work with special emphasis on goals and strategy. The Board's primary responsibilities shall be (i) participating in the development and approval of the Company's strategy, (ii) performing necessary control functions and (iii) acting as an advisory body for the executive management team. Its duties are not static, and the focus will depend on the Company's ongoing needs. The Board is also responsible for ensuring that the operation of the Company is compliant with the Company's values and ethical guidelines. The chair of the Board is responsible for ensuring that the Board's work is performed in an effective and correct manner.

The Board ensures that the Company has proper management with internal distribution of responsibilities and duties. A division of work has been established between the BoD and the Executive Management team. The CEO is responsible for the Executive Management of the Company.

All members of the Board receive regular information about the Company's operational and financial development. The Company's strategies are subject to regular review and evaluation by the Board. The Board shall prepare an annual evaluation of its work. In 2024, the Board conducted a total of eight Board meetings. Reference is further made to the Rules of Procedures for the Board of Directors of Vår Energi ASA.

Transactions with related parties

Any transactions, agreements or arrangements between the Group and the Company's shareholders, members of the BoD, members of the executive management team or close associates of any such parties may only be entered into as part of the ordinary course of business and on arm's length market terms. All such transactions shall, where relevant, comply with the procedures set out in the Norwegian Public Limited Liability Companies Act and the Corporate Governance Code. Note 32 - Related party transactions in the 2024 financial statements provide further information regarding transactions with related parties in accordance with applicable accounting principles.

Board members shall immediately notify the BoD and members of the executive management team shall immediately notify the CEO (who, where relevant, will notify the BoD) if they have any material direct or indirect interest in any transaction to be entered into by the Group.

The Board of Directors' consideration of material matters in which the chair of the Board is, or has been, personally involved, shall be chaired by some other member of the Board. There were no such cases in 2024.

Sub-committees of the Board of Directors

Audit committee

The Board has established an Audit Committee in accordance with the rules of the Norwegian Public Limited Liability Companies Act and the listing rules of the Oslo Stock Exchange (OSE). The Board has issued instructions to the Audit Committee, last updated 5 December 2024.

As of 31 December 2024, the Audit Committee comprised of Liv Monica Bargem Stubholt (Chair), Francesco Gattei, Ole Johan Gillebo and Carl Anders Olof Kjörling. A majority of the members are independent of the Company's Executive Management, and at least one member has qualifications within accounting or auditing.

The Audit Committee's objective is to act as a preparatory body in connection with the Board's supervisory roles with respect to audit, financial and sustainability reporting and the effectiveness of the Company's internal control and risk management system, as well as other tasks assigned to the committee in accordance with the provisions set forth in the Audit Committee instructions.

The Committee supports the Board of Directors in the administration and exercise of its responsibility for supervision in accordance with applicable provisions of the Norwegian Public Limited Liability Companies Act and other relevant legislation. In 2024, the Audit Committee conducted a total of seven meetings with 100% participation.

Remuneration and Leadership Development committee

The BoD has established a Remuneration and Leadership Development Committee. The committee reviews and recommends to the BoD the remuneration policy for the Company's executive management, other principal remuneration issues of high importance and strategic people processes. The BoD has issued instructions to the Remuneration and Leadership Committee, last updated 5 December 2024.

As of 31 December 2024, the committee comprised of Thorhild Widvey (Chair), Guido Brusco and Lilli Fagerdal.

In 2024, the committee conducted a total of four meetings with 100% participation.

Safety and Sustainability committee

The BoD has also established a Safety and Sustainability Committee to act as a preparatory body in connection with the BoD's supervisory roles with respect to safety and sustainability. The BoD has issued instructions to the Safety & Sustainability Committee, last updated 5 December 2024.

As of 31 December 2024, the Safety and Sustainability Committee comprised of Claudia Almadori (Chair), Fabio Ignazio Romeo, Jan Inge Nesheim and Martha Skjæveland.

In 2024, the Safety and Sustainability Committee conducted a total of three meetings with 100% participation.

The Board of Directors' evaluation of its own work

The BoD assesses its performance and expertise annually, shared with the Election Committee.

10. Risk management and internal control

The Board of Directors shall ensure that the Company has sound internal control and risk management routines that are appropriate in relation to the extent and nature of the Company's activities. Risk management and internal control routines shall also encompass the Company's corporate values and ethical guidelines. Reference is further made to the Code of Ethics approved by the Board on 24 October 2022, available at www.varenergi.no.

The objective of the risk management and the internal control system is to manage exposure to risks in order to ensure successful conduct of the Company's business, to support the quality of its financial reporting and ensure compliance with laws and regulations.

The Board conducts an annual review of the Company's most important areas of exposure to risk and its internal control arrangements. The Company prepares a statement of its financial policy, providing details of the Company's handling of financial risks, hedging, funding policies etc., which is included in the annual report. The BoD also provides an account in the annual report of the main features of the Company's internal control and risk management systems as they relate to the Company's financial reporting.

11. Remuneration of the Board of Directors

The AGM determines the Board of Directors' remuneration annually, based on a recommendation from the Election Committee included in the notice to the general meeting. The remuneration is reasonable and reflects the BoD's responsibilities, work, time invested and the complexity of the Company. Detailed information on the remuneration of the Board members is specified in Note 7 of the financial statements.

The Board shall be informed if individual Board members perform tasks for the Company other than exercising their role as Board members. Work in sub-committees is compensated in addition to the remuneration received for Board membership.

12. Salary and other remuneration for executive personnel

The Board of Directors, based on proposal from the Remuneration and Leadership Development Committee, has issued guidelines for the remuneration of the CEO and the executive management team. The salary level should not be of a size that could harm the Company's reputation or above the norm in comparable companies. The salary level should, however, ensure that the Company is able to attract and retain executive employees with the desired expertise and experience. Revised guidelines were approved by the AGM on 7 May 2024.

The BoD decides the salary, bonus and other compensation of the CEO based on an evaluation of the CEO's and the

Company's overall performance. Any fringe benefits shall be in line with market practice and should not be substantial in relation to the CEO's basic salary. The BoD annually assesses the salary and other remuneration to the CEO. The CEO determines the remuneration of executive employees within the guidelines and instructions provided by the Board of Directors. See Note 7 of the financial statements for more information on salary and other remuneration for executive personnel.

13. Information and communication

The Board of Directors (BoD) and the executive management team assign considerable importance to giving the shareholders relevant and current information about the Company and its activity areas. Emphasis is placed on ensuring that the shareholders receive the same and simultaneous information.

Sensitive information will be handled internally in a manner that minimises the risk of leaks.

The Company has routines for those allowed to speak on behalf of the Company on different subjects and responsible for submitting information to the market and investor community. The CEO, CFO and Head of Investor Relations will be the main contact persons of the Company in this respect.

The BoD ensures that the shareholders are given the opportunity to make known their points of view at and outside the general meeting.

14. Take-overs

In the event of a take-over process, the BoD, and the executive management team each have an individual responsibility to ensure that the Company's shareholders are treated equally and that there are no unnecessary interruptions to the Company's business activities. The BoD has a particular responsibility in ensuring, to the extent possible, that the shareholders have sufficient information and time to assess the offer.

In the event of a take-over process, the BoD shall ensure that:

a) the BoD will not seek to hinder or obstruct any takeover bid for the Company's operations or shares unless there are particular reasons for doing so,
b) the BoD will not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the Company,
c) the BoD will not institute measures with the intention of protecting the personal interests of its members at the expense of the interests of the shareholders, and
d) the BoD shall be aware of the particular duty it has for ensuring that the values and interests of the shareholders are protected.

In the event of a take-over bid, the BoD will, in addition to complying with relevant legislation and regulations, seek to comply with the recommendations in the Corporate Governance Code unless there are specific reasons not to. This includes obtaining a valuation from an independent expert. On this basis, the BoD will seek to recommend whether the shareholders should accept the bid.

15. Auditor

The Company's auditor is PwC. The auditor is appointed by the general meeting and is independent of Vår Energi ASA. The auditor is invited to attend all general meetings.

Each year, the auditor presents to the BoD a plan for the implementation of the audit work and a written confirmation that the auditor satisfies established requirements as to independence and objectivity.

The auditor is present at BoD meetings that deal with the annual accounts. Whenever necessary, and at least once per year, the BoD and/or Audit Committee meets with the auditor to review the Company's accounting principles, risk areas, internal control routines, etc.

The BoD has established guidelines for the use of the auditor for other services than audit. Only the Company's CEO and/or CFO have the authority to enter into agreements in respect of such counselling assignments.

A review of the auditor's compensation for audit work and remuneration associated with other concrete assignments is presented to the AGM and in note 9 of the financial statements.

In connection with the auditor's presentation to the BoD of the annual work plan, the BoD should specifically consider if the auditor to a satisfactory degree also carries out a control function.

Payments to governments report

Payments to governments is prepared in accordance with the Norwegian Accounting Act Section § 2-10 and Securities Trading Act § 5-5 a). It states that companies in the extractive industry are required annually to disclose payments to governments per country and project.

Vår Energi had a tax payment of USD 2 516 million (excluding interest) in corporate tax to the Norwegian Government in 2024. The corresponding tax in 2023 amounted to a tax payment of USD 2 448 million (excluding interest).

Area fees per licence paid as operator in 2024 to the Norwegian authorities on behalf of the joint ventures (100% figures) are presented in the table to the right.

Net Profit interest (NPI) payment to the Norwegian authorities amounted to USD 7.4 million in 2024. The NPI payment is related to licences awarded in the second licensing round and collected by Petoro.

CO_2 and NOx fees are taxes paid on consumptions and exempted from this reporting similar to Value Added Taxes.

When companies are required to report payments to government, it is also mandatory to report on investments, sales income, production volumes and purchases of goods and services in the bene in which companies have activities within the extractive industries. Vår Energi operates only on the Norwegian Continental Shelf. This reporting requirement is therefore deemed to be met by the financial statements as specified below:

- Total net investments in 2024 amounted to USD 4 244 million, as specified in the cash flow analysis in the financial statements
- Petroleum revenues in 2024 amounted to USD 7 372 million, as specified in Note 5 to the financial statements
- Total production in 2024 was 102.5 mmboe, as specified in Note 6 to the financial statements

For information about purchases of goods and services, reference is made to the Income Statement and the related notes

Area Fees Paid / (refunded) (USD thousand)

Licence:	Amount:
PL001	67
PL001 CS	101
PL027*	422
PL027 FS*	25
PL027 HS*	14
PL028/PL028 S*	114
PL122	(438)
PL153	657
PL153 C	270
PL169 E	51
PL229	2 038
PL229 E	640
PL393	1 903
PL489	(1 923)
PL586	893
PL636	2 426
PL636 B	421
PL820 S/SB	856
PL882	1 486
PL917	1 435
PL929	998
PL938	199
PL956	443
Total	**13 097**

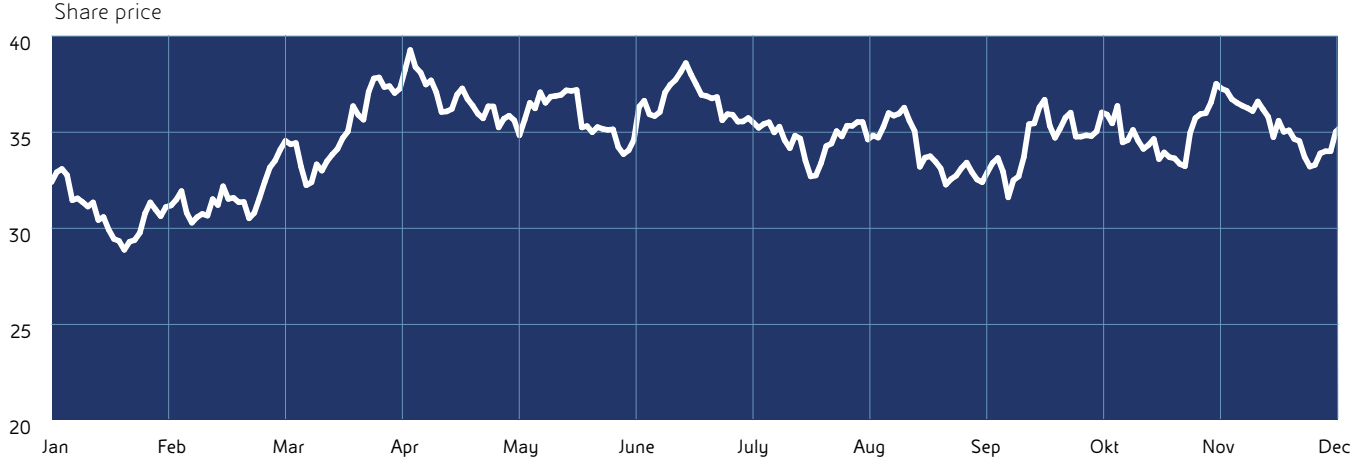
* Area fees paid in 2024, for the period of 05.2024-05.2025

Shareholder information

Share price development

Vår Energi ASA has two classes of shares. There were 2 496 406 246 ordinary shares and four Class B shares issued at the end of 2024, each with a nominal value of NOK 0.16. The number of shares issued is unchanged since the IPO 16. February 2022.

The Company's shares listed on Euronext Oslo Stock Exchange (OSE) 16 February 2022 at NOK 28.00 per share. In 2024, the shares traded between NOK 28.9 and NOK 39.3 per share. During the year, 1 431 million shares were traded in total.



Major shareholders and voting rights

Vår Energi ASA had 42 517 registered shareholders in the Norwegian Central Securities Depository (VPS) on 31 December 2024, up from 34 459 shareholders at the end of 2023. The 20 largest shareholders owned 80% of the shares. The percentage of issued shares held by foreign shareholders was 79.4%. All the shares registered by name carry equal voting rights. The shares are freely negotiable.

Vår Energi ASA's 20 largest shareholders as at 31 December 2024

No.	Name	No. of shares	Holding %
1	ENI INTERNATIONAL BV	1 573 714 749	63.0%
2	FOLKETRYGDFONDET	105 683 129	4.2%
3	Geveran Trading Company LTd	46 947 876	1.9%
4	VERDIPAPIRFONDET DNB NORGE	28 114 964	1.1%
5	The Northern Trust Comp, London Br	25 197 770	1.0%
6	VPF DNB AM NORSKE AKSJER	24 414 158	1.0%
7	VERDIPAPIRFONDET ALFRED BERG GAMBA	20 707 187	0.8%
8	JPMorgan Chase Bank, N.A., London	19 771 905	0.8%
9	State Street Bank and Trust Comp	18 313 020	0.7%
10	VERDIPAPIRFOND ODIN NORGE	15 652 773	0.6%
11	The Bank of New York Mellon SA/NV	15 544 652	0.6%
12	State Street Bank and Trust Comp	13 303 051	0.5%
13	SIX SIS AG	12 795 118	0.5%
14	CLEARSTREAM BANKING S.A.	11 246 693	0.5%
15	UBS AG	10 998 604	0.4%
16	UBS Switzerland AG	10 815 686	0.4%
17	VERDIPAPIRFONDET KLP AKSJENORGE IN	10 562 737	0.4%
18	Morgan Stanley & Co. LLC	10 330 045	0.4%
19	DEUTSCHE BANK AKTIENGESELLSCHAFT	8 856 700	0.4%
20	The Bank of New York Mellon SA/NV	8 000 000	0.3%

Oslo Stock Exchange VPS register as at 31 December 2024.

Corporate actions

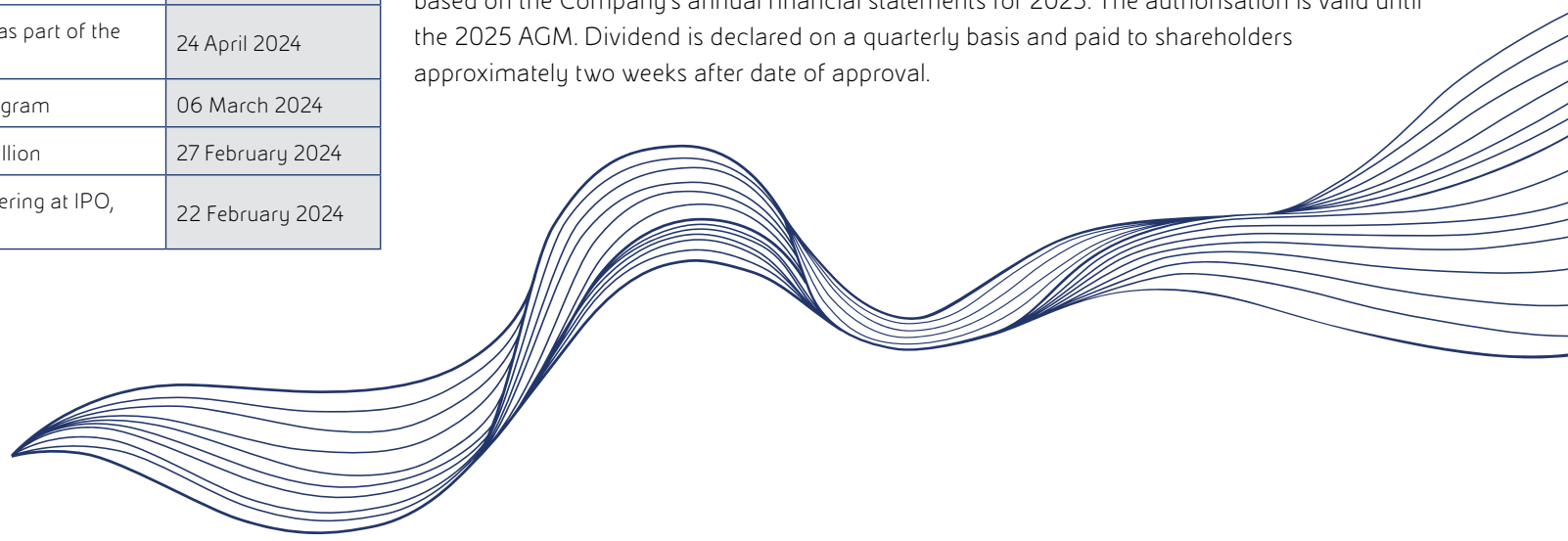
	Date
Purchase and allocation of 610 687 shares to employee share saving program	04 March 2025
Q4 2024 dividend payment of NOK 1.213 per share, totalling USD 270 million	25 February 2025
Allocation of bonus shares to employees taking part in the Employee offering at IPO, with purchase of a total of 673 698 shares allocated to employees	14 January 2024
Purchase and allocation of 511 785 shares to employee share saving program	02 December 2024
Q3 2024 dividend payment of NOK 1.180 per share, totalling USD 270 million	28 October 2024
Purchase and allocation of 549 956 shares to employee share saving program	05 September 2024
Q2 2024 dividend payment of NOK 1.184 per share, totalling USD 270 million	29 July 2024
Purchase and allocation of 399 561 shares to employee share saving program	04 June 2024
Q1 2024 dividend payment of NOK 1.192 per share, totalling USD 270 million	29 April 2024
Purchase and allocation of 520 807 shares to the Executive Committee as part of the long-term incentive program	24 April 2024
Purchase and allocation of 371 728 shares to employee share saving program	06 March 2024
Q4 2023 dividend payment of NOK 1.136 per share, totalling USD 270 million	27 February 2024
Allocation of bonus shares to employees taking part in the Employee offering at IPO, with purchase of a total of 1 385 780 shares allocated to employees	22 February 2024

Dividends and dividend policy

Vår Energi ASA is committed to deliver attractive and sustainable returns to its shareholders, enabled by material cash flow generation and an investment-grade balance sheet. For 2024, the Company distributed a total of USD 1 080 million in dividends to its shareholders, paid on a quarterly basis.

From 2025 onwards, the Board of Directors at Vår Energi ASA has introduced a flexible dividend policy whereby the ambition is to distribute 25-30% of cash flow from operations (CFFO) after tax in dividend over the cycle. The dividend level is subject to a quarterly assessment considering the Company's underlying financial performance, macro environment and other eligible factors. For 2025, the dividend is planned to be in the low-end of 25-30% of CFFO (after tax).

The 2024 AGM granted the Board of Directors authorisation to resolve and declare dividends based on the Company's annual financial statements for 2023. The authorisation is valid until the 2025 AGM. Dividend is declared on a quarterly basis and paid to shareholders approximately two weeks after date of approval.



Analyst coverage

19 investment banks had active coverage of Vår Energi ASA at the end of 2024. For contact details, please see the Company website at www.investors.varenergi.no.

General Meetings and Board authorisations

As of 31 December 2024, the Board held the following authorisations granted at the annual general meeting on 7 May 2024.

- An authorisation for the board to resolve and declare dividends based on the Company's annual financial statements for 2023. The authorisation is valid until the Company's annual general meeting in 2025.
- An authorisation to increase the Company's share capital by up to NOK 39 942 500 through issuances of ordinary shares. The authorisation may be used for the purpose of raising equity capital for investments within the Company's scope of operations and general corporate purposes, or as consideration in connection with acquisitions, mergers, de-mergers, or other transactions. The shareholder's preferential rights may be set aside. The authorisation is valid until the AGM in 2025, but at the latest expires on 30 June 2025.
- An authorisation to acquire shares in the Company (treasury shares) for an aggregate nominal value of up to NOK 19 971 250, for use for investment purposes, for the purpose of sale and/or transfer to employees in the Company or for the purpose of utilising the Company's shares as transaction currency in acquisitions, mergers, de-mergers, or other transactions. When acquiring treasury shares the consideration per share may not be less than NOK 1 and may not exceed NOK 200.
  The authorisation is valid until the AGM in 2025, but at the latest expires on 30 June 2025.

Further information can be found in the minutes from the Annual General Meeting, available from the Company's website www.varenergi.no and www.newsweb.no.

Financial calendar 2025

Event	Date
Quarterly Report, Q4 2024 and Capital Markets Update	11 February 2025
Annual Report 2024	31 March 2025
Quarterly Report, Q1 2025	23 April 2025
Annual General Meeting 2025	12 May 2025
Quarterly Report, Q2 2025	22 July 2025
Quarterly Report, Q3 2025	21 October 2025

IR Policy

Vår Energi's IR policy can be found at www.varenergi.no.

Financials

Financial statements

Notes

Statement of comprehensive income

USD 1000	Note	2024	2023
Petroleum revenues	5	7 372 336	6 815 966
Other operating income		77 720	33 750
Total income		**7 450 056**	**6 849 716**
Production costs	6	(1 402 949)	(1 137 678)
Exploration expenses	11, 14	(192 361)	(86 491)
Depreciation and amortisation	15, 16	(1 915 854)	(1 422 598)
Impairment loss and reversals	14, 15, 17	(3 819)	(526 427)
Other operating expenses	10	(144 623)	(159 976)
Total operating expenses		**(3 659 606)**	**(3 333 171)**
Operating profit / (loss)		**3 790 450**	**3 516 545**
Net financial income / (expenses)	12	(106 888)	(112 913)
Net exchange rate gain / (loss)	12	(370 443)	(46 699)
Profit / (loss) before taxes		**3 313 119**	**3 356 933**
Income tax (expense) / income	13	(2 986 011)	(2 746 704)
Profit / (loss) for the period		**327 108**	**610 229**
Attributable to:			
Holders of ordinary shares		311 508	610 229
Dividends on hybrid capital	26	15 600	-
Profit / (loss) for the period		**327 108**	**610 229**
Other comprehensive income (fully allocated to ordinary shareholders):			
Items that may be reclassified subsequently to the income statement:			
Currency translation differences		(159 619)	(17 603)
Actuarial adjustment pension		407	-
Net gain / (loss) on put options used for hedging		(8 252)	1 957
Other comprehensive income for the period, net of tax		**(167 465)**	**(15 646)**
Total comprehensive income		**159 644**	**594 582**
Earnings per share			
EPS basic and diluted	24	0.11	0.24

Balance sheet statement

USD 1000	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	14	2 987 837	1 958 478
Capitalised exploration wells	14	404 866	276 504
Other intangible assets	14	241 887	83 060
Tangible fixed assets			
Property, plant and equipment	15	16 737 122	15 237 078
Right of use assets	16	198 142	73 812
Financial assets			
Investment in shares	18	662	739
Other non-current assets	18	30 802	745
Total non-current assets		**20 601 319**	**17 630 416**
Current assets			
Inventories	19	241 353	251 503
Trade receivables	20, 32	373 219	362 895
Other current receivables and financial assets	21	373 394	309 472
Cash and cash equivalents	23	278 880	734 914
Total current assets		**1 266 845**	**1 658 783**
TOTAL ASSETS		**21 868 164**	**19 289 199**

Balance sheet statement continued

USD 1000	Note	31 Dec 2024	31 Dec 2023
Equity and liabilities			
Equity			
Share capital	24	45 972	45 972
Share premium		0	758 181
Hybrid capital	26	799 461	799 461
Other equity		(12 924)	164 414
Total equity		**832 508**	**1 768 026**
Non-current liabilities			
Interest-bearing loans and borrowings	25	5 082 173	3 146 582
Deferred tax liabilities	13	10 500 944	8 943 019
Asset retirement obligations	27	3 283 731	3 207 667
Pension	8	15 461	-
Lease liabilities, non-current	31	141 454	17 663
Other non-current liabilities	28	115 048	82 149
Total non-current liabilities		**19 138 810**	**15 397 080**
Current liabilities			
Asset retirement obligations, current	27	105 190	87 385
Accounts payable	32	356 093	328 951
Taxes payable	13	681 664	964 414
Lease liabilities, current	31	70 400	99 265
Other current liabilities	29	683 499	644 079
Total current liabilities		**1 896 846**	**2 124 093**
Total liabilities		**21 035 656**	**17 521 173**
Total equity and liabilities		**21 868 164**	**19 289 199**

Sandnes, 28 March 2025 – The Board of Directors of Vår Energi ASA

Signed electronically

Thorhild Widvey
Chair

Liv Monica Bargem Stubholt
Deputy Chair

Francesco Gattei
Board member

Guido Brusco
Board member

Francesca Rinaldi
Board member

Claudia Almadori
Board member

Fabio Ignazio Romeo
Board member

Ole Johan Gillebo
Board member

Jan Inge Nesheim
Board member, employee elected representative

Martha Skjæveland
Board member, employee elected representative

Carl Anders Olof Kjörling
Board member, employee elected representative

Lilli Sahlman Fagerdal
Board member, employee elected representative

Nicolas John Robert Walker
Chief Executive Officer

Statement of changes in equity

					Other equity			
USD 1000	**Note**	**Share capital**	**Share premium**	**Hybrid Capital**	**Other equity**	**Translation differences**	**Hedge reserve**	**Total equity**
Balance at 1 January 2023		**45 972**	**1 868 181**	**-**	**9 943**	**(425 880)**	**(16 644)**	**1 481 571**
Profit / (loss) for the period		-	-	-	610 229	-	-	610 229
Other comprehensive income / (loss)		-	-	-	-	(17 603)	1 957	(15 646)
Total comprehensive income / (loss)		-	-	-	610 229	(17 603)	1 957	594 582
Dividends paid		-	(1 110 000)	-	-	-	-	(1 110 000)
Share-based payments	24	-	-	-	4 215	-	-	4 215
Hybrid capital issue	26	-	-	799 461	-	-	-	799 461
Other		-	-	-	(1 802)	-	-	(1 802)
Balance at 31 December 2023		**45 972**	**758 181**	**799 461**	**622 585**	**(443 484)**	**(14 687)**	**1 768 026**
Balance at 1 January 2024		**45 972**	**758 181**	**799 461**	**622 585**	**(443 484)**	**(14 687)**	**1 768 026**
Profit / (loss) for the period		-	-	15 600	311 508	-	-	327 108
Other comprehensive income / (loss)		-	-	-	407	(159 619)	(8 252)	(167 465)
Total comprehensive income / (loss)		-	-	15 600	311 915	(159 619)	(8 252)	159 644
Dividends paid		-	(758 181)	(15 600)	(321 819)	-	-	(1 095 600)
Share-based payments	24	-	-	-	437	-	-	437
Hybrid capital issue	26	-	-	-	-	-	-	-
Other		-	-	-	(11 381)	-	11 381	-
Balance at 31 December 2024		**45 972**	**-**	**799 461**	**601 737**	**(603 102)**	**(11 559)**	**832 508**

Statement of cash flows

USD 1000	Note	2024	2023
Profit / (loss) before income taxes		3 313 119	3 356 933
Adjustments to reconcile profit before tax to net cash flows:			
- Depreciation and amortisation	15, 16	1 915 855	1 422 598
- Impairment loss and reversals	14, 15	3 819	526 427
- (Gain) / loss on sale and retirement of assets	5	(80 353)	(24 531)
- Expensed capitalised dry wells	11, 14	119 847	40 928
- Accretion expenses (asset retirement obligation)	12	115 668	98 765
- Unrealised (gain) / loss on foreign currency transactions and balances	12	372 085	(23 908)
- Realised (gain) / loss on foreign currency financing transactions		1 830	97 610
- Other non-cash items and reclassifications		(33 593)	16 073
Working capital adjustments:			
- Changes in inventories, accounts payable and receivables		140 742	394 572
- Changes in other current balance sheet items	21, 29	62 239	(22 000)
Income tax received / (paid)	13	(2 523 350)	(2 463 195)
Net cash flows from operating activities		**3 407 906**	**3 420 273**

USD 1000	Note	2024	2023
Cash flows from investing activities			
Expenditures on exploration and evaluation assets	14	(310 473)	(113 107)
Expenditures on property, plant and equipment	15	(2 563 950)	(2 527 926)
Payment for decommissioning of oil and gas fields	27	(66 794)	(40 688)
Proceeds from sale of assets (sales price)		90 752	13 602
Contingent consideration paid related to prior business combination		(46 390)	-
Net cash used on business combination		(1 347 204)	-
Net cash used in investing activities		**(4 244 059)**	**(2 668 118)**
Cash flows from financing activities			
Dividends paid		(1 080 000)	(1 110 000)
Dividends distributed to hybrid owners		(15 600)	-
Net proceeds from bond issue		-	651 360
Net proceeds from hybrid bond issue		-	808 170
Net proceeds / (payments) of bridge credit facilities		1 970 000	(500 000)
Payment of principal portion of lease liability	25	(82 674)	(94 304)
Interest paid		(343 526)	(214 527)
Net cash from financing activities		**448 199**	**(459 302)**
Net change in cash and cash equivalents		**(387 952)**	**292 853**
Cash and cash equivalents, beginning of period		734 914	444 607
Effect of exchange rate fluctuation on cash		(68 079)	(2 546)
Cash and cash equivalents, end of period		**278 880**	**734 914**

Notes to the financial statements

Note 1 Corporate information

The financial statements of Vår Energi ASA for the twelve months period ended 31 December 2024 were authorised for issue in accordance with a Board resolution on 28 March 2025.

Vår Energi ASA is a public limited liability company incorporated and domiciled in Norway and the Company's shares are listed on Oslo Stock Exchange. The head office is located at Vestre Svanholmen 1, 4313 Sandnes, Norway.

Vår Energi ASA is an independent exploration and production (E&P) company with a diverse portfolio of production, development and exploration assets on the Norwegian Continental Shelf (NCS).

Vår Energi ASA has three subsidiaries per 31 December 2024 which are not consolidated into group accounts for 2024 since these subsidiaries are immaterial.

Vår Energi Marine AS and PR Jotun DA
There are no business activities in these companies as of 31 December 2024. The balance sheets of the subsidiaries hold tax positions of USD 12.9 million which are offset by receivables towards Vår Energi ASA. The tax positions are presented as tax liabilities in Vår Energi ASA.

Vår Energi CCS AS
Vår Energi consolidated all its CCS activities in this company during 2024. Vår Energi CCS AS is the operator for Iroko CCS ANS and partner in Trudvang CCS ANS. As of December 31 2024, the company's total asset base stands at USD 11.9 million.

Below table show the group structure per 31 December 2024.

Shares in subsidiaries

Name	Business location	Voting/ Ownership 2024
Vår Energi Marine AS	Sandnes, Norway	100%
Vår Energi CCS AS	Sandnes, Norway	100%
PR Jotun DA	Sandnes, Norway	5%

Shares in subsidiaries indirectly owned

Name	Business location	Voting/ Ownership 2024
PR Jotun DA	Sandnes, Norway	95%

Note 2 Summary of IFRS accounting principles

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and the Norwegian Accounting Act. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. The financial statements have been prepared based on the assumption of going concern. The Company has three subsidiaries per 31 December 2024 which are not consolidated into group accounts for 2024 since these subsidiaries are immaterial. No parent company accounts are prepared.

All figures in the financial statements are presented in USD and all values are rounded to the nearest thousand (000), except when otherwise indicated. Vår Energi's functional currency is NOK, but the Company has chosen to present its financial statements in USD, primarily as this is the common presentation currency among upstream oil & gas companies. Transactions in foreign currencies are recorded at the exchange rate on the transaction date. Monetary items are measured at year-end exchange rates and the corresponding currency loss / gain is recognised in profit or loss.

For presentation purposes, balance sheet items are translated from functional currency to presentation currency using spot rates at the balance sheet date. Items within profit or loss and other comprehensive income are translated from functional currency to presentation currency using monthly average exchange rates, or rates at the dates of the transactions if significantly different. For share capital and share premium historical exchange rates are used. I.e. these equity items are not re-translated and the cumulative translation adjustment (CTA) only include the cumulative differences between opening and closing rates on total net assets, and average to closing rates on retained earnings and other performance statement items, such as the cash flow hedge reserve. Comparative information has been provided for the previous period.

2.2 Summary of significant accounting policies

Business combinations and goodwill

Business combinations are accounted for using the acquisition method.

Identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Acquisition cost is measured against the fair value of the acquired assets and liabilities. Identifiable intangible assets are included to the extent they may 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, goodwill arises. Acquisition date is the date on which the acquirer achieves control over the acquiree and is set at completion date. The valuation is based on currently available information on fair values as of the acquisition date. Calculation of fair value has been obtained by discounting expected cash flows from future operations to get to the net present value. If new information becomes available within 12 months from the acquisition date and provisional purchase price allocation, the Group may make changes to the purchase price allocation. Working interests in licences on the Norwegian Continental Shelf (NCS) are only sold in a post-tax market. I.e. the acquirer generally takes over the tax written down values of the seller and is therefore not entitled to a tax deduction for the consideration paid over and above the seller's tax values. A provision for deferred taxes on the difference between the acquisition cost and the transferred tax depreciation bases is made. The offsetting entry to this deferred tax liability is goodwill. Consequently, in addition to ordinary goodwill as discussed above, goodwill also arises as a technical effect of deferred taxes recognised for the after-tax consideration paid in business combinations for assets acquired under section 10 of the Norwegian Petroleum Tax Act. Goodwill arises from differences between the fair value of assets acquired and the purchase price. After initial recognition, goodwill is not depreciated, but tested for impairment when there are indications of impairment and at least annually. Goodwill impairments cannot be reversed in later periods if impairment indicators are no longer present.

Revenue and over- and underlift balances

Revenue from the sale of liquids or gas is recognised at the point in time when Vår Energi's contractual performance obligations have been fulfilled and control is transferred to the customer. This will generally be at the time of delivery which is also when title passes to the customer. Revenues are recognised on the basis of volumes lifted and sold to customers during the period (sales method). To the extent the Company has lifted and sold more than its entitled share of production based on the ownership interest, an accrual is recognised at cost. To the extent the Company has lifted and sold less than its entitled share of production, costs are deferred for the underlift.

Interests in joint arrangements

Vår Energi has interests in licences on the Norwegian Continental Shelf. Joint arrangement are defined as an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control which exists only when decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require unanimous consent of the parties sharing control.

Joint Arrangements, a joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities,relating to the arrangement. Vår Energi recognises investments in joint operations (oil and gas production licences) by reporting its share of related revenues, expenses, assets, liabilities and cash flows under the respective items in the Company's financial statements.

For those licences that are not deemed to be joint arrangements pursuant to the definition above as there is no joint control ("undivided interests"), the Company recognises its share of related expenses, assets, liabilities and cash flows. The terms "joint operations" and "undivided interests" are used interchangeably throughout the financial statements.

Income taxes

Income taxes include current taxes payable or refundable, adjustments of prior years' taxes payable and deferred taxes. The deferred taxes are calculated using the full liability method, under which tax on temporary differences between the carrying amounts of assets and liabilities and their tax bases are recognised. Deferred tax assets are recognised to the extent it is probable that the asset will be realised. An "uncertain tax treatment" is a tax treatment relating to which there is uncertainty whether the relevant tax authority will accept the tax treatment under the local tax law. Uncertain tax positions are recognised and presented as assets or liabilities depending on whether an outflow or inflow of economic resources embodying economic benefits has become probable. Taxes relating to items recognised in OCI are recognised in OCI.

Exploration costs

Exploration drilling costs are treated in accordance with the successful efforts method; each well making the basis for the evaluation. Costs related to exploration wells in progress and exploration wells with finds are capitalised until the evaluation of the well has been completed. Such capitalised costs may remain capitalised for more than one year. The main criteria for keeping exploration costs capitalised are that there is a plan for future activity in the licence area and a development decision is expected in the near future. To the extent that no resources are discovered, or recovery of the resources is considered commercially unviable, the capitalised exploration expenditures are charged to the profit or loss. Other exploration costs, including seismic studies, are expensed as incurred.

Development expenditures

The development phase commences when the licence partners have decided field evaluation. Direct and indirect expenditures and financing costs related to development projects are capitalised.

Property, plant and equipment

Property, plant and equipment (PPE) are measured at depreciated cost adjusted for impairments. Capital spare parts are defined as critical, often tailormade long-lead items purchased in connection with development of a field and are recognised as PPE. Upon disposal or retirement, the difference between any proceeds and the carrying amount is recognised as gains or losses. Maintenance is expensed as incurred, whereas costs for improving and upgrading production facilities are added to the acquisition cost and depreciated with the related asset.

Depreciation

Offshore installations are depreciated in accordance with the unit-of-production method based on proven reserves (the ratio between annual production quantity and the reserves, whereupon the reserves are updated quarterly).

Onshore assets are depreciated over the estimated useful life, according to the straight-line method, 3-15 years.

Impairment

Tangible fixed assets are assessed for potential impairment when events or changes in circumstances indicate that the book value of the assets is higher than their recoverable amounts. The unit of account for assessment of impairment is the lowest level for which independent cash inflows are possible to identify. For oil and gas assets, this is typically the field or licence level, but can also be at a hub level. Impairment is recognised when the carrying amount of the cash generating unit (CGU), including any allocated goodwill, exceeds the recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and its value in use. When estimating value in use and fair value less costs of disposal, expected future cash flows are discounted to the net present value applying a discount rate after tax that reflects the current market valuation of the time value of money and risks specific to the asset or CGU. The discount rate is derived from a weighted average cost of capital (WACC) determination. For the purpose of impairment testing the lifetime of the field is normally determined to be the time when the operating cash flows from the field becomes negative. A previously recognised impairment can only be reversed if changes to the estimates used for the calculation of the recoverable amount have been observed. Reversals are recognised in profit or loss. After a reversal, the depreciation amount is adjusted on a prospective basis in order to distribute the asset's revised book value, minus any residual value, on a systematic basis over the asset's expected remaining life.

Inventories

Consumable spare parts and drilling stock are measured at weighted average cost. Physical stock of crude oil is measured at production cost.

Asset retirement obligations

Vår Energi recognises an asset retirement obligation (ARO) when an asset is installed at the field location. Vår Energi recognises its share of the estimated AROs based on its working interest in the various fields both for Vår Energi operated fields and partner operated fields. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related tangible oil and gas asset and depreciated over the useful life of the asset (generally by the application of the unit-of-production method).

The discount rate used to discount the liability is based on a risk-free interest rate that reflects current market assessments and does not include the Company's credit risk. The periodic unwinding of the discount is recognised in profit or loss as financial items.

The term of the discount rates used is aligned with the estimated timing of the removal, plugging and decommissioning activities at the fields. Changes in the estimated timing or cost of decommissioning are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to assets.

Upon retirement of the Gassled pipelines, the costs of ARO will be recharged to the users (shippers) of the pipelines based on shipped volumes. As a shipper Vår Energi has incurred such liabilities. These liabilities have also been recognised as the net present value of estimated future retirement costs on the basis of accumulated shipped volumes in Other non-current liabilities.

Pension liability

Vår Energi has a defined contribution pension plan and a defined benefit penison plan, that both satisfies the statutory requirements in the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). Defined contributions insurance plans are charged to profit or loss in the period to which the contributions relate. The defined benefit pension plan is accounted for based on a linear vested principle and on expected salaries at the point of retirement. Changes in pension schemes are amortised over the remaining vesting period. Estimated deviations are continuously charged to equity. Social security tax is included in the pension cost and liability.

Leasing commitments

At the inception of a contract, Vår Energi assesses whether the contract is, or contains, a lease.

The lease liability is recognised at the commencement date and measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the commencement date. The borrowing rate is derived from the terms of the Company's existing credit facilities. The corresponding right of use assets are depreciated over the lease term. Vår Energi applies the exemption for short term leases (12 months or less) and low value leases. As such, related lease payments are not recognised in the balance sheet but expensed or capitalised in line with the accounting treatment for other non-lease expenses. The inclusion of non-lease components may vary across different lease categories, but for the most material classes of assets (rigs and supply vessels), the Company has excluded the non-lease components when measuring the lease liability. Vår Energi, as operator of an unincorporated joint operation, from time to time, enters into a lease contract as the sole signatory and recognises on the balance sheet: (i) the entire lease liability if, based on the contractual provisions and any other relevant facts and circumstances, it has primary responsibility for the liability towards the third party supplier; and (ii) the entire right-of-use asset, unless, the terms and conditions of the joint operation and other arrangements are separately negotiated with the non-operators and effectively extinguish Vår Energi's primary obligation for the lease with the third-party supplier.

If a lease contract is signed by all the partners, Vår Energi recognises its share of the right-of-use asset and lease liability on the balance sheet based on its working interest.

If Vår Energi does not have primary responsibility for the lease liability, it does not recognise any right-of-use asset and lease liability related to the lease contract. Whether a contract is entered into on behalf of the licence is subject to a contract specific assessment.

Other lease contracts, such as offices and supply vessels not linked to specific fields, are recognised on a gross basis even when the related cashflows are charged to the licence partners. For such contracts, the partner's share of the costs recovered by the Company are presented as other income.

Operators on licences in which Vår Energi is a partner may enter into lease contracts in their own name at the initial signing, and subsequently formally sublease the related asset to operated licences. In such cases, the sublease will be the basis for determining both the right of use, commencement, and the duration of the lease (and the application of the short-term lease exemption).

Financial assets and liabilities

Vår Energi's financial assets and liabilities comprise non-listed equity instruments, derivative financial instruments (assets and liabilities), receivables, cash and cash equivalents, payables, other current and non-current liabilities. The classification of financial assets and liabilities at initial recognition depends on the financial instrument's contractual cash flow characteristics and the Company's business model for managing them.

Vår Energi classifies its financial instruments in the following categories:

- Financial assets and liabilities at amortised cost
- Derivative financial assets and liabilities designated as accounting hedge instruments (cash flow hedges) for which the effective portion is recognised at fair value through other comprehensive income
- Financial assets at fair value through profit and loss

Vår Energi measures financial assets at amortised cost if both of the following conditions are met:

- The financial instrument is held within a business model with the objective to hold the instruments in order to collect contractual cash flows and the contractual terms of the financial instrument give rise on specified dates to or requires cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment testing. Gains and losses are recognised in profit or loss when the instrument is derecognised, modified or impaired. The Company's financial instruments at amortised cost includes trade receivables and other short-term deposits, trade payables and other current and non-current liabilities. Receivables are initially recognised at fair value less estimated credit losses (impairment losses). Accounts receivables that do not contain a significant financing component are measured at the transaction price.

Vår Energi ASA issued a EUR 750 million Subordinated Fixed Rate Reset Securities due on the 15th of November 2083.

Under the terms and conditions of the bond agreement, Vår Energi has the right at its sole discretion to defer and ultimately not pay interest on the bond. If interest is not paid, dividends cannot be paid. The principal value of the bond is however repayable and due on 15 Nov 2083.

Under IAS 32 para 15, Vår Energi has recognised the net present value of the principal as debt in the balance sheet on initial recognition. The difference between the Proceeds and debt recognised is recorded as equity. Costs incurred in issuing the hybrid bond are accounted for as a deduction from equity. Interest incurred will be accounted for as a decrease of equity upon payment of the related contractual payment obligation (the "Interest Payment Date"); consistently with the accounting treatment of dividends. Interests relating to the hybrid bond are not recognised on an accrual basis. The tax benefit from interest deductions is recognised in income taxes in the statement of comprehensive income.

Derivative financial instruments

Vår Energi uses derivative financial instruments, such as Brent Crude put options, to hedge its commodity price risks on future oil production volumes (cash flow hedges). Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and subsequently re-measured at fair value. The put options are measured using market inputs such as observable forward curves, interest rates and time to maturity. Implied volatilities from market observable option prices are used when the price of the option is modelled. The Company has designated these put options as cash flow hedges relating to expected future production and sales of crude oil, and applied hedge accounting. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income (OCI) and the hedge reserve in equity, while any ineffective portion is recognised immediately in profit or loss. Amounts accumulated in the hedge reserve are reclassified to profit or loss when the hedged transaction affects profit or loss.

Option premiums paid (time value at date of purchase) are treated as cost of hedging and presented in operating expenses when the hedged transaction affects profit or loss, while the intrinsic value ("in-the-money value") on put options exercised are presented in gains on cash flow hedges in petroleum revenues. As option premiums are paid at exercise or expiry they are presented as current liabilities in the balance sheet.

Contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, are accounted for as financial instruments. However, contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements, also referred to as own-use contracts, are not accounted for as financial instruments. Such sales and purchases of physical commodity volumes are reflected in profit or loss as Petroleum revenues and Other operating expenses, respectively. This is applicable to a number of contracts for the sale of natural gas, which are recognised upon delivery of the volumes.

Interest rate swaps are accounted for as fair value hedges. Interest swaps are reflected at fair value with fair value changes to be accounted for as other financial income/expenses. Bond debt designated as the hedged item is recognised at fair value at initial recognition and subsequently at amortised cost. The carrying value of the hedged item is adjusted to reflect changes in interest level with fair value changes are accounted for as other financial income/expenses. Inefficiencies in the hedging relationship are measured and accounted for as other financial income/expenses.

Cash flow statement

The statement of cash flows has been prepared in accordance with the indirect method. Cash consist of cash, bank deposits and short-term deposits in affiliated banks.

Sale and swaps of assets

Sale of assets on the Norwegian Continental Shelf are carried out on an after-tax basis according to the petroleum tax act § 10. When entering into agreements regarding the purchase/swap of assets, the parties agree on an effective date for the takeover of the net cash flow (usually 1 January in the calendar

year, which is also normally the effective date). In the period between the effective date and the completion date, the seller will include revenues and expenditures relating to its sold share of the licence in its financial statements. In accordance with the purchase agreement, there is a settlement with the seller of the net cash flows from the asset in the period from the effective date to the completion date (pro & contra settlement). The pro & contra settlement will result in an adjustment to the seller's losses/gains and to the cost of the assets for the purchaser, in that the settlement (after a tax reduction) is deemed to be part of the consideration in the transaction. Revenues and expenses from the relevant licence are included in the purchaser's profit or loss from the acquisition date.

For tax purposes, the purchaser will include the net cash flow (pro & contra) and any other income and costs as from the effective date. When acquiring licences that are defined as asset acquisitions, no provision is made for deferred tax in accordance with the initial recognition exemption. A gain or loss related to an after-tax-based sale of assets includes the release of tax liabilities previously recognised related to the assets. The resulting after-tax gain or loss is recognised in other operating income.

Important accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that have an effect on the application of accounting principles and the reported assets, liabilities, income and expenses.

The main significant judgements management has made regarding the application of accounting principles are the following:

Identifying a lease within joint operating arrangements

When identifying leases in situations where the asset is being used in a joint arrangement or in relation to an undivided interest, significant judgement is required in determining what party is the primary obligor, whether the arrangement constitutes or contains a lease, commencement date, lease term and whether there is a sublease arrangement.

Oil and gas reserves

Oil and gas reserves are estimated by the Company's experts in accordance with industry standards. The estimates are based on Vår Energi's own assessment of internal information and information received from operators. Reserves are certified by an external party, which also issues an independent reserves report. Oil and gas reserves consist of the estimated quantities of crude oil, natural gas and condensates shown by geological and technical data to be recoverable with reasonable certainty from known reservoirs under existing economic and operational conditions, i.e. on the date that the estimates are prepared. Current market prices are used when establishing the estimates.

Reserves and production volumes are used to calculate the depreciation of oil and gas fields by applying the unit-of-production method. Reserve estimates are also used as basis for impairment testing of licence-related assets and goodwill.

Changes in petroleum prices and cost estimates may change reserve estimates and accordingly economic cut-off, which may impact the timing of assumed decommissioning and removal activities. Changes to reserve estimates can also result from updated production and reservoir information. Future changes to oil and gas reserves can have a material effect on depreciation, life of field, impairment of licence-related assets and goodwill, and operating results.

Successful Effort Method – exploration and exploration potential

Expenses relating to the drilling of exploration wells and exploration potential (presented in other intangible assets) are temporarily recognised on the balance sheet as capitalised exploration expenditures and other intangible assets, pending an evaluation of potential oil and gas discoveries. If resources are not discovered, or if recovery of the resources is considered technically or commercially unviable, the costs of exploration wells and exploration potential are expensed. Judgments as to whether these assets should remain capitalised or be expensed at the reporting date may materially affect the operating result for the period.

Fair value measurement

The fair values of non-financial assets and liabilities are required to be determined, for example in a business combination, to determine the allocation of purchase price in an asset deal or when the recoverable amount of an asset or CGU is based on fair value less costs to sell. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the

measurement date. 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Vår Energi uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair value of oil fields in the production and development phase is generally based on discounted cash flow models, where the determination of inputs to the models may require significant judgement, as described in the section below regarding impairment.

Impairment/reversal of impairment

Changes in the expected future value/cash flows of CGUs results in impairment if the estimated recoverable amount is lower than the book value (including any allocated goodwill) or the reversal of previously recognised impairments if the recoverable value is higher than the book value (impairment of goodwill is not reversed). Estimation of recoverable amounts involves the use of judgement and assumptions, including the modelling of future cash flows to estimate the CGUs value in use or fair value less costs of disposal.

Impairment assessments require long-term assumptions concerning a number of often volatile economic factors, including future oil prices, oil production, currency exchange rates and discount rates. Such assumptions require the estimation of relevant factors such as long-term prices, the levels of capex and opex, production estimates, decommissioning costs and impact from climate changes. These evaluations are also necessary to determine a CGU's fair value unless information can be obtained from an actual observable market transaction. See individual notes on Property, plant and equipment and intangible assets, including goodwill and note on Impairment for details of impairments.

Asset retirement obligations

There is significant uncertainty in the estimate of ARO. These estimates are based on currently applicable laws and regulations, and existing technologies. Many decommissioning activities will take place decades into the future, and the technology and related costs are expected to evolve over time. The estimates include costs based on expected removal concepts using existing technology and estimated costs of maritime operations, hiring of lifting vessels and drilling rigs. As a result, there may be significant adjustments to the estimates of ARO and associated assets that can affect future financial results.

Income taxes

Income taxes are significant amounts in Vår Energi's financial statements. There may be uncertainties related to interpretation of applicable tax laws and regulations regarding amounts in Vår Energi's filed tax returns. In cases of uncertain tax treatments, it may take a long time to complete the discussions with the tax authorities or to reach resolutions of the appropriate tax positions. The carrying values of income tax related assets and liabilities are based on Vår Energi's interpretations of applicable laws, regulations and relevant court decisions. The quality of these estimates, including the most likely outcomes of uncertain tax treatments, is highly dependent upon proper application of very complex sets of rules and the recognition of changes in applicable rules.

New standards and amendments issued

New standards and amendments related to IAS 1, IAS 7 and IFRS 16 are effective from 1 January 2024. The application of these amendments did not have any material impacts on the financial statements in 2024. Certain new accounting standards and amendments to standards are issued, but not yet effective as of 31 December 2024. Vår Energi is currently working to identify all impacts the IFRS 18 amendments will have on the primary financial statement and the notes to the financial statement.

Note 3 Business combination

On 31 January 2024, Vår Energi completed the acquisition of Neptune Energy Norway AS (renamed Vår Energi Norge AS at completion of the transaction) and was from 31 January operating as a fully-owned subsidiary of Vår Energi. As of 8 June 2024 the wholly owned subsidiary Vår Energi Norge AS was merged with the parent company Vår Energi ASA. The transaction was announced on 23 June 2023.

Vår Energi paid a cash consideration of USD 2.1 billion, and the transaction was financed through available liquidity and credit facilities. The acquired assets, all located on the NCS, are complementary to Vår Energi's current portfolio and highly cash generative with low production cost and limited near-term investments. The transaction also strengthens Vår Energi's position in all existing hub areas and combine two strong organisations with extensive NCS experience.

The acquisition date for accounting purposes is 1 January 2024. The acquisition is regarded as a business combination and has been accounted for in accordance with IFRS 3. A purchase price allocation (PPA) has been performed as of 1 January 2024 to allocate the consideration to fair value of the assets and liabilities in Neptune Energy Norway AS.

USD 1000	31 Jan 2024
Value of cash consideration	2 106 764

Each identifiable asset and liability are measured at fair value on the acquisition date based on guidance in IFRS 13. The standard defines fair value as the price that would be received when selling an asset or paid transfer a liability in an orderly transaction between market participants at the measurement date. This definition emphasises that fair value is a market-based measurement and not an entity-specific measurement. When measuring fair value Vår Energi has applied the assumptions that market participants would use under current market conditions (including assumptions regarding risk) when valuing the specific asset or liability.

Acquired property, plant and equipment has been valued using the income approach. Trade receivables have been recognised at full contractual amounts due as they relate to large and credit-worthy customers, and there have been no significant uncollectible amounts in Neptune Energy Norway AS historically.

For accounting purposes, the recognised amounts of asstes and liabilities assumed as at the date of the acquisition were as follows:

USD 1000	1 Jan 2024
Goodwill	1 463 522
Other intangible assets	192 499
Property, plant and equipment	2 000 305
Right of use assets	10 545
Other non-current assets	8 184
Inventories	19 538
Trade receivables	174 205
Other current receivables and financial assets	191 387
Cash and cash equivalents	776 102
Total assets	**4 836 287**
Deferred tax liabilities	1 330 429
Asset retirement obligation	368 251
Pension liabilities	23 590
Lease liabilities, non-current	6 997
Other non-current liabilities	32 888
Accounts payable	81 675
Taxes payable	705 916
Lease liabilities, current	3 548
Other current liabilities	176 229
Total liabilities	**2 729 523**
Net assets and liabilities recognised	2 106 764
Fair value of consideration paid on acquisition	**2 106 764**

The goodwill of USD 1 464 million arises principally because of the following factors:

1. The ability to capture synergies that can be realised from managing a larger portfolio of both acquired and existing fields on the Norwegian Continental Shelf, including workforce ("residual goodwill").

2. The requirement to recognise deferred tax assets and liabilities for the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed in a business combination. Licences under development and licences in production can only be sold in a market after tax, based on a decision made by the Norwegian Ministry of Finance pursuant to the Petroleum Taxation Act Section 10. The assessment of fair value of such licences is therefore based on cash flows after tax. Nevertheless, in accordance with IAS 12 para 15 and 19, a provision is made for deferred tax corresponding to the tax rate multiplied by the difference between the acquisition cost and the tax base. The offsetting entry to this deferred tax is goodwill. Hence, goodwill arises as a technical effect of deferred tax ("technical goodwill").

None of the goodwill recognised will be deductible for tax purposes.

USD 1000	1 Jan 2024
Goodwill related to synergies - residual goodwill	133 865
Goodwill as a result of deferred tax - technical goodwill	1 329 657
Net goodwill from the acquisition of Neptune Norway	**1 463 522**

On 30 August 2024, Vår Energi completed a sales and purchase agreement with DNO Norge AS, increasing the share in Ringhorne East Unit with 22.62% and farming out of Urd 11.5%, Skuld 11.5%, Norne 6.9%, Verdande 10.5% and Marulk. 20%. The transaction related to Ringhorne East has been accounted for as business combination in accordance with IFRS 3 and IFRS 11. As a result of the transaction the PP&E has increased by USD 16 million and the Technical goodwill has increased by USD 9 million. No residual Goodwill has been identified as part of this purchase price allocation.

The purchase price allocations above are preliminary and based on currently available information about fair values as of the acquisition date. If new information becomes available within 12 months from the acquisition date, the group may change the fair value assessment in the PPA, in accordance with guidance in IFRS 3. A final measurement of the value of PP&E (Property, Plant & Equipment) for specific assets and resulting Goodwill is pending and is expected to be completed in the first quarter of 2025.

The proforma revenue from the aquired company Vår Energi Norge AS was USD 963 million for the period 01.01 - 31.12.2024. Profit and loss for the period has not been calculated as it is considered impractiable since the aquired company has been merged in to Vår Energi ASA.

Note 4 Segment information

The Company operates within the geographical area Norway and the Company's business is entirely related to exploration for and production of petroleum in Norway. The Company's activities are considered to have a homogeneous risk and return profile before tax. The Company operates within a single operating segment which matches the internal reporting to the Company's Executive management who is also the Chief Operating Decision Maker (CODM).

Note 5 Income

Petroleum revenues (USD 1000)	Note	2024	2023
Revenue from crude oil sales	32	4 557 770	3 781 590
Revenue from gas sales	32	2 428 031	2 815 254
Revenue from NGL sales	32	378 752	219 122
Gains on cash flow hedge - crude put options	22	7 783	-
Total petroleum revenues		**7 372 336**	**6 815 966**
Sales of crude (boe 1000)		56 260	45 168
Sales of gas (boe 1000)		33 425	24 416
Sales of NGL (boe 1000)		8 000	4 963

Other operating income (USD 1000)	2024	2023
Gain/(loss) from sale of assets	43 257	15 325
Partner share of lease cost	14 901	10 936
Other operating income	19 562	7 490
Total other operating income	**77 720**	**33 750**

Gain from sale of assets in 2024 relates to sale of Norne, Urd, Skuld, Marulk and Bøyla/Frosk.
Gain from sale of assets in 2023 was related to Brage divestment.

The majority of petroleum revenues come from sales to Eni SpA companies (see note 32), which are located outside Norway but within the EU/UK.

Note 6 Production costs

USD 1000	Note	2024	2023
Cost of operations		888 618	732 648
Transportation and processing		237 208	176 839
Environmental taxes		133 890	128 612
Insurance premium		54 017	56 914
Production cost based on produced volumes		**1 313 734**	**1 095 012**
Back-up cost shuttle tankers		27 066	12 171
Changes in over/(underlift)		29 599	(5 734)
Premium expense for crude put options	22	32 549	36 229
Production cost based on sold volumes		**1 402 949**	**1 137 678**
Total produced volumes (boe 1000)		102 456	77 713
Production cost per boe produced (USD/boe)		**12.8**	**14.1**

Note 7 Staff costs and remuneration

USD 1000	Note	2024	2023
Salary expenses		261 155	179 557
Social security tax (incl. pension and social charges for foreign personnel)		47 235	30 521
Pension cost	8	40 062	14 610
Other personnel expenses		11 468	8 506
Total		**359 920**	**233 193**

Average number of employees	1 397	1 024

The share charged to partners in operated joint ventures amounted to USD 91.4 million (USD 38.3 million in 2023).

Employee share savings plan and loans

Vår Energi ASA's share saving program gives employees the opportunity to buy shares in Vår Energi ASA for 5% of the base salary. If the shares are retained for two full calendar years with continuous employment after the end of the saving year, the employees will be awarded a bonus share for each share they have purchased. This will be settled by Vår Energi ASA buying shares in the market. The award is treated as equity settled. In 2024 employees subscribed for USD 6.1 million as a part of the share saving plan (USD 3.9 million in 2023) .

Vår Energi has made arrangements to provide subsidised loans to local employees. No other loans, guarantees or other commitments have been granted to any member of the Board or to any member of the Executive Committee.

Compensation to the Board of Directors and Executive Committee*

USD 1000	2024	2023
Short-term employee benefits	6 280	5 249
Post-employment benefits	530	402
Share-based payments	1 847	1 195
Total	**8 657**	**6 846**

*) Remuneration is paid in NOK and converted to USD using a yearly average USD/NOK rate.

For further information on compensation to the Board of Directors and Executive Committee, please see Remuneration report on Executive Committee 2024.

Note 8 Pensions

The Company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The Company's pension scheme meets the requirements of that law.

The Company has a retirement benefit plan for all permanent staff which gives the employees the right to receive defined future pensions. The main pension plan for the Company are defined contribution plans which also includes certain unfunded plans. In addition there is a closed defined benefit plan for employees and former employees, in total 46 members. The defined benefit plan is managed and financed up to 12G through DNB Livsforsikring AS. The remainder above 12G is financed through normal operation. The cost of pension plans is expensed over the period that the employees are entitled to receive benefits.

Cost

USD 1000	2024	2023
Defined contribution pension scheme	38 259	14 610
Defined benefit pension scheme	1 803	-
Total pension cost	**40 062**	**14 610**

The value of the various penison schemes are mainly dependent on the number of years in service and the level of compensation at retirement. A part of the contributions are provided for as notional contributions, where the liability increases with a promised rate of return, set equal to the actual return of investment through the ordinary defined contribution plan. For the defined benefit plan, the benefit to be received by employees depends on several factors such as employment duration, future salry and retirement date.

Asset/liability

USD 1000	2024	2023
Pension benefit obligations	20 669	-
Plan assets	(14 345)	-
Yield assets	(389)	-
Defined contribution pension schemes	9 527	-
Net pension liability	**15 461**	**-**

Financial assumptions	**2024**
Discount rate	3.30%
Expected increase in salaries	3.50%
Expected increase in pensions	1.90%
Expected increase of social security base amount (G)	3.25%
Expected return on plan assets	3.30%

Note 9 Auditor's fee

USD 1000	2024	2023
Statutory audit - PwC	360	499
Statutory audit - EY	121	-
Other attestations - PwC	167	401
Other attestations - EY	60	-
Other services - PwC*	239	-
Other services - EY	17	-
Total fee	**963**	**900**

EY was the auditor for Vår Energi Norge AS (previously Neptune Energy Norge AS) before the merger.

*Other services primarily include audit-related services, such as agreed-upon procedures for financing and ESG attestations for 2023.

Note 10 Other operating expenses

USD 1000	Note	2024	2023
R&D expenses		38 682	34 980
Pre-production costs		55 327	36 716
Guarantee fee decommissioning obligation		18 920	17 436
Value adjustment contingent considerations	30	(34 478)	-
Administration expenses	9	35 335	28 771
Integration cost		17 127	11 644
Other expenses		13 710	30 429
Total other operating expenses		**144 623**	**159 976**

The contingent consideration towards ExxonMobil related to the Forseti structure was settled and paid during 2024. The final settlement was reduced with USD 34.5 million compared to the liability at the end of 2023. For additional information, please refer to note 29 and 30.

Note 11 Exploration expenses

USD 1000	Note	2024	2023
Seismic		35 308	27 310
Area Fee		13 841	6 798
Dry well expenses	14	119 847	40 928
Other exploration expenses		23 365	11 455
Total exploration expenses		**192 361**	**86 491**

Dry well expenses in 2024 are mainly related to exploration wells targeting the Hubert and Magellan (PL 917), Snøras (PL 1080), Venus (PL 1025S), Brokk/Mju (PL025), Kvernbit (PL 1185) and Kaldafjell (PL 932) prospects. In 2023, the dry well expenses were mainly related to exploration wells targeting the Rondeslottet (PL 1005) and Angulata Brent (PL 554) prospects.

Note 12 Financial items

USD 1000	Note	2024	2023
Interest income		25 029	11 318
Interest on debts and borrowings	25	(348 908)	(250 001)
Interest on lease debt		(5 358)	(6 210)
Capitalised interest cost, development projects		358 319	251 870
Amortisation of fees and expenses		(8 779)	(14 007)
Accretion expenses (asset retirement obligation)	27	(115 666)	(98 765)
Other financial expenses		(15 894)	(4 710)
Change in fair value of interest rate hedges (ineffectiveness)	22	4 368	(2 408)
Net financial income / (expenses)		**(106 888)**	**(112 913)**
Unrealised exchange rate gain / (loss)		(372 085)	23 907
Realised exchange rate gain / (loss)		1 642	(70 606)
Net exchange rate gain / (loss)		**(370 443)**	**(46 699)**
Net financial items		**(477 330)**	**(159 613)**

Vår Energi's functional currency is NOK, whilst interest bearing loans and bonds are in USD and EUR. The weakening of NOK during 2024 caused an unrealised exchange rate loss of USD 372 million.

Note 13 Income taxes

USD 1000	2024	2023
Current period tax payable / (receivable)	1 662 046	1 754 506
Prior period adjustments to current tax	3 504	(11 287)
Current tax expense / (income)	**1 665 550**	**1 743 219**
Deferred tax expence / (income)	**1 320 461**	**1 003 485**
Tax expense / (income) in profit and loss	**2 986 011**	**2 746 704**
Effective tax rate in %	**90%**	**82%**
Tax expense / (income) in put option used for hedging and pension	(1 486)	304
Tax expense / (income) in other comprehensive income	**2 984 525**	**2 747 008**

Reconciliation of tax expense	Tax rate	2024	2023
Marginal (78%) tax rate on profit / loss before tax	78%	2 584 365	2 618 542
Tax effect of uplift	71.8%	(40 361)	(38 815)
Impairment of goodwill	78%	98 783	-
Tax effects of items taxed at other than marginal (78%) tax rate[1]	56%	424 454	182 119
Tax effects on acquisition, sale and swap of licences[2]		(53 972)	(10 955)
Other permanent differences, prior period adjustments and change in estimates of uncertain tax positions	78%	(27 259)	(4 186)
Tax expense / (Income)		**2 986 011**	**2 746 704**

[1]The effects of items taxed at other than marginal (78%) tax rate are mainly impacted by deferred tax on capitalisation of interest cost and fluctuation in currency exchange rate on the company's external borrowings.

[2]Tax effects related to sale of Bøyla and Norne area in 2024 and Brage in 2023.

Temporary timing differences at end of period	2024	2023
Tangible fixed assets	11 279 823	9 708 700
Capitalised exploration cost	404 866	276 504
Other intangible assets	241 887	83 060
Abandonment obligation	(3 459 858)	(3 357 531)
Financial instruments over OCI	(14 818)	(18 830)
Other	105 094	175 323
Basis for deferred ordinary taxes	**8 556 993**	**6 867 227**
Additional depreciation for special tax	5 579 891	5 327 399
Temporary differences not relevant for special tax	(125 122)	(1 917)
Ordinary tax deductible for special tax	(2 069 136)	(1 909 874)
Basis for deferred special taxes	**11 942 627**	**10 282 836**
Ordinary tax 22.0%	(1 882 539)	(1 510 790)
Special tax 71.8%	(8 574 806)	(7 383 076)
Valuation allowance for lack of statutory tax deduction at effective rate 6.2% related to abandonment	(43 599)	(49 153)
Net deferred tax asset / (liability) as of closing balance	**(10 500 944)**	**(8 943 019)**

Note 13 Income taxes continued

Breakdown of tax effect on temporary differences	2024	2023
Tangible fixed assets	(12 653 581)	(11 149 947)
Capitalised exploration cost	(315 812)	(215 685)
Other intangible assets	(188 681)	(64 790)
Abandonment obligation	2 655 228	2 569 856
Lease liabilities	165 254	91 208
Financial instruments over OCI	3 260	4 143
Other Provisions	(166 612)	(177 803)
Net deferred tax asset / (liability) as of closing balance	**(10 500 944)**	**(8 943 019)**

Deferred tax asset / (liability)	2024	2023
Deferred tax asset / (liability) at beginning of period	(8 943 019)	(8 127 971)
Current period deferred tax income / (expense)	(1 320 461)	(1 003 485)
Deferred taxes related to business combinations[3]	(1 339 774)	-
Deferred taxes related to acquisition, sale and swap of licences[4]	13 148	(23 449)
Deferred taxes recognised directly in OCI or equity	1 486	(304)
Currency translation effects	1 087 676	212 190
Net deferred tax asset / (liability) as of closing balance	**(10 500 944)**	**(8 943 019)**

Calculated tax payable	2024	2023
Tax payable at beginning of period	(964 414)	(1 778 222)
Current period payable taxes	(1 662 046)	(1 754 506)
Payable taxes related to business combinations[3]	(707 547)	-
Net tax payment	2 523 351	2 463 195
Prior period adjustments and change in estimate of uncertain tax positions	(3 504)	11 287
Currency translation effects	132 496	93 832
Net tax payable as of closing balance	**(681 664)**	**(964 414)**

[3] Acquisition of Neptune Energy Norge in the first quarter of 2024 and acquisition of Ringhorne East share in the third quarter of 2024, see note 3 for more on business combinations.
[4] Tax effect on sale of Bøyla and Norne area in 2024 and Brage in 2023.

Note 14 Intangible assets

USD 1000	Note	Goodwill	Other intangible assets	Capitalised exploration wells	Total
Cost as at 1 January 2023		**4 481 939**	**93 515**	**225 287**	**4 800 740**
Additions		-	-	113 107	113 107
Additions through business combination		-	-	-	-
Reclassification		-	(7 292)	(14 381)	(21 674)
Expensed exploration wells		-	-	(40 928)	(40 928)
Disposals		1 463	(0)	0	1 463
Currency translation effects		(138 774)	(3 162)	(6 580)	(148 516)
Cost as at 31 December 2023		**4 344 628**	**83 060**	**276 504**	**4 704 193**
Depreciation and impairment as 1 January 2023		**(2 462 426)**	**-**	**-**	**(2 462 426)**
Depreciation		-	-	-	-
Impairment reversal / (loss)		-	-	-	-
Disposals		-	-	-	-
Currency translation effects		76 276	-	-	76 276
Depreciation and impairment as at 31 December 2023		**(2 386 150)**	**-**	**-**	**(2 386 150)**
Net book value as at 31 December 2023		**1 958 478**	**83 060**	**276 504**	**2 318 042**

USD 1000	Note	Goodwill	Other intangible assets	Capitalised exploration wells	Total
Cost as at 1 January 2024		**4 344 628**	**83 060**	**276 504**	**4 704 193**
Additions		-	88	310 473	310 561
Additions through business combination		1 472 867	192 499	0	1 665 366
Reclassification		-	(3 724)	(2 888)	(6 612)
Expensed exploration wells	11	-	-	(119 847)	(119 847)
Disposals		(1 446)	(564)	(20 698)	(22 708)
Currency translation effects		(566 569)	(28 590)	(38 679)	(633 838)
Cost as at 31 December 2024		**5 249 479**	**242 769**	**404 866**	**5 897 115**
Depreciation and impairment as 1 January 2024		**(2 386 150)**	**-**	**-**	**(2 386 150)**
Depreciation		-	(934)	-	(934)
Impairment reversal / (loss)	17	(126 638)	-	-	(126 638)
Disposals		-	-	-	-
Currency translation effects		251 148	52	-	251 199
Depreciation and impairment as at 31 December 2024		**(2 261 641)**	**(883)**	**-**	**(2 262 524)**
Net book value as at 31 December 2024		**2 987 837**	**241 887**	**404 866**	**3 634 590**

Other intangible assets include exploration potentials acquired through business combinations and measured according to the successful efforts method.

The total goodwill of USD 2 988 million per 31 December 2024 consists of ordinary goodwill (USD 282 million) and technical goodwill (USD 2 706 million).
The total goodwill of USD 1 958 million per 31 December 2023 consisted of ordinary goodwill (USD 178 million) and technical goodwill (USD 1780 million).

Note 15 Tangible assets

USD 1000	Note	Wells and production facilities	Facilities under construction	Other property, plant and equipment	Total
Cost as at 1 January 2023		**14 110 298**	**6 307 507**	**53 587**	**20 471 393**
Additions		1 024 517	1 719 764	33 480	2 777 761
Estimate change asset retirement cost	27	177 485	-	-	177 485
Additions through business combinations		-	-	-	-
Reclassification		1 549 298	(1 456 151)	-	93 147
Disposals		(82 332)	(24 591)	-	(106 923)
Currency translation effects		(289 075)	(236 291)	(134)	(525 500)
Cost as at 31 December 2023		**16 490 192**	**6 310 238**	**86 934**	**22 887 364**
Depreciation and impairment as at 1 January 2023		**(5 887 887)**	**(0)**	**(21 268)**	**(5 909 156)**
Depreciation		(1 385 470)	(0)	(15 974)	(1 401 444)
Impairment reversal / (loss)		(326 127)	(200 300)	-	(526 427)
Disposals		75 621	-	-	75 621
Currency translation effects		119 138	(7 996)	(23)	111 119
Depreciation and impairment as at 31 December 2023		**(7 404 725)**	**(208 296)**	**(37 265)**	**(7 650 287)**
Net book value as at 31 December 2023		**9 085 467**	**6 101 942**	**49 669**	**15 237 078**

USD 1000	Note	Wells and production facilities	Facilities under construction	Other property, plant and equipment	Total
Cost as at 1 January 2024		**16 490 192**	**6 310 238**	**86 934**	**22 887 364**
Additions		867 237	2 041 254	36 599	2 945 090
Estimate change asset retirement cost	27	169 010	-	-	169 010
Additions through business combinations		2 014 192		2 027	2 016 219
Reclassification		161 397	(125 869)	-	35 528
Disposals		(708 327)	(17 922)	-	(726 249)
Currency translation effects		(1 892 436)	(762 057)	(11 450)	(2 665 943)
Cost as at 31 December 2024		**17 101 265**	**7 445 644**	**114 111**	**24 661 020**
Depreciation and impairment as at 1 January 2024		**(7 404 725)**	**(208 297)**	**(37 265)**	**(7 650 287)**
Depreciation		(1 868 727)	(6)	(24 124)	(1 892 857)
Impairment reversal / (loss)	17	(12 334)	135 153	-	122 819
Disposals		622 975	-	-	622 975
Currency translation effects		834 066	34 204	5 181	873 451
Depreciation and impairment as at 31 December 2024		**(7 828 745)**	**(38 945)**	**(56 208)**	**(7 923 898)**
Net book value as at 31 December 2024		**9 272 520**	**7 406 699**	**57 903**	**16 737 122**

Capitalised interest for facilities under construction were USD 358 million in 2024 and USD 250 million in 2023.

The applied rate for capitalisation of interests was 7.21% in 2024 and 7.65% in 2023.

Note 16 Right of use assets

USD 1000	Offices	Rigs, helicopters and supply vessels	Warehouse	Total
Cost as at 1 January 2023	**66 732**	**205 300**	**15 155**	**287 188**
Additions	-	-	-	-
Additions through business combinations	-	-	-	-
Reclassification	-	(71 474)	-	(71 474)
Disposals	-	-	-	-
Currency translation effects	(2 721)	(8 303)	(618)	(11 642)
Cost as at 31 December 2023	**64 011**	**125 523**	**14 537**	**204 072**
Depreciation and impairment as at 1 January 2023	**(17 683)**	**(86 186)**	**(7 896)**	**111 765**
Depreciation	(4 692)	(13 514)	(2 949)	(21 155)
Currency translation effects	728	1 412	520	2 660
Depreciation and impairment as at 31 December 2023	**(21 648)**	**(98 288)**	**(10 325)**	**(130 260)**
Net book value as at 31 December 2023	**42 363**	**27 236**	**4 213**	**73 812**

USD 1000	Offices	Rigs, helicopters and supply vessels	Warehouse	Total
Costs as at 1 January 2024	**64 011**	**125 523**	**14 537**	**204 072**
Additions	13 492	164 020	816	178 327
Additions through business combinations	3 350	1 575	5 620	10 545
Reclassification	(471)	(27 553)	(893)	(28 916)
Disposals	(956)	-	-	(956)
Currency translation effects	(5 903)	(16 117)	(1 430)	(23 450)
Cost as at 31 December 2024	**73 524**	**247 448**	**18 651**	**339 622**
Depreciation and impairment as at 1 January 2024	**(21 648)**	**(98 288)**	**(10 325)**	**(130 260)**
Depreciation	(6 290)	(12 474)	(3 298)	(22 063)
Currency translation effects	1 913	8 003	927	10 843
Depreciation and impairment as at 31 December 2024	**(26 024)**	**(102 761)**	**(12 695)**	**(141 479)**
Net book value as at 31 December 2024	**47 500**	**144 687**	**5 956**	**198 142**

Note 17 Impairment

Impairment tests for individual cash-generating units (CGUs) are conducted annually. Additionally, quarterly tests are performed when specific impairment triggers are identified. This ensures that any potential impairment is detected and addressed promptly. The impairment testing covers both fixed assets and related intangible assets. This includes technical and ordinary goodwill, ensuring that all significant assets are evaluated for potential impairment.

Impairment testing of goodwill

The technical goodwill recognised in previous business combinations is allocated to each CGU for the purpose of impairment testing. Hence, technical goodwill is included in the impairment testing of the CGU, and the technical goodwill is written down before the asset. The carrying value of the CGU is the sum of tangible assets, intangible assets, technical goodwill and deferred taxes as of the assessment date. When deferred tax liabilities from the acquisitions decreases as a result of depreciation, more goodwill is exposed for impairment. This may lead to future impairment charges even though other assumptions remain stable as goodwill is not depreciated.

The ordinary goodwill is tested for impairment on an operating segment level. If the net recoverable amount calculated as total of NPV less Net book value (NBV) for the offshore asset portfolio exceeds the carrying value of ordinary goodwill, no impairment is recorded.

Impairment testing

Key assumptions applied for impairment testing purposes as of 31 December 2024 are based on Vår Energi's macroeconomic assumptions. Below is an overview of the key assumptions applied:

Prices

The oil and gas prices are based on the forward curve for the next three-year period and from the fourth year the oil and gas prices are based on the company's long-term price assumptions. Vår Energi's long term oil price assumption is 75 USD/bbl (real 2024) and long-term gas price assumption is €29/MWh (real 2024). The long-term price assumptions per 31 December 2023 were 70 USD/bbl for oil and €31/MWh for gas.

The nominal oil prices (USD/bbl) applied in the impairment tests are as follows:

Year	31 Dec 2023	31 Dec 2024
2025	75.2	74.0
2026	77.4	74.5
2027	80.3	78.5

The nominal gas prices (USD/BOE) applied in the impairment tests are as follows:

Year	31 Dec 2023	31 Dec 2024
2025	65.5	83.1
2026	62.9	65.6
2027	64.0	59.1

Oil and gas reserves

Future cash flows are calculated based on expected production profiles and estimated proven, probable and risked possible reserves.

Production (mmboe) per period as applied in the impairment test:

Year	31 Dec 2023	31 Dec 2024
2025 - 2029	498	611
2030 - 2034	221	311
2035 - 2039	116	160
2040 - 2060	88	132

Future expenditure

Future capex, opex and abandonment cost are calculated based on the expected production profiles and the best estimate of the related cost.

Note 17 Impairment continued

Discount rate

The discount rate is derived from the Company's weighted average cost of capital ("WACC"). The capital structure considered in the WACC calculation is derived from the capital structures of an identified peer group and market participants with consideration given to optimal structures. The cost of equity is derived from the expected return from an investor of the Company. The cost of debt is based on the interest-bearing borrowings for a market participant specific to the assets acquired. The beta factors are evaluated annually based on publicly available market data about the identified peer group. The post tax nominal discount rate used is 8.0% per 31 December 2024, consistent with the rate applied per 31 December 2023.

Currency rates

The currency rates assumed per 31 December 2024 are based on the forward curve for the next three-year period and from the fourth year the currency rates are based on the Company's long-term assumptions. Vår Energi's long term currency rates are 9.5 NOK/USD and 10.6 NOK/EUR.

	NOK/EUR		NOK/USD	
Year	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024
2025	10.6	11.8	9.6	11.2
2026	10.0	11.5	9.2	10.5
2027	9.7	10.9	9.0	9.8
2028 onwards	9.7	10.6	9.0	9.5

Inflation

The inflation rate assumed per 31 December 2024 is 3% for 2025 with long-term inflation rates beyond 2025 of 2.0%. Assumptions per 31 December 2023 were 2% from 2025 and onwards.

Impairment charge/reversal

The impairment testing for 2024 identified goodwill impairment to three CGUs; Njord area (USD 87 million), Gjøa area (USD 14 million) and Snøhvit (USD 14million) in addition to an impairment reversal to Balder area (USD -114 million). Exploration disposals during 2024 included related impairment of technical goodwill of USD 3 million. No impairment triggers for ordinary goodwill.

The Njord impairment is mainly related to significant reserve reduction for the Bauge field wereas the impairment reversal for Balder is mainly due to updated production profiles.

				Implement allocated		
Cash generating unit (USD 1000)	Net carrying value	Recoverable amount	Impairment/ reversal(-)	Goodwill	PP&E	Deferred tax impact
Balder Area	1 202 092	1 292 957	(113 557)	9 262	(122 819)	95 800
Njord	716 399	629 688	86 711	86 711		
Gjøa	189 596	200 378	14 187	14 187		
Snøvit	611 307	597 734	13 576	13 576		
Other			2 905	2 905		
Total			**3 819**	**126 638**	**(122 819)**	**95 800**

Note 17 Impairment continued

Sensitivity analysis

The table below shows how the impairment or reversal of impairment of assets and technical goodwill would be affected by changes in the various assumptions, given that the remaining assumptions are constant.

		Change in impairment after	
Assumption USD 1000	**Change**	**Increase in assumption**	**Decrease in assumption**
Oil and gas prices	+/-25%	(792 000)	3 277 000
Production profile	+/- 5%	(496 000)	542 000
Discount rate	+/- 1% point	175 000	(145 000)

The sensitivities are created for illustration purposes, based on a simplified method and assumes no changes in other input factors. Significant reductions are likely to result in changes in business plans, cut-offs as well as other factors used when estimating an asset's recoverable amount. Changes in such input factors would likely significantly reduce the actual impairment amount compared to the illustrative sensitivity above. The impact of the sensitivities is mainly related to the Balder Area.

Climate related risks

The climate related risk assessment is generally described in note 35 Climate Risk. Financial reporting and impairment testing includes a step up of CO_2 tax/fees from current levels to approximately NOK 2 240 per tonne in 2030 (real 2023).

Scenarios from the International Energy Agency have been included in a sensitivity test as presented to the right. The price assumptions in those senarios have been provided by IEA at 2030, 2040 and 2050 in 2023 real terms. For the sensitivity calculation, a linear development between spot price at year end 2024 and IEA price in 2030, as well as between 2030, 2040 and 2050 have been applied. The table below summarises how the impairment charge would increase (+) or decrease (-) using the oil and gas price assumptions in the following scenarios:

	Oil USD/bbl			Gas USD/mmbtu		
Scenario price ranges	**2030**	**2040**	**2050**	**2030**	**2040**	**2050**
Net Zero	42	30	25	4.4	4.1	4.0
Annonced pledges	72	63	58	6.0	5.2	5.2
Stated policies	79	77	75	6.5	7.6	7.7

	Change in impairment		
IEA Scenario (USD 1000)	**Net zero**	**Announced pledges**	**Stated policies**
Balder area	2 147 000	(98 000)	(692 000)
Snøhvit	270 000	137 000	31 000
Grane area	189 000		
Snorre	178 000		
Njord	153 000	7 000	(44 000)
Ekofisk	58 000		
Total	2 995 000	46 000	(705 000)

Impairment testing in 2023

The 2023 impairment of USD 526 million were mainly related to updated cost, schedule and production profile for the Balder X project. The impairment wasis fully allocated to Balder area PP&E.

The 2023 macro assumptions are shown in tables and text in this note.

Note 18 Financial assets

USD 1000	Business Location	Ownership	31 Dec 2024	31 Dec 2023
Norpipe Oil AS	Tananger, Norway	6.52%	134	150
Tjeldbergodden Utvikling AS	Kjørsvikbugen, Norway	0.48%	53	59
Ormen Lange Eiendom DA	Tananger, Norway	6.34%	475	530
Investment in shares			**662**	**739**
Fair value of SWAP asset			19 117	-
Alve slot fee			-	57
Other			11 685	688
Total other non-current assets			**30 802**	**745**

Other mainly consists of prepayments.

Note 19 Inventories

USD 1000	31 Dec 2024	31 Dec 2023
Inventories - measured at cost	221 931	223 660
Provisions for obsolete stock	(22 064)	(24 538)
Physical oil inventory	41 485	52 381
Total inventory	**241 353**	**251 503**

Note 20 Trade receivables

USD 1000	Note	31 Dec 2024	31 Dec 2023
Trade receivables - related parties	32	448 874	516 429
Trade receivables - external parties		181 735	137 221
Sale of trade receivables		(257 391)	(290 756)
Total trade receivables		**373 219**	**362 895**

Vår Energi has Credit Discount Agreements with several banks. Under the arrangements the ownership, including credit risk, of invoices for oil and gas sales are transferred to the respective banks, and the receivables to which the payments relate are derecognised from Vår Energi's balance sheet. Payments to the banks are made when Vår Energi receives payments from the customers.

Trade receivables are presented net of payments received from the banks for the sold invoices, as Vår Energi has retained the right to receive payments from the customers and obligation to pay these cash flows to the banks without material delay, but only to the extent Vår Energi collects the payments from the customers.

Note 21 Other current receivables and financial assets

USD 1000	Note	31 Dec 2024	31 Dec 2023
Net underlift of hydrocarbons		223 090	125 747
Net receivables from joint operations		121 118	102 038
Prepaid expenses		16 767	53 437
Commodity derivatives - financial assets	22	17 211	10 974
Other receivables		(4 792)	17 275
Total other current receivables and financial assets		**373 394**	**309 472**

Note 22 Financial instruments

Capital management

For the purpose of Vår Energi's capital management, capital includes equity attributable to the equity holders and current and non-current debt financing. The primary objective of the Company's capital management is to ensure that it maintains a solid balance sheet and investment grade credit rating in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and planned activities in order to meet requirements of the financial covenants and support the Company's investment grade credit rating provided by Moody's and S&P. To maintain or adjust the capital structure, the Company may issue new or refinance existing debt using both bank loans or bonds, adjust the dividend payment to shareholders, return capital to shareholders, issue hybrid bonds or new shares or sell assets. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to its interest-bearing loans and borrowings that form part of its capital structure requirements. Breaches in the financial covenants would permit the bank to immediately call interest-bearing loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current or prior period.

The Company monitors the leverage ratio using net interest bearing debt (NIBD) divided by rolling 12 months earnings before interest, tax, depreciation, amortisation and exploration expenses (EBITDAX). Net interest-bearing debt is defined as interest-bearing loans and borrowings less cash and short-term deposits.

Please refer to note 25 for more details related to financial liabilities and borrowings.

Risk Management

Vår Energi recognises that effectively managing risks and opportunities is essential to the Company's long-term success and is a key enabler in achieving Vår Energi's strategic objectives. The Board of Directors is responsible for risk management as part of its role in providing strategic oversight and stewardship of the Company. This includes approving the annual budget and four-year business plan, evaluating risks to the delivery of the plan and agreeing financial and operational targets. Key strategic risks and opportunities are also reviewed quarterly by the Executive Committee and on a regular basis by the Board.

Vår Energi is subject to various controllable and uncontrollable risks associated with the nature of the oil and gas business operations. Companies operating in the oil and gas industry are exposed to a variety of operational, financial and external risks that may not be entirely possible to eliminate even with robust risk management routines and experiences.

Operational risks

The Board of Directors recognises the risks associated with the Company's operational assets. The regulatory framework on the NCS provides a sound framework for handling these risks, and the Company takes an active and responsible approach as a partner. Future production of oil and gas is dependent on the Company's ability to find, or acquire, and develop reserves.

Costs of development projects or exploration efforts are also uncertain. As a result of these risks, the Company may incur costs that could adversely affect the Company's financial position or its reputation as a player on the NCS. The Company intends to act as a sound, responsible and technically competent partner across the whole spectrum of activities in all its operations. Vår Energi works actively with our partners and has established mitigating actions to reduce the possibility of operational incidents occurring.

Commodity price risk

Vår Energi operates in the crude oil and natural gas market and fluctuations in hydrocarbon prices have a significant effect on the Company's revenues. Commodity price risk represent the Company's most important market risk. To manage this risk, Vår Energi protects cash flows from sale of crude oil through entering into commodity price hedging instruments and cash flows from sale of natural gas through entering into fixed price gas sales contracts.

Note 22 Financial instruments continued

In order to reduce the risk related to oil price fluctuations, the Company has established an oil price hedging program for 2025 where approximately 100 per cent of planned after-tax volumes for oil have been hedged by acquiring monthly settled oil price put options. To align after-tax cash flows and adjust for different tax treatment of financial derivatives and the underlying oil production, approximately 28 per cent of the planned production volume is hedged. Vår Energi has elected to sell part of its gas production in 2025 on a fixed price/forward basis. Per 31 December 2024 Vår Energi has sold approximately 4% of the gas production for the first quarter in 2025 at USD 70 per boe and approximately 17% of the gas production for the second and third quarter of 2025 at USD 80 per boe.

Financial risks

The Company is exposed to market fluctuations in commodity prices, foreign exchange rates and interest rates.

The main financial risks Vår Energi is exposed to are:

- Fluctuation in foreign exchange rates due to currency mismatch between income and cost currencies, including tax payments
- Fluctuation in interest rates leading to a fluctuation in finance costs
- Funding and liquidity risk due to unavailability of funding, deposits or loss of income
- Credit risk of customers and other counterparties

Currency risk

Vår Energi is receiving proceeds in USD, EUR and GBP. The sale of crude oil is denominated in USD, whereas natural gas sales are mainly denominated in EUR with a minor part being denominated in GBP. Cash expenditures (OPEX, CAPEX, G&A and tax payments) are split between NOK, USD and EUR. Bonds and interest bearing loans are in USD and EUR. Currency risk is mainly linked to a change in the value of NOK vs USD and EUR. The main currency risk relates to debt denominated in USD and EUR, but also exposure to receivables and payables per year-end has been included in the below sensitivity tables. The table below shows the Company's main exposure in USD as of 31 December 2024:

Exposure (USD 1 000)	31 Dec 2024	31 Dec 2023
Interest-bearing loans and bonds in USD	4 470 000	2 500 000
Interest-bearing bonds in EUR	649 719	691 860
Receivables due in USD	(386 370)	(449 752)
Receivables due in EUR	(39 791)	(170 614)
Payables due in USD	35 819	44 473
Payables due in EUR	361	1 252
Total	**4 729 737**	**2 617 219**

The following table demonstrates the sensitivity to a reasonably possible change in the foreign exchange rate, with all other variables held constant, of the Company's profit before tax due to changes in the carrying value of monetary assets and liabilities at the reporting date.

Exposure (USD 1 000) Increase/decrease in foreign exchange rate USD/NOK	Effect on profit before tax for the year ended 31 December 2024 Increase/(Decrease)	Effect on profit before tax for the year ended 31 December 2023 Increase/(Decrease)
10%	(472 974)	(261 722)
-10%	472 974	261 722

Note 22 Financial instruments continued

Interest rate sensitivity

Interest rate risk arises from the effects fluctuations in underlying market rates may have on future cash flows. At present, the main source of interest rate risk for Vår Energi is the floating interest rate payable under the Interest Rate Swap linked to the 5/29 EUR 600 million senior notes issue and the borrowings under the Company's credit facilities. See note 25.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on the Company's profit before tax from the impact of changes in floating interest rate with all other variables held constant. 2024 upward and downward sensitivity has been set to 1%. In the current volatile economic environment reasonable possible changes could be significantly higher. A 2% sensitivity would double the effect and a 3% would triple the effect.

Exposure (USD 1 000) Increase/decrease in interest rate	Effect on profit before tax for the year ended 31 December 2024 Increase/(Decrease)	Effect on profit before tax for the year ended 31 December 2023 Increase/(Decrease)
1.00%	(26 107)	(6 829)
-1.00%	26 107	6 829

Liquidity risk

The Company's future capital requirements depend on many factors, and the Company may need additional funds to fulfil its commitments and further develop exploration and development programs to support the strategic direction of the Company. Liquidity risk is the risk that the Company will not be able to meet the obligations of financial liabilities when they become due.

Risk levels are analysed by at least quarterly updates of cash flow projections for the strategic plan period and comparing with available liquidity during the period. Additional updates will be made if significant macroeconomic changes occur.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities, bank loans and debt capital markets.

See note 25 for an overview of available credit facilities and bonds issued.

The table below shows the payment structure for the Company's financial commitments, based on undiscounted contractual payments:

Year ended 31 December 2024	On demand	< 1 year	1 - 2 years	2 - 5 years	> 5 years	Total
USD 1000						
Interest-bearing loans	-	-	-	1 970 000	-	1 970 000
Bond USD Senior Notes	-	180 000	180 000	1 865 000	1 240 000	3 465 000
Bond EUR Senior Notes	-	34 284	34 284	726 188	-	794 755
Subord. EUR Fixed Rate Sec.	-	-	-	-	779 172	779 172
Accounts Payable	-	356 093	-	-	-	356 093
Lease liabilities	-	77 078	-	121 397	35 935	234 409
Sum none-derivative fin. liab.		647 454	214 284	4 682 585	2 055 107	7 599 430
Interest Rate Swap EUR (inflow)	-	(50 375)	(50 375)	(142 437)	-	(243 187)
Interest Rate Swap EUR (outflow)	-	51 591	51 591	128 978	-	232 160
Sum derivative fin. liab.	-	1 216	1 216	(13 460)	-	(11 027)
Total	**-**	**648 670**	**215 500**	**4 669 125**	**2 055 107**	**7 588 402**

Note 22 Financial instruments continued

Year ended 31 December 2023	On demand	< 1 year	1 - 2 years	2 - 5 years	> 5 years	Total
USD 1000						
Interest-bearing loans	-	-	-	-	-	-
Bond USD Senior Notes	-	180 000	180 000	1 965 000	1 320 000	3 645 000
Bond EUR Senior Notes	-	35 281	35 281	105 843	676 752	853 157
Subord. EUR Fixed Rate Sec.	-	-	-	-	815 659	815 659
Accounts payable	-	328 951	-	-	-	328 951
Lease liabilities	-	99 265	-	5 745	33 096	138 106
Sum none-derivative fin. liab.	-	643 497	215 281	2 076 588	2 845 507	5 780 873
Interest Rate Swap EUR (inflow)	-	(61 692)	(61 692)	(185 076)	(48 486)	(356 946)
Interest Rate Swap EUR (outflow)	-	65 356	65 356	196 069	32 678	359 459
Sum derivative fin. liab.	-	3 664	3 664	10 993	(15 808)	2 513
Total	**-**	**647 161**	**218 945**	**2 087 581**	**2 829 699**	**5 783 386**

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Vår Energi is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. In 2024 Vår Energi sold the crude oil to Eni trading entities and natural gas primarily to Eni trading entities and other major international oil and gas players. We consider the risk related to Eni to be negligible. The Company only uses investment grade and highly reputable banks as counterparties. Based on this, credit risk is considered limited.

The Company primarily sells to investment grade customers and have established procedures to assess credit risk. Payment performance is closely monitored for both licence partners and customers. Overall, the credit risk is considered to be low based on the financial strenght of the counterparties and the procedures in place.

Categories of financial assets and liabilities

The Company has the following categories of financial assets and liabilities: derivative financial assets and liabilities recognised at fair value through profit or loss, derivative financial assets and liabilities designated as accounting hedge instruments (cash flow hedges) for which the effective portion is recognised at fair value through other comprehensive income, accounts receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15, cash and cash equivalents measured at fair value, loans and borrowings and other liabilities measured at amortised cost.

Note 22 Financial instruments continued

USD 1000 2024	Note	Financial assets/liabilities at fair value through profit and loss	Cash, cash equivalents and receivables, payables	Financial liabilities measured at amortised cost	Cash flow hedge fair value through OCI	Total
Assets						
Trade receivable	20	-	373 219	-	-	373 219
Investments in shares	18	662	-	-	-	662
Cash and cash equivalents	23	-	278 880	-	-	278 880
Oil put options asset	21	-	-	-	17 211	17 211
Other short term receivables	21	-	116 326	-	-	116 326
Total financial assets		**662**	**768 425**	**-**	**17 211**	**786 299**
Liabilities						
Accounts payable		-	356 093	-	-	356 093
Net payables to joint operations	29	-	365 482	-	-	365 482
Employee payables and accrued public charges	29	-	47 521	-	-	47 521
Other payables	29	-	21 423	-	-	21 423
Deferred payment for option premiums	29	-	-	31 923	-	31 923
Bond USD Senior Notes	25	-	-	2 500 000	-	2 500 000
Bond EUR Senior Notes*	25	-	-	640 672	-	640 672
Subord. EUR Fixed Rate Sec.	25	-	-	9 047	-	9 047
RCF Working capital facility	25	-	-	1 475 000	-	1 475 000
RCF Liquidity facility	25	-	-	495 000	-	495 000
Prepaid loan and bond expenses	25	-	-	(37 546)	-	(37 546)
Total financial liabilities		**-**	**790 519**	**5 114 096**	**-**	**5 904 615**

* Adjusted for the fair value movement due to interest swaps/interest rate risk hedging

Note 22 Financial instruments continued

USD 1000 2023	Note	Financial assets/liabilities at fair value through profit and loss	Cash, cash equivalents and receivables, payables	Financial liabilities measured at amortised cost	Cash flow hedge fair value through OCI	Total
Assets						
Trade receivable	20	-	362 895	-	-	362 895
Investments in shares	18	739	-	-	-	739
Cash and cash equivalents	23	-	734 914	-	-	734 914
Oil put options asset	21	-	-	-	10 974	10 974
Other short term receivables	21	-	119 315	-	-	119 315
Total financial assets		**739**	**1 220 123**	**-**	**10 974**	**1 228 837**
Liabilities						
Accounts payable		-	328 951	-	-	328 951
Net payables to joint operations	29	-	375 871	-	-	375 871
Employees, accrued public charges and other payables	29	-	36 770	-	-	36 770
Deferred payment for option premiums	29	-	-	29 804	-	29 804
Bond USD Senior Notes	25	-	-	2 500 000	-	2 500 000
Bond EUR Senior Notes*	25	-	-	682 938	-	682 938
Subord. EUR Fixed Rate Sec.	25	-	-	8 921	-	8 921
Prepaid loan and bond expenses	25	-	-	(45 278)	-	(45 278)
Total financial liabilities		**-**	**741 592**	**3 176 386**	**-**	**3 917 978**

* Adjusted for the fair value movement due to interest swaps/interest rate risk hedging

Note 22 Financial instruments continued

Fair Value

Management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Derivative assets and liabilities are measured at fair value. And they have been determined to constitute level 2 fair value measurements. Investment in shares (in the fair value through profit or loss category) are measured at fair values using level 3 fair value estimates. See below discussion related to fair value hierarchy.

Carrying amounts of long term floating rate loans are assumed to approximate fair value due to short term interest rate periods. See below table for a comparison of carrying amounts of bonds measured at amortised cost with the fair value based on trading values:

USD 1000	Note	Financial liabilities measured at amortised cost	Fair value based on trading at year end*
Bond USD & EUR Senior Notes	25	3 140 672	3 351 862
Prepaid expenses bond	25	(30 611)	
Total		**3 110 061**	**3 351 862**

* Year End meaning closest to 31.12.2024

Derivative financial instruments

The Company uses derivative financial instruments, such as Brent crude put options to hedge its commodity price risks.

As of 31 December 2024, the Company had the following volumes of Brent crude oil put options in place and with the following strike prices:

Hedging instruments	Volume (no of put options outstanding at balance sheet date) in thousands (BBL)	Excercise price (USD per BBL)
Brent crude oil put options per 31 Dec 2023, exercisable in 2024	15 550	50
Brent crude oil put options per 31 Dec 2024, exercisable in 2025	23 790	50

Hedging instruments	Volume (no of put options outstanding at balance sheet date) in thousands (MWH)	Excercise price (EUR per MWH)
Gas TTF long put options per 31 Dec 2023, exercisable in 2024	-	-
Gas TTF short call options per 31 Dec 2023, exercisable in 2024	-	-
Gas TTF long put options per 31 Dec 2024, exercisable in 2025	90	25
Gas TTF short call options per 31 Dec 2024, exercisable in 2025	(90)	100

Note 22 Financial instruments continued

Commodity derivatives - financial assets

USD 1000	Note	2024	2023
The beginning of the period		10 974	14 805
Additions through business combinations		25 229	-
New derivatives		31 923	29 804
Realised hedges exercised	5	(9 179)	
Change in fair value realised hedges		(21 521)	(14 805)
Change in fair value unrealised hedges		(20 216)	(18 830)
The end of the period		**17 211**	**10 974**

As of 31 December 2024, the fair value of outstanding commodity derivatives amounted to USD 17.2 million. Unrealised gains and losses are recognised in OCI. Note that the cost price (time value agreed at the inception of the contracts) for the options is paid at the time of realisation (time of exercise or expiration) and that this deferred payment is presented as current liabilities in the balance sheet, see below table.

Commodity derivatives - financial liabilities

USD 1000	Note	2024	2023
The beginning of the period		-	-
Additions through business combinations		(8 010)	-
New derivatives		-	-
Realised hedges exercised	5	1 396	-
Change in fair value realised hedges		3 622	-
Change in fair value unrealised hedges		2 886	-
The end of the period		**(106)**	**-**

As of 31 December 2024, the fair value of outstanding commodity derivatives liabilities are USD (106) thousand. Unrealised gains and losses are recognised in OCI.

Brent crude put options – deferred premiums

USD 1000	Note	2024	2023
The beginning of the period		(29 804)	(36 143)
Additions through business combinations		(2 627)	-
Settlement	6	32 549	36 229
New Brent crude put options		(31 923)	(29 804)
FX-effect		(117)	(86)
The end of the period		**(31 924)**	**(29 804)**

All outstanding put option contracts at 31 December 2024 are due to expire in 2025. The full intrinsic value ("in the money value") of the options at the time of expiry, if any, has been presented in petroleum revenues. In 2024 a gain of USD 7.8 million has been recognised as a result of gas put options herited from the Neptune transaction. No gain included in petroleum revenue for 2023. The premiums paid for the put options was USD 32.5 million in 2024 and USD 36.2 million in 2023 and have been accounted for as cost of hedging and recycled from OCI to the profit or loss in the period in which the hedged revenues were realised, and presented as production costs.

Change in Hedge Reserve

USD 1000	Note	2024	2023
The beginning of the period		18 830	21 338
Additions through business combinations		(14 592)	-
Realised hedges exercised	5	7 783	-
Realised cost of hedge expired options		(14 534)	(21 338)
Hedge ineffectiveness recorded in net financial income/expense	12	-	-
Change in fair value unrealised hedges		17 331	18 830
The end of the period		**14 818**	**18 830**

As of 31 December 2024 the after tax balance is USD 11.6 million.

Note 22 Financial instruments continued

Reconciliation of liabilities arising from financing activities

The table below shows a reconciliation between the opening and the closing balances in the statement of financial position for liabilities arising from financing activities.

			Non-cash changes			
USD 1000	31 Dec 2023	Cash flows	Amortisation/ Accretion	Currency	Fair Value Adj.	31 Dec 2024
Long-term interest-bearing debt	-	1 970 000	-	-	-	1 970 000
Short-term interest-bearing debt	-	-	-	-	-	-
Bond USD Senior Notes	2 500 000	-	-	-	-	2 500 000
Bond EUR Senior Notes	682 939	-	-	(39 662)	(2 604)	640 672
Subord. EUR Fixed Rate Sec. (23/83)	808 382	-	689	(563)	-	808 508
Prepaid loan expenses	(45 278)	(2 223)	8 776	1 179	-	(37 546)
Totals	**3 946 043**	**1 967 777**	**9 465**	**(39 046)**	**(2 604)**	**5 881 634**

			Non-cash changes			
USD 1000	31 Dec 2022	Cash flows	Amortisation/ Accretion	Currency	Other	31 Dec 2023
Short-term interest-bearing debt	500 000	(500 000)	-	-	-	-
Bond USD Senior Notes	2 500 000	-	-	-	-	2 500 000
Bond EUR Senior Notes	-	664 437	-	(1 438)	19 939	682 938
Subord. EUR Fixed Rate Sec.	-	808 170	84	128	-	808 382
Prepaid loan expenses	(47 411)	(13 077)	14 007	1 203	-	(45 278)
Totals	**2 952 589**	**959 530**	**14 091**	**(107)**	**19 939**	**3 946 042**

Fair value hierarchy

The fair value of the financial instruments is included at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives measured using valuation techniques with market observable inputs are mainly commodity option contracts. The most frequently applied valuation techniques include forward pricing and swap models that use present value calculations. The models incorporate various inputs including the credit quality of counterparties and forward rate curves of the underlying commodity. As at 31 December 2024, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on financial instruments recognised at fair value.

All assets and liabilities, for which fair value is measured or disclosed in the financial statements, are categorised within the fair value hierarchy, described as follows, based on the lowest-level input that is significant to the fair value measurement as a whole:

- Level 1 input in the form of listed (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 – input other than listed prices of assets and liabilities included in Level 1 that is observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – input for assets or liabilities for which there is no observable market data (non-observable input).

Note 23 Cash and cash equivalents

USD 1000	31 Dec 2024	31 Dec 2023
Bank deposits, unrestricted	266 583	724 726
Bank deposit, restricted, employee taxes	12 298	10 188
Total bank deposits	**278 880**	**734 914**

Note 24 Share capital and shareholders

As of 31 December 2024, the total share capital of the Company is USD 46 million or NOK 399 million. The share capital is divided into 2 496 406 246 ordinary shares and 4 Class B shares. Each share has a nominal value of NOK 0.16. The ordinary shares represent NOK 399 424 999.36 of the total share capital, while the Class B shares represent NOK 0.64 of the total share capital.

All shares rank pari passu and have equal rights in all respect, including with respect to voting rights and dividends and other distributions, except from the class B shares with respect of board appointments. Four members to the board, will be elected by the general meeting with a simple majority among the votes cast for Class B shares. Such number to be reduced if the holder of the Class B shares holds less shares of the Company.

Earnings per share are calculated by dividing the net result attributable to shareholders by the number of shares.

Vår Energi ASA's share saving program gives employees the opportunity to buy shares in Vår Energi ASA through monthly salary deductions. If the shares are retained for two full calendar years with continuous employment after the end of the saving year, the employees will be awarded a bonus share for each share they have purchased. This will be settled by Vår Energi ASA buying shares in the market. The award is treated as equity settled. The dilutive effect of equity settled shares under the share saving program is immaterial to the EPS calculation.

USD 1000	2024	2023
Profit for the year attributable to ordinary equity holders	327 108	610 229
EPS adj. for calculated interest / dividends on hybrid capital *)	(61 809)	(8 218)
Number of shares (in millions)	2 496	2 496
Earnings per share in USD basic and diluted	**0.11**	**0.24**

*) EPS for 1Q 2024 was adjusted for inclusion of the full quarter of calculated interest.

Overview of the 20 largest shareholders registered as of 31 December 2024	Type of account	Number of shares (in 1000)	Owing interest
ENI INTERNATIONAL BV	Ordinary	1 573 714	63.0%
FOLKETRYGDFONDET	Ordinary	105 683	4.2%
Geveran Trading Company LTd	Ordinary	46 948	1.9%
VERDIPAPIRFONDET DNB NORGE	Ordinary	28 115	1.1%
The Northern Trust Comp, London Br	Nominee	25 198	1.0%
VPF DNB AM NORSKE AKSJER	Ordinary	24 414	1.0%
VERDIPAPIRFONDET ALFRED BERG GAMBA	Ordinary	20 707	0.8%
JPMorgan Chase Bank, N.A., London	Nominee	19 772	0.8%
State Street Bank and Trust Comp	Nominee	18 313	0.7%
VERDIPAPIRFOND ODIN NORGE	Ordinary	15 653	0.6%
The Bank of New York Mellon SA/NV	Nominee	15 545	0.6%
State Street Bank and Trust Comp	Nominee	13 303	0.5%
SIX SIS AG	Nominee	12 795	0.5%
CLEARSTREAM BANKING S.A.	Nominee	11 247	0.5%
UBS AG	Nominee	10 999	0.4%
UBS Switzerland AG	Nominee	10 816	0.4%
VERDIPAPIRFONDET KLP AKSJENORGE IN	Ordinary	10 563	0.4%
Morgan Stanley & Co. LLC	Nominee	10 330	0.4%
Deutsche Bank Aktiengesellschaft	Nominee	8 857	0.4%
The Bank of New York Mellon SA/NV	Nominee	8 000	0.3%
OTHERS		505 436	20.2%
Total number of shares		**2 496 406**	**100%**

Note 25 Financial liabilities and borrowings

Interest-bearing loans and bonds

USD 1000	Coupon/Int. Rate	Maturity	31 Dec 2024	31 Dec 2023
Bond USD Senior Notes (22/27)	5.00%	May 2027	500 000	500 000
Bond USD Senior Notes (22/28)	7.50%	Jan 2028	1 000 000	1 000 000
Bond USD Senior Notes (22/32)	8.00%	Nov 2032	1 000 000	1 000 000
Bond EUR Senior Notes (23/29)	5.50%	May 2029	640 672	682 938
Subord. EUR Fixed Rate Sec. (23/83)	7.862%	Nov 2083	9 047	8 921
RCF Working capital facility	1.08%+SOFR +CAS	Nov 2027	1 475 000	-
RCF Liquidity facility	1.13%+SOFR +CAS	Nov 2027	495 000	-
Prepaid loan expenses			(37 546)	(45 278)
Total interest-bearing loans and borrowings			**5 082 173**	**3 146 582**
Of which current and non-current:				
Interest-bearing loans, current			-	-
Interest-bearing loans and borrowings			5 082 173	3 146 582
Bond EUR Senior Notes (23/29)				
Fair value of hedge related to EUR senior notes			19 117	17 370
Hedge inefficiency related to EUR senior notes			(1 783)	2 568
Bond EUR Senior Notes net including FV hedge			**623 338**	**663 000**

Credit facilities - utilised and unused amount

USD 1000	31 Dec 2024	31 Dec 2023
Drawn amount credit facility	1 970 000	-
Undrawn amount credit facilities	1 030 000	3 000 000

Vår Energi ASA have three senior USD notes outstanding in addition to one tranche of EUR denominated senior notes. The senior notes are registered on the Luxembourg Stock Exchange ("LuxSE") and coupon payments are made semi-annually for the USD notes and annually for the EUR notes. The senior notes have no financial covenants. The estimated fair value (level 2) of the bonds as of 31 December 2024 was USD 3 352 million.

In November 2023, Vår Energi ASA issued EUR 750 million Subordinated Fixed Rate Reset Securities due in 2083. The liability is reflected as interest bearing debt. For more details on the EUR Fixed Rate Reset Security, see note 26.

An interest rate swap was entered into in May 2023 for the same amount as the EUR Senior Note. Under the swap, the Company receives a fixed amount equal to the coupon payment for the EUR senior notes and pay a floating rate to the swap providers.

Vår Energi's senior unsecured facilities per 31 December 2024 consist of the working capital credit facility of USD 1.5 billion and the liquidity facility of USD 1.5 billion. From 1 November 2026 until 1 November 2027 the maximum loan amount is USD 1 286 million and USD 1 250 million for the working capital facility and liquidity facility, respectively. The facilities have covenants covering leverage (net interest-bearing debt to 12 months rolling EBITDAX not to exceed 3.5) and interest coverage (EBITDA to 12 months rolling interest expenses shall exceed 5) which is tested at the end of each calendar quarter. Vår Energi is in compliance with these covenants. The interest rate payable for each of the facilities is determined by timing and the company's credit rating taking the aggregate of the Secured Overnight Financing Rate (SOFR) and the Credit Adjustment Spread (CAS) and adding the applicable margin for the present period as shown in the table.

Note 26 Hybrid capital

Vår Energi ASA has issued a EUR 750 million Subordinated Fixed Rate Reset Securities due on the 15th of November 2083. This is broadening our range of funding sources and investor base and is reinforcing our balance sheet with a new layer of capital. For our hybrid bond, we have the right to defer coupon payments and ultimately decide not to pay at maturity. Deferred coupon payments become payable, however, if we decide to pay dividends to our shareholders.

Hybrid bond	Maturity 2083
Type	Subordinated
Financial classification	Equity (99%)
Carrying Amount	EUR 744 million
Notional Amount	EUR 750 million
Issued	15 Nov 2023
Maturing	15 Nov 2083
Quoted in	Luxembourg
First redemption at par	15 Nov 2028
Coupon for the first	7.862% fixed rate until 15 Feb 2029
Margin Step-ups	+0.25% points from 15 February 2034 and +0.75% points after 15 February 2049
Deferral of interest payment	Optional

Hybrid capital movements

USD 1000	Equity	Debt	Total
Balance as of 31 Dec 2022	-	-	-
Addition	806 822	8 837	815 659
Profit/loss allocated to Hybrid owners	-	-	-
Fees	(7 361)		(7 361)
Accretion		84	84
Interest classified as dividend	-	-	-
Balance as of 31 Dec 2023	**799 461**	**8 921**	**808 382**

USD 1000	Equity	Debt	Total
Balance as of 31 Dec 2023	799 461	8921	808 382
Addition	-	-	-
Profit/loss allocated to Hybrid owners	15 600	-	15 600
Fees	-	-	-
Accretion	-	126	126
Interest classified as dividend	(15 600)	-	(15 600)
Balance as of 31 Dec 2024	**799 461**	**9 047**	**808 508**

Note 27 Asset retirement obligations

USD 1000	2024	2023
Beginning of period	**3 295 052**	**3 216 138**
Additions through business combinations	371 512	-
Change in estimate	373 179	183 879
Change in discount rate	(204 169)	(6 394)
Accretion discount	115 666	98 765
Incurred removal cost	(66 794)	(40 688)
Disposals	(103 843)	(54 630)
Currency translation effects	(391 682)	(102 018)
Total asset retirement obligations	**3 388 921**	**3 295 052**
Short-term	105 190	87 385
Long-term	3 283 731	3 207 667

Breakdown by decommissioning period	31 Dec 2024	31 Dec 2023
2024-2030	216 455	431 819
2031-2040	1 949 169	1 689 489
2041-2061	1 223 297	1 173 744

The estimate is based on executing a concept for abandonment in accordance with the Petroleum Activities Act and international regulations and guidelines. The calculations assume an inflation rate of 3% for 2025 and 2% forward and discount rates between 3.8% - 4.1% per 31 December 2024. The assumptions per 31 December 2023 for inflation rates were 4% for 2024 and 2% forward and discount rates from 3.2% - 3.5% . The discount rates are based on risk-free interest without addition of credit margin.

2024 payments for decommissioning of oil and gas fields (abex) is mainly related to Ekofisk, Statfjord and Balder area. In 2023 the payments for decommissioning of oil and gas fields (abex) was mainly related to Balder area.

Vår Energi has a retirement obligation as a shipper in Gassled booked to other non-current liabilities in the balance sheet statement. Vår Energi has accrued USD 78.8 million and for this purpose per 31 December 2024 the corresponding amount per 31 December 2023 was USD 73.6 million.

Note 28 Other non-current liabilities

USD 1000	Note	31 Dec 2024	31 Dec 2023
Removal provision Gassled	27	78 767	73 613
Decommissioning deposit		10 865	-
Deferred gain[1]		7 483	8 536
Other		17 934	-
Total other non-current liabilities		**115 048**	**82 149**

[1] In 2017 Point Resources AS, sold the shares in ExxonMobil Property Norway (2) AS, and immediately entered into a finance lease for the office building located in Grenseveien 6, 4313 Sandnes. The excess of sales proceeds is deferred and amortised over the lease term (20 years).

Note 29 Other current liabilities

USD 1000	Note	31 Dec 2024	31 Dec 2023
Net payables to joint operations		365 482	375 871
Net overlift of hydrocarbons		162 455	67 561
Employee payables and accrued public charges		47 521	22 698
Accrued interests		54 695	54 936
Contingent consideration, current		-	79 137
Deferred payment for option premiums - oil puts	22	31 923	29 804
Other payables		21 423	14 072
Total other current liabilities		**683 499**	**644 079**

A contingent consideration to ExxonMobil of USD 80 million has been conservatively carried as a liability since 2020. The liability was reduced during 2024, and settled in the fourth quarter with USD 46.8 million (see note 10 and 30).

The liability for oil put options relates to cost of oil put options that under the purchase agreement is due for payment at the time of settlement of the option (exercise/expiry) and is not a measure of fair value.

Note 30 Commitments, provisions and contingent consideration

Other contractual obligations

Minimum work programs

Vår Energi is required to participate in the approved work programs for the licences. Together with the licence partners there is also an obligation to participate in exploration wells according to the licence agreements.

Commitments

Vår Energi has entered into contractual commitments to secure planned activities. The numbers disclosed in the table below, represents Vår Energi's share of capital and operation expenditures from its participation in operated and non-operated exploration, development and production projects, as well as corporate activities. The current main development projects are Johan Castberg and Balder Future. The table below excludes contracts reported as lease, as disclosed in note 31 Lease agreements.

USD 1000	31 Dec 2024	31 Dec 2023
Within one year	234 685	137 343
After one year but not more than five years	59 285	249 225
More than five years	196	8 514
Total commitments other than leases	**294 167**	**395 081**

Liability for damages/insurance

Vår Energi's operations involve risk for damages, including pollution. Installations and operations are covered by an operations insurance policy.

Guarantees

Vår Energi has contingent liabilities in respect of agreements with pipeline and processing companies, whereby it may be required to provide such companies with additional funds against future transportation and processing of petroleum liquids and natural gas delivered by Vår Energi to these companies.

Eni International B.V. has issued a guarantee to ExxonMobil for the seller's subsidiary removal cost obligations per Norwegian Law, in connection with Vår Energi's asset acquisitions from ExxonMobil in 2017 and 2019. Vår Energi pays and expenses an annual fee to Eni International B.V, see note 10. The total estimated net present value of the fee payments as of 31 December 2024 is USD 288 million, with a payment profile that is reduced according to the payment profile of decommissioning of asset acquired from ExxonMobil in 2017 and 2019.

Note 30 Commitments, provisions and contingent consideration continued

Provisions and Contingencies

During the normal course of its business, Vår Energi will be involved in disputes, including tax disputes. The Company makes accruals for probable liabilities related to litigation and claims based on management's best judgment.

As part of the purchase agreement between Point Resources AS and ExxonMobil in 2017, Point Resources AS agreed to pay a contingent consideration related to possible development of the Forseti structure. A maximum payment of USD 80 million has been conservatively carried as a liability since 2020. The liability was reduced during 2024, reflecting an updated evaluation. The liability was settled in the fourth quarter of 2024 with USD 46.8 million.

After disagreement between the participants in the Breidablikk Unit, the Ministry Energy decided on the apportionment of the Breidablikk field on 29 June 2021, the decision was confirmed by the King in Counsel on 8 October 2021. Based on this tract participation Vår Energi's equity in the Breidablikk field was 34.4%. Vår Energi claimed that the Company had received approximately 5% less than the Company was entitled to. Sør-Rogaland District Court rejected Vår Energi's claim on 30 January 2024. Vår Energi has appealed the case. The first part of the appeal will be heard in the period 26 March - 11 April 2025 and the second part (if relevant) will be heard Tuesday 14 April - 15 May 2026. There are no effects on the Financial Statements related to this dispute.

Oslo District Court on 18 January 2024 delivered a decision in the so-called "Climate Case II", where Greenpeace and Natur og Ungdom have sued the Norwegian State represented by the Ministry of Energy. The Court concluded that the government's approvals of the respective Plan for Development and Operation ("PDO") for the three fields; Breidablikk, Tyrving and Yggdrasil were invalid due to insufficient impact assessments of climate effects of CO_2 emissions related to the use of produced petroleum by the end user. The Court further granted a temporary injunction prohibiting the State from making other decisions for these fields that require valid PDO approvals until the validity of the relevant PDO decisions has been resolved. Vår Energi is not a party to this dispute, but the outcome may have implications for Vår Energi as a licencee holding 34.4% interests in the Breidablikk field. The Ministry has appealed to the Borgarting Court of Appeal. The appeal will be heard in September 2025. The Court of Appeal dismissed the motion for a temporary injunction to halt the development and production from the three fields, and this decision has been appealed to the Supreme Court. There are no effects on the Financial Statements related to this court case.

Note 31 Lease agreements

Vår Energi has entered into lease agreements for a drilling rig, supply vessels, and warehouses supporting operation at Balder, Gjøa and Goliat, where the most significant lease is the rig COSL Prospector operating in the Barents Sea. The group also has leases for offices in Sandnes, Florø, Oslo and Hammerfest, with the most significant contract being the main office building in Vestre Svanholmen 1, Sandnes.

There were two new leases in 2024 - the rig COSL Prospector and a new office building in Oslo, in addition to extended contracts for the vessels. See note 16 for the Right of use assets.

USD 1000	2024	2023
Opening Balance lease debt	**116 928**	**212 646**
New lease debt in period	178 327	-
Additions through business combinations	10 545	-
Payments of lease debt	(83 300)	(98 809)
Lease debt derecognised in period	956	-
Interest expense on lease debt	5 358	6 195
Currency exchange differences	(16 960)	(3 104)
Total lease debt	**211 854**	**116 928**

Breakdown of the lease debt to short-term and long-term liabilities	31 Dec 2024	31 Dec 2023
Short-term	70 400	99 265
Long-term	141 454	17 663
Total lease debt	**211 854**	**116 928**

Lease debt split by activities	31 Dec 2024	31 Dec 2023
Offices	55 674	50 194
Rigs, helicopters and supply vessels	149 883	62 479
Warehouse	6 296	4 255
Total	**211 854**	**116 928**

Nominal lease debt maturity breakdown	31 Dec 2024	31 Dec 2023
Within one year	77 078	99 265
Two to five years	121 397	5 745
After five years	35 935	33 096
Total	**234 409**	**138 106**

Note 32 Related party transactions

Vår Energi has a number of transactions with other wholly owned or controlled companies by the shareholders. The related party transactions reported are with entities owned or controlled by the majority ultimate shareholder of Vår Energi, Eni SpA. Revenues are mainly related to sale of oil, gas and NGL while the expenditures are mainly related to technical services, seconded personnel, insurance, guarantees and rental cost.

Current assets

USD 1000	31 Dec 2024	31 Dec 2023
Trade receivables		
Eni Trade & Biofuels SpA	376 578	422 807
Eni SpA	71 680	74 606
Eni Global Energy Markets	-	18 107
Other	615	909
Total trade receivables	**448 874**	**516 429**

All receivables are due within 1 year.

Sales revenue

USD 1000	2024	2023
Eni Trade & Biofuels SpA	4 728 774	3 945 390
Eni SpA	751 352	870 327
Eni Global Energy Markets	61 437	177 307
Total sales revenue	**5 541 563**	**4 993 024**

Current liabilities

USD 1000	31 Dec 2024	31 Dec 2023
Account Payables		
Eni International BV	17 071	17 740
Eni SpA	10 398	11 654
Eni Trade & Biofuels SpA	21 337	7 033
Other	814	917
Total account payables	**49 620**	**37 344**

Operating and capital expenditures

USD 1000	2024	2023
Eni Trade & Biofuels SpA	33 830	13 321
Eni International BV	18 918	17 333
Eni SpA	16 997	17 749
Other	4 853	1 383
Total operating and capital expenditures	**74 598**	**49 786**

Note 33 Licence ownerships

Fields	WI %	Operator	Licences	Concession period expires
BALDER	90.0%	Vår Energi	PL 001/PL 027/PL 027C/PL 169/PL 028	2030
BAUGE	30.0%	Equinor	PL 348/PL 348B	2029
BREIDABLIKK	34.4%	Equinor	PL 001DS/PL 027FS/PL 169/PL 169B2	2030
BYRDING	15.0%	Equinor	PL 090B/PL 090C/PL 248	2026
DUVA	30.0%	Vår Energi	PL 636/PL 636C	2044
EKOFISK	12.4%	ConocoPhillips	PL 018/PL 018 B	2048
ELDFISK	12.4%	ConocoPhillips	PL 018	2048
EMBLA	12.4%	ConocoPhillips	PL 018	2048
FENJA	75.0%	Vår Energi	PL 586	2039
FRAM	40.0%	Equinor	PL 090/PL 090E	2040
FRAM H-NORD	10.80%	Equinor	PL 090G/PL 248	2035
GJØA	30.0%	Vår Energi	PL 153	2028
GOLIAT	65.0%	Vår Energi	PL 229	2042
GRANE	28.3%	Equinor	PL 001CS/PL 169B1	2030
GUDRUN	25.0%	Equinor	PL 025	2032
GUNGNE	13.0%	Equinor	PL 046	2028
HALTEN ØST	24.6%	Equinor	PL074CS/PL074B/PL263/PL263B/ PL312/PL312B/PL473	2042
HEIDRUN	5.2%	Equinor	PL 095/PL 124	2024/2025
HYME	30.0%	Equinor	PL 348	2029
JOHAN CASTBERG	30.0%	Equinor	PL 532	2049
KRISTIN	16.7%	Equinor	PL 134D	2027
LAVRANS	15.0%	Equinor	PL 199	2033
MIKKEL	48.4%	Equinor	PL 092/PL 121	2028
MORVIN	30.0%	Equinor	PL 134B	2027
NJORD	22.5%	Equinor	PL 107/PL 107C/PL 132	2034
ORMEN LANGE	6.3%	Norske Shell	PL 208/PL 250	2041
RINGHORNE ØST	92.6%	Vår Energi	PL 027/PL 169E	2030
SIGYN	40.0%	Equinor	PL 072	2035
SLEIPNER VEST	17.2%	Equinor	PL 029/PL 046	2028
SLEIPNER ØST	15.4%	Equinor	PL 046	2028
SNORRE	18.6%	Equinor	PL 057/PL 089	2040
SNØHVIT	12.0%	Equinor	PL064/PL077/PL078/PL097/PL099/ PL100/PL110/PL110B/PL448	2035
STATFJORD	21.4%	Equinor	PL 037	2026
STATFJORD NORD	25.0%	Equinor	PL 037	2026
STATFJORD ØST	20.6%	Equinor	PL 037/PL 089	2040
SVALIN	13.0%	Equinor	PL 169	2030
SYGNA	21.0%	Equinor	PL 037/PL 089	2040
TOMMELITEN ALPHA	9.1%	ConocoPhillips	PL044	2028
TOR	10.8%	ConocoPhillips	PL 006/PL 018	2048
TORDIS	16.1%	Equinor	PL 089	2040
TRESTAKK	40.9%	Equinor	PL 091/PL 091D	2029
TYRIHANS	18.0%	Equinor	PL 073/PL 073 B/PL 091	2029
VEGA	3.3%	Harbour Energy	PL 090C/PL 248/PL 248B	2035
VIGDIS	16.1%	Equinor	PL 089	2040
ÅSGARD	22.7%	Equinor	PL 062/PL 074/PL 094/PL 094 B /PL 134/PL 237/PL 479	2027

Note 33 Licence ownerships continued

Licences	WI %	Operator
PL001	90%	Vår Energi
PL001 CS	100%	Vår Energi
PL001 DS	100%	Vår Energi
PL018	12%	ConocoPhillips
PL018 B	12%	ConocoPhillips
PL025	25%	Equinor
PL027	90%	Vår Energi
PL027 C	90%	Vår Energi
PL027 FS	100%	Vår Energi
PL027 HS	90%	Vår Energi
PL028	90%	Vår Energi
PL028 C	13%	Equinor
PL028 S	90%	Vår Energi
PL029	85%	Vår Energi
PL037	25%	Equinor
PL044	13%	ConocoPhillips
PL046	13%	Equinor
PL057	5%	Equinor
PL062	10%	Equinor
PL 064	15%	Equinor
PL072	40%	Equinor
PL072 B	50%	Equinor
PL073	12%	Equinor
PL073 B	15%	Equinor
PL074	39%	Equinor
PL074 B	39%	Equinor
PL074 CS	39%	Equinor
PL074 DS	39%	Equinor
PL074 ES	39%	Equinor
PL077	12%	Equinor

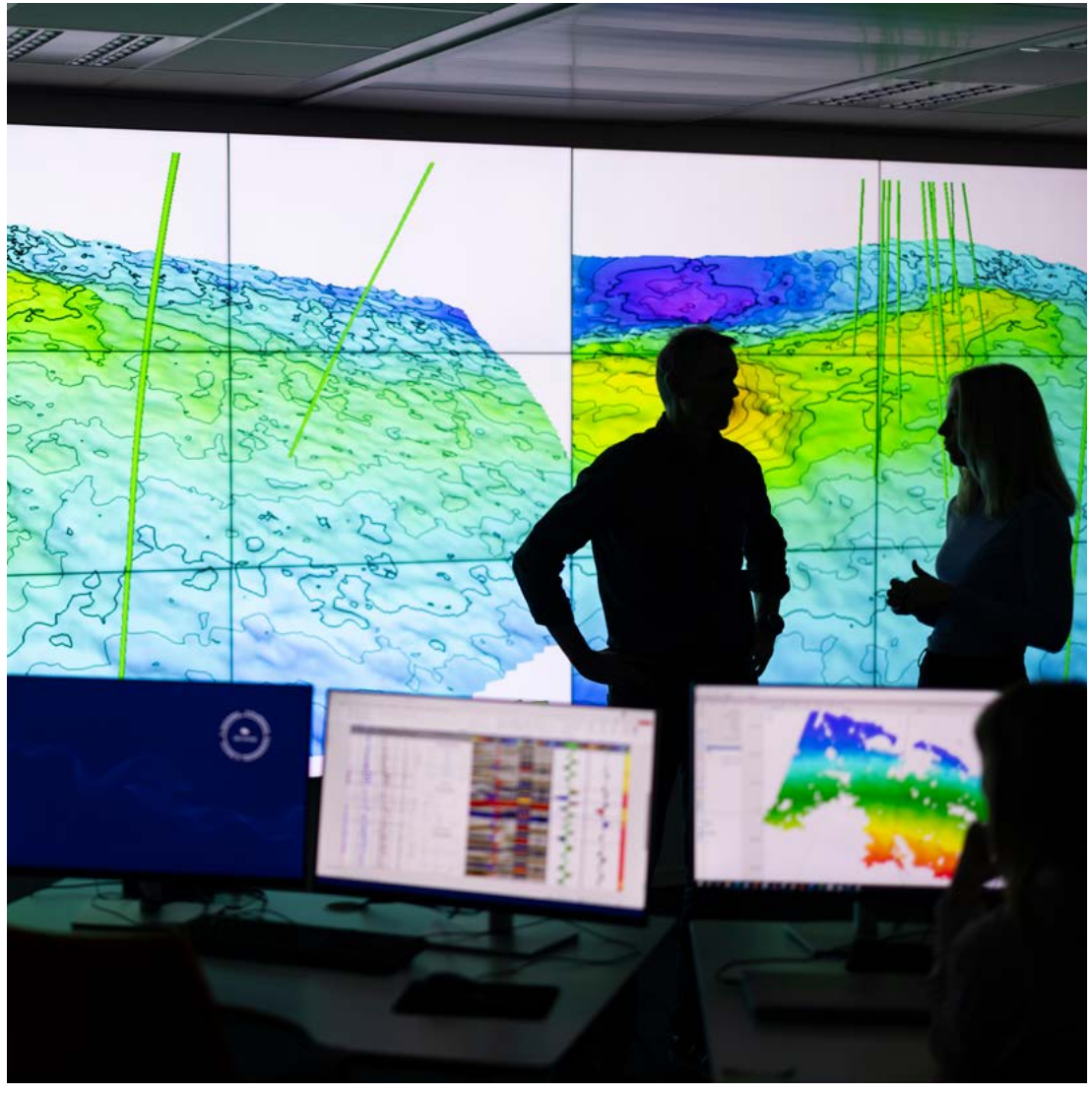
Licences	WI %	Operator
PL078	12%	Equinor
PL089	16%	Equinor
PL089 BS	16%	Equinor
PL089 CS	16%	Equinor
PL090	40%	Equinor
PL090 B	15%	Equinor
PL090 C	15%	Harbour Energy
PL090 E	40%	Equinor
PL090 G	15%	Equinor
PL090 HS	20%	Equinor
PL090 I	40%	Equinor
PL090 JS	15%	Equinor
PL091	41%	Equinor
PL091 D	41%	Equinor
PL091 E	41%	Equinor
PL091 G	41%	Equinor
PL092	55%	Equinor
PL094	34%	Equinor
PL094 B	22%	Equinor
PL095	5%	ConocoPhillips
PL097	12%	Equinor
PL099	12%	Equinor
PL100	6%	Equinor
PL107	23%	Equinor
PL107 B	28%	Equinor
PL107 C	23%	Equinor
PL107 D	28%	Equinor
PL110	12%	Equinor
PL110 B	12%	Equinor
PL121	35%	Equinor

Licences	WI %	Operator
PL124	10%	Equinor
PL124 B	10%	Equinor
PL132	23%	Equinor
PL134	30%	Equinor
PL134 B	30%	Equinor
PL134 C	30%	Equinor
PL134 D	30%	Equinor
PL134 E	30%	Equinor
PL153	30%	Vår Energi
PL153 B	30%	Vår Energi
PL153 C	30%	Vår Energi
PL169	13%	Equinor
PL169 B1	7%	Equinor
PL169 B2	10%	Equinor
PL169 E	100%	Vår Energi
PL187	25%	Equinor
PL199	15%	Equinor
PL209	10%	Equinor
PL219	50%	Equinor
PL220	15%	Equinor
PL229	65%	Vår Energi
PL229 B	65%	Vår Energi
PL229 E	50%	Vår Energi
PL229 G	50%	Vår Energi
PL229 H	65%	Vår Energi
PL237	22%	Equinor
PL250	6%	Shell
PL257	15%	Equinor
PL263 C	10%	Equinor
PL293	25%	Equinor

Licences	WI %	Operator
PL312	41%	Equinor
PL312 B	41%	Equinor
PL348	30%	Equinor
PL348 B	30%	Equinor
PL375	20%	Equinor
PL393	80%	Vår Energi
PL448	12%	Equinor
PL473	39%	Equinor
PL479	23%	Equinor
PL489	40%	Vår Energi
PL532	30%	Equinor
PL554	30%	Equinor
PL554 B	30%	Equinor
PL554 C	30%	Equinor
PL554 D	30%	Equinor
PL554E	30%	Equinor
PL586	75%	Vår Energi
PL586 B	45%	Vår Energi
PL608	30%	Equinor
PL636	30%	Vår Energi
PL636 B	30%	Vår Energi
PL636 C	30%	Vår Energi
PL817	80%	Vår Energi
PL817 B	80%	Vår Energi
PL820 S	30%	Vår Energi
PL820 SB	30%	Vår Energi
PL882	45%	Vår Energi
PL917	40%	Vår Energi
PL925	10%	Equinor
PL929	40%	Vår Energi

Licences	WI %	Operator
PL932	20%	Aker BP
PL932 B	20%	Aker BP
PL938	50%	Vår Energi
PL956	50%	Vår Energi
PL984	20%	DNO Norge
PL984 BS	20%	DNO Norge
PL1002	42%	Vår Energi
PL1002B	42%	Vår Energi
PL1002C	42%	Vår Energi
PL1005	40%	Aker BP
PL1025 S	60%	Vår Energi
PL1025 SB	60%	Vår Energi
PL1042	30%	Aker BP
PL1072	70%	Vår Energi
PL1072 B	70%	Vår Energi
PL1073	70%	Vår Energi
PL1076	50%	Equinor
PL1078	30%	Equinor
PL1079	30%	Vår Energi
PL1080	30%	Equinor
PL1090	50%	Vår Energi
PL1105 S	50%	Vår Energi
PL1110	30%	Aker BP
PL1120	20%	DNO Norge AS
PL1121	30%	Equinor
PL1131	40%	Vår Energi
PL1132	60%	Vår Energi
PL1154	40%	Vår Energi
PL1163	20%	ConnocoPhillips
PL1168	50%	Vår Energi

Licences	WI %	Operator
PL1173	60%	Vår Energi
PL1179	40%	Equinor
PL1180	40%	Vår Energi
PL1185	20%	Equinor
PL1188	23%	Equinor
PL1189	23%	Equinor
PL1192	50%	Vår Energi
PL1194	30%	OMV
PL1194 B	30%	OMV
PL1196	70%	Vår Energi
PL1197	50%	Vår Energi
PL1203	30%	Vår Energi
PL1211	50%	Vår Energi
PL1213 S	40%	Vår Energi
PL1214	25%	Equinor
PL1215	30%	Aker BP
PL1217	20%	Inpex
PL1218	20%	Aker BP
PL1219	50%	Vår Energi
PL1224	50%	Vår Energi
PL1227	23%	Equinor
PL1231	30%	OMV
PL1236	30%	Equinor
PL1237	40%	Vår Energi
PL1238	20%	Equinor
PL1239	30%	Equinor
PL1241	50%	Vår Energi
PL1242	20%	Aker BP
PL1243	20%	Aker BP



Note 34 Proved developed reserves (un-audited)

	mmboe
Proved developed reserves as at 31.12.22	312
Production 2023	(78)
Change in estimate 2023	69
Proved developed reserves as at 31.12.23	**303**
Production 2024	(102)
Acquisition/disposal	66
Change in estimate 2024	64
Proved developed reserves as at 31.12.24	**331**

Proved developed reserves as of 31 December 2024 are Vår Energi ASA's own evaluation based on Petroleum Resources Management System (PRMS) principles.

Third-party independent assessment has been performed by international petroleum consultants DeGolyer and MacNaughton (D&M) on all Vår Energi's fields with remaining hydrocarbon volumes classified as reserves. The results of the independent assessment indicate no material difference compared to the Company reserves presented herein.

Total proved reserves, developed and undeveloped, as of 31 December 2024 were 776 mmboe, an increase of 167 mmboe compared to 31 December 2023.

As of 31 December 2024, the Company's total proved and probable reserves (2P) net to Vår Energi were 1 187 mmboe, up from 985 mmboe as of 31 December 2023. The increase is mainly due to acquisition of Neptune as well as transfer of Fram South project and Snorre lifetime extension to reserves. In addition to this there are several infill projects and revisions due to good field performance.

Vår Energi's total proved and probable reserves are distributed with 24% in the Balder Area, 28% in the Barents Sea, 27% in the North Sea and 21% in the Norwegian Sea. The Company's proved and probable reserves were split on 64% oil, 30% gas and 6% NGL.

Total contingent resources (2C) at year-end 2024 were 927 mmboe, an increase of 299 mmboe when compared with year-end 2023. This increase is due to several exploration successes and technical revisions as the Company is actively de-risking and progressing resources into new development projects.

For further information see the Annual Statement of Reserves published on www.varenergi.no

Note 35 Climate risk

Climate risk may have a significant impact on the financial reporting. Climate risk may be related to transitional risk and physical risk. Transitional risks relate to risks associated with transitioning to a lower-carbon economy and may comprise of market, reputational and policy risks. Physical risks are the risks which arise from the physical effects of climate change and environmental degradation, and may arise through changes in weather patterns, temperature increases and other physical effects of climate change.

Vår Energi continually identifies and assesses the actual and potential impacts on sustainable development from its business and activities. Vår Energi is mainly impacted by transitional risks, but could also be impacted by physical risk in a longer perspective.

Scenario analysis

Vår Energi reports under the European Sustainability Reporting Standards (ESRS) and take climate risks and opportunities into account when developing strategies and financial plans. Vår Energi has conducted a scenario analysis under the International Energy Agency (IEA) scenarios of future energy trends, in order to assess the impacts on the Company's business and financial performance.

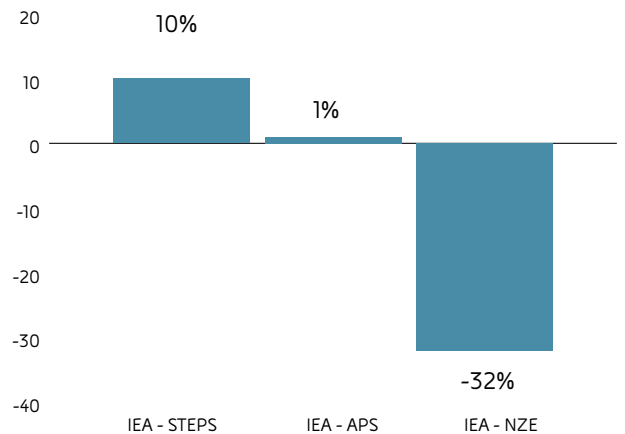
Note 35 Climate risk continued

The Global Energy and Climate (GEC) Model includes key input data for three modelled scenarios; Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS) and Net Zero Emissions by 2050 Scenario (NZE).

The figure below illustrates the changes in the net present value (NPV) of Vår Energi's portfolio under the scenarios described in IEA's World Energy Outlook (WEO) report subject to assumptions described below. The latest WEO report, published in October 2024, further describes the scenarios mentioned above and can be found at www.iea.org.

Notes

Change in NPV of Vår Energi portfolio under IEA scenarios



1) The NPV of Vår Energi portfolio under the selected scenarios is compared to the NPV of the portfolio valued at Vår Energi's latest economic assumptions. Fixed exchange rates are applied for all scenarios.

2) IEA defines the prices for 2030, 2040 and 2050 in real 2023 terms. Vår Energi assumes a linear development between spot price at year end 2024 and IEA prices in 2030, as well as linear prices between 2030, 2040 and 2050.

Oil and gas price scenarios by the IEA:

IEA scenario price ranges	Oil USD/bbl			Gas USD/mmbtu		
Real terms (USD 2022)	2030	2040	2050	2030	2040	2050
Net Zero	42	30	25	4.4	4.1	4.0
Announced pledges	72	63	58	6.0	5.2	5.2
State Policies	79	77	75	6.5	7.6	7.7

Prices applied in the scenario assume a linear forecasted price development and do not take price fluctuations, changes in portfolio and costs into account. Further, the scenarios imply that no new oil and gas fields will be approved for development beyond already committed projects as of year end 2024. NGL prices are estimated to 70% of oil prices and foreign exchange rates are kept unchanged compared to base assumptions used for impairment purposes.

As illustrated in the figure, the NPV of Vår Energi's portfolio is 10% higher under the IEA's STEPS scenario compared to the Company's latest planning and budget assumptions. Under the APS scenario, the NPV of the portfolio is 1% lower than the Vår Energi base case.

The Net Zero Emissions by 2050 scenario models a collapse in commodity prices of crude oil and natural gas dependent on a significant reduction in demand. Between 2022 and 2050, the demand for oil is expected to decline by around 75%, and natural gas to decline by around 78%. Thus, this scenario entails ambitious policies and measures to reduce energy demand through behavioural change. As indicated in the figure, the NPV of Vår Energi's portfolio is valued 32% lower compared to the base assumptions under this scenario.

Potential financial impacts

The main potential climate risk related financial impacts identified by Vår Energi relates to market risk and regulatory risk. Market risk impacts, such as decrease in demand and prices related to fossil fuels, are described in the scenario analysis above. Regulatory risks are related to diminished exploration capabilities and end date of production for ARO purposes.

Note 35 Climate risk continued

A scenario of shutdown of production of oil and gas from 2050 in order to reach the KonKraft strategy of near zero Scope 1 emissions by 2050 will have limited to no impact on the 2024 financials. This is due to limited assumed production and decommissioning cost after 2050.

If no exploration activity is allowed after 2024, an impairment of exploration bonus potential included in Other tangible assets of USD 56 million is estimated to be suffered.

An increase in the fixed interest rates on the Senior Notes by 100 points would impact the expected interest payments by around USD 51 million (15% increase), whereas an increase by 200 points would increase the interest payments by around USD 102 million (30% increase). Although such an increase is not applicable on the fixed rates at present, the scenario illustrates the possible exposure in the longer term. For interest rates sensitivities on finaicial liabilities that will be affected by interest rates movements in the short term see note 22.

Opportunities

The main identified climate-related opportunities with potential substantial financial impact identified by Vår Energi are:

- Shift in supplier: Vår Energi's assets being preferred in terms of lower emissions per produced boe, e.g. compared to non-NCS suppliers
- Electrification of assets may reduce production costs
- Underinvestment in the oil and gas industry may lead to increased prices on the commodities, in which may generate higher revenues
- Lower interest rates on loans due to lower emissions compared to other non-NCS producers
- Availability of capital; loan issuers may prefer companies with lower emissions
- Investment in CCS may decrease carbon costs

Note 36 Subsequent events

Vår Energi has elected to sell part of its gas on a fixed price/forward basis. Per 31 December 2024 Vår Energi has sold approximately 4% of the gas production for the first quarter in 2025 at USD 70 pr boe and approximately 17% of the gas production for the second and third quarter of 2025 at USD 80 per boe.

In January 2025 Vår Energi was awarded 16 new production licences, of which 5 are as operator, in the 2024 Awards in Predefined Areas (APA) covering mature areas.

The AkerBP operated well Njargasas in PL1110 was concluded dry in January 2025. Vår Energi has a 30% equity in the licence and has capitalised exploration drilling cost amounting to USD 5.7 million as per 31.12.2024.

A discovery on the Vår Energi operated well Zagato in licence PL229 was concluded in February 2025. The preliminary estimated gross recoverable resources are between 15 to 43 million barrels of oil equivalent (mmboe). Vår Energi has a 65% equity in the licence.

Jotun floating production, storage and offloading vessel (FPSO) sailed from the Worley Rosenberg yard to the Balder field in mid-March.

Vår Energi announced pricing an offering of EUR 1 billion Senior Notes under the Company's Euro Medium Term Note program on 5 March 2025. The Notes are listed on the regular market of the Luxembourg Stock Exchange. The offering settled on 12 March 2025, and the Notes will mature 12 March 2031.

Production from the Equinor operated Halten East field in the Norwegian Sea has commenced, on time and on budget in mid-March. The gas and condensate field will provide Vår Energi with net production of around 20 thousand barrels of oil equivalent per day (kboepd) at peak.

Auditor's report

To the General Meeting of Vår Energi ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Vår Energi ASA (the Company), which comprise the balance sheet statement as at 31 December 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows 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, and 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 its 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 as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Vår Energi ASA for 6 years from the election by the general meeting of the shareholders on 5 July 2019 for the accounting year 2019.

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 of the current period. 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.

Vår Energi acquired and merged with Neptune Energy Norway AS during the financial year. Consequently, *Accounting for Business Combination* was an area of focus for the 2024 audit. *Impairment of Goodwill and Property, Plant, and Equipment*, along with the *Estimation of Asset Retirement Obligations*, continue to present similar characteristics and risks as in the previous year, making them focal points for the 2024 audit as well.

Key Audit Matters	How our audit addressed the Key Audit Matter

Impairment of Goodwill and Property, Plant and Equipment

On 31 December 2024 Vår Energi ASA had property, plant and equipment with a carrying value of USD 16 737 122 thousand, and goodwill (including technical goodwill) with a carrying value of USD 2 987 837 thousand.

In line with Vår Energi's accounting policies for impairment of non-financial assets, management has assessed whether there are impairment or impairment reversal indicators. Based on identified impairment indicators, an impairment calculation was prepared.

Management's assessment of recoverable amounts of goodwill and property, plant and equipment require estimates and assumptions relating to operational and market factors and involves a significant amount of judgement. In addition, the calculation of recoverable amounts requires financial modelling of the cash flows related to the cash generating units, which can be inherently complex, and may require use of additional judgement.

Based on the calculated recoverable amounts, a total net impairment charge of USD 3 819 thousand was recognised in 2024. The impairment charge relates to impairment of technical goodwill of USD 126 638 thousand and net impairment reversal on property, plant and equipment of USD 122 819 thousand.

We focused on this area because goodwill and property, plant and equipment constitute a significant share of total assets in the balance sheet, and because the assessment of recoverable amount is complex and involves significant management judgement which may have a direct impact on net profit. In addition, management's long term price assumptions differ from long-term price assumptions required to achieve the goals of the Paris Agreement as described in the International Energy Agency (IEA) World Energy Outlook's scenario - Net Zero Emissions by 2050.

Refer to note 17 and 35 for a description of management's assessment of impairment.

We assessed management's identification of impairment- and reversal indicators and agreed that indicators were present.

We obtained management's calculation of recoverable amounts on 31 December 2024. We assessed management's identification of cash generating units, and found it to be in line with our expectations. For each cash generating unit, including allocated technical goodwill, we assessed the key inputs to the calculation of the recoverable amount by:

- comparing applied short-term price assumptions with external price forward curves;
- comparing applied long-term oil price assumptions with long-term price assumptions communicated by peers and other publicly available sources;
- comparing asset specific assumptions underlying the impairment test model (e.g. production profiles, capital expenditures, operating costs, removal costs) to management's forecasts;
- assessing the calculation from post- to pretax impairment charge; and
- benchmarking applied inflation, exchange rates and discount rates against external market data.

We also assessed the methodology and tested for mathematical accuracy of management's impairment models.

Management determined that ordinary goodwill at the balance sheet date was not impaired. Consequently, we obtained and considered management's assessment supporting their determination. Ordinary goodwill was assessed for impairment based on a comparison of fair value and book value of equity on a corporate level. We assessed the estimated fair value based on Vår Energi's quoted share price at year-end.

We found support for the carrying value of Goodwill and Property, Plant and Equipment as of 31 December 2024.

Estimation of Asset Retirement Obligations

On 31 December 2024 asset retirement obligations represent USD 3 388 921 thousand in the balance sheet, and are accounted for as non-current and current provisions of USD 3 283 731 and USD 105 190 thousand, respectively.

Estimation of asset retirement obligations requires application of judgement and several assumptions. This includes timing of actual cash flows, amount of retirement costs and discount rate. The timing of removal is also dependent on the reserves estimation and is impacted by the commodity price outlook. The calculation of the asset retirement obligations requires financial modelling of cash flows related to the removal and decommissioning cost. Such modelling can be complex and may require use of additional judgement.

We focused on this area due to the significant value the provision for asset retirement obligations represents in the balance sheet, and the level of management judgement applied in determining the provision for asset retirement obligations.

Refer to note 27 for a description of how management estimated the asset retirement obligations.

We also assessed management's sensitivity analysis and the underlying calculations showing how the recoverable amounts of tangible assets and technical goodwill would be impacted by changes to underlying assumptions, such as change in hydrocarbon prices and discount rates. In addition, we also considered consistency between the climate risk related disclosures in note 35 and the sensitivity analysis relating to the various scenarios from the IEA to the impairment testing in note 17.

We evaluated the appropriateness of the related note disclosures and found that they satisfied IFRS requirements.

We obtained management's assessment and model for calculation of asset retirement obligations and held meetings with management to understand the nature and details of the calculation. We found the methodology to be in line with requirements in IFRS.

The decommissioning cost estimates for the non-operated assets are based on the respective Operators cost estimate. We obtained the cost estimate prepared by the external Operators of the non-operated fields from management. We checked whether the external cost estimates were included as input in the calculation of the asset retirement obligation for the non-operated fields and challenged assumptions applied.

For the operated fields, the cost estimates are based on Vår Energi's internal calculation and assessment. Vår Energi has involved a multi-discipline project team with professionals from various technical areas. The calculation of cost estimates for the Vår Energi operated fields are based on several cost inputs. We assessed the cost estimate assumptions applied for reasonableness. This included, but were not limited to, number of wells to be plugged, rig rates per day, decommissioning year and contingency level. We also tested the model used for calculating the asset retirement obligations and found that the model makes calculations as expected. We received management's assessment of the timing of decommissioning and removal activities for each field. We benchmarked the inflation rate, and the discount rate used in calculation of the asset retirement obligations against external market data. Our testing substantiated that management assumptions were fair.

We evaluated the appropriateness of the related note disclosures and found that they were reasonable.

Accounting for Business Combination

On 31 January 2024, Vår Energi finalized the acquisition of Neptune Energy Norway AS, paying a cash consideration of USD 2 106 764 thousand. For accounting purposes, the acquisition date was set to 1 January 2024. The transaction was classified as a business combination and has been accounted for under IFRS 3.

A purchase price allocation (PPA) was conducted on 1 January 2024 to allocate the consideration to the fair value of Neptune Energy Norway AS' assets and liabilities. The difference between the consideration and the identified net assets was recorded as goodwill.

The purchase price allocation (PPA) and the measurement and determination of fair values required financial modelling of the cash flows relating to each tangible asset acquired and abandonment provision assumed, including tax effects.

The valuation of assets and liabilities in the purchase price allocation involved significant judgmental assessments, impacting the company's assets, liabilities, and future earnings. Business combinations can be complex, with transaction reporting reliant on both the acquisition agreement and management's discretion. Consequently, accounting for this business combination has been key to our audit in this year's audit.

In Note 3, management outlines the accounting treatment of the business combination and the measurement of goodwill.

We obtained and examined the purchase agreement, assessed the terms, and engaged in discussions with management to fully understand the transaction details. Key elements of the transaction were reconciled to the underlying agreement.

We evaluated the purchase price allocation and challenged management on the identification of assets for allocation, including the calculation of goodwill.

A major part of the value assumed in the transaction was allocated to and property, plant and equipment. Management has measured the value of property, plant and equipment based on the net present value (NPV) after tax of future estimated cash flows. We compared the estimated future cash flows related to production profiles, operating and capital expenditures to Vår Energi's internal Business Plan. For future crude and gas prices, we assessed applied prices short term prices to quoted market forward prices and the long-term prices to analyst and broker forecasts. We assessed the discount rate applied with reference to market data. Furthermore, we tested the estimated future foreign exchange rates against external quoted forward curves.

The liabilities assumed in the transaction mainly relate to asset retirement obligations, deferred taxes and taxes payable. We assessed management estimates for asset retirement obligations and tested for mathematical accuracy. We obtained from management a calculation of deferred and payable taxes as part of the business combination and tested tax calculation and the assumptions used and examined the application of tax regulations.

A material part of goodwill from the transaction relates to technical goodwill, derived from the difference between estimated fair market value and tax value of the assets acquired. We tested the mathematical accuracy of calculated technical goodwill.

Auditor's report

Our assessment revealed that the purchase price allocation employed recognized methodologies, and that the estimated values were based on appropriate data and reasonable assumptions.

We evaluated the appropriateness of the related note disclosures and found that they were reasonable.

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 accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying 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 or the other information accompanying 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 opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance, and to the report on payments to governments.

Our opinion on whether the Board of Directors' report contains the information required by applicable statutory requirements, does not cover the Sustainability Statement, on which a separate assurance report is issued.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and 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 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 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 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. We 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.
- 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 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 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 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 a true and fair view.

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, actions taken to eliminate threats or safeguards applied.

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 Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Vår Energi 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 VarEnergiASA-2024-12-31-en, 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 (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.

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

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Stavanger, 28 March 2025
PricewaterhouseCoopers AS

Gunnar Sletteba
State Authorised Public Accountant

Statement by the Board of Directors and the Chief Executive Officer

Pursuant to the Norwegian Securities Trading Act Section 5-5 with related regulations, we hereby confirm that, to the best of our knowledge, the Company's, financial statements for 2024 have been prepared in accordance with IFRS Accounting Standards, as adopted by the EU, and requirements in accordance with the Norwegian Accounting Act. The information presented in the financial statements gives a true and fair view of the Company's liabilities, financial position, and results overall.

To the best of our knowledge, the Board of Directors' Report gives a true and fair view of the development, performance, and financial position of the Company, and includes a description of the principal risk and uncertainties that the Company faces. To the best of our knowledge, the sustainability statements are prepared in compliance with the Norwegian Accounting Act chapter 2-6 including compliance with European Sustainability Reporting Standards (ESRS) and Article 8 of the EU Taxonomy Regulation. In our opinion, the Sustainability Statements give a true and fair view of the Company's sustainability performance in accordance with the stated reporting requirements.

In addition, we confirm to the best of our knowledge, that the report "Payment to governments" as provided in a separate section in this annual report, has been prepared in accordance with the requirements in the Norwegian Securities Trading Act Section 5-5a with related regulations.

Sandnes, 28 March 2025 – The Board of Directors of Vår Energi ASA

Signed electronically

Thorhild Widvey
Chair

Liv Monica Bargem Stubholt
Deputy Chair

Francesco Gattei
Board member

Guido Brusco
Board member

Francesca Rinaldi
Board member

Claudia Almadori
Board member

Fabio Ignazio Romeo
Board member

Ole Johan Gillebo
Board member

Jan Inge Nesheim
Board member, employee elected representative

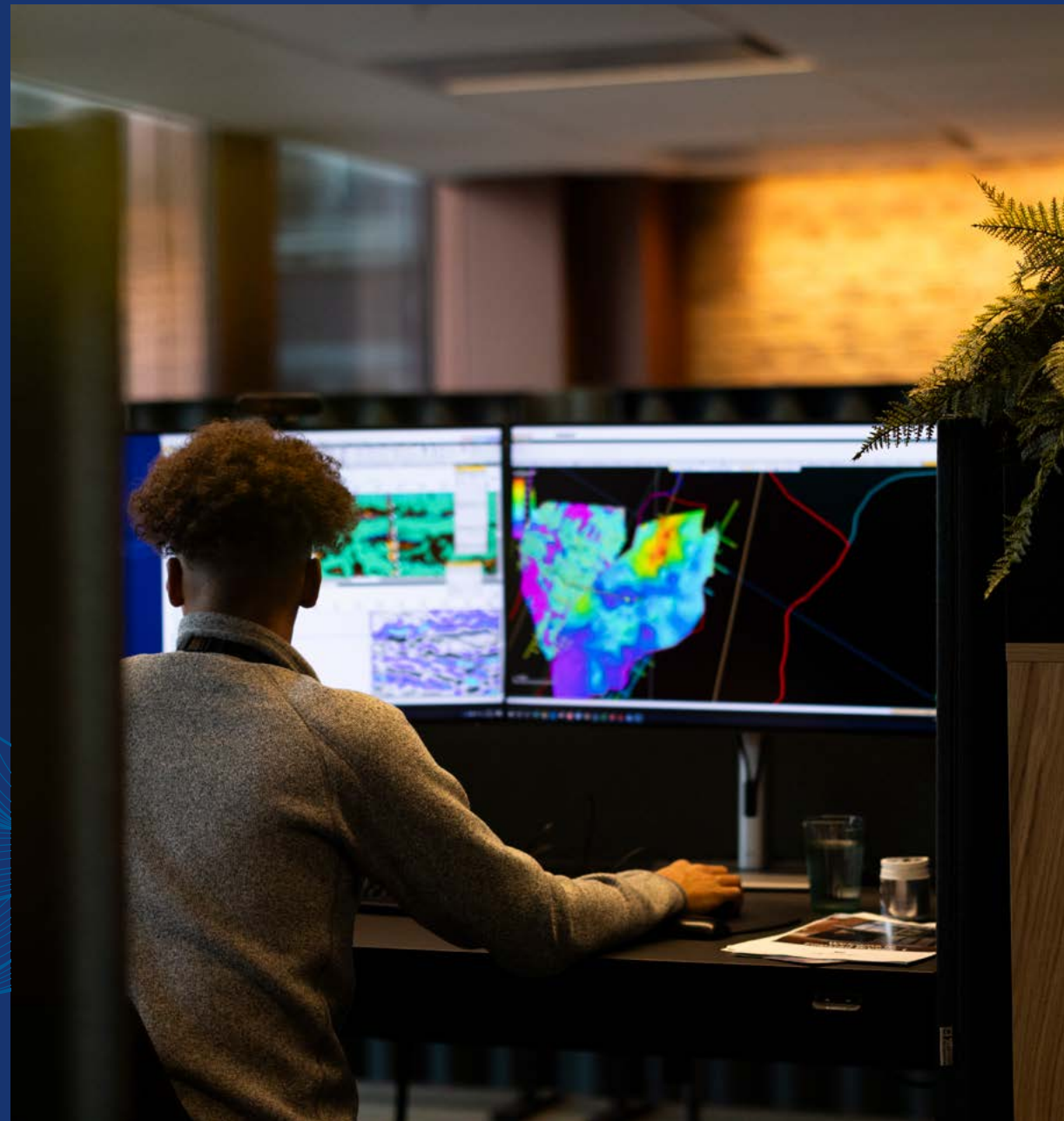
Martha Skjæveland
Board member, employee elected representative

Carl Anders Olof Kjörling
Board member, employee elected representative

Lilli Sahlman Fagerdal
Board member, employee elected representative

Nicholas John Robert Walker
Chief Executive Officer

Appendix



Transparency Act Report

The Norwegian Transparency Act shall promote enterprises' respect for fundamental human rights and decent working conditions and ensure that the public has access to information about how enterprises address adverse impacts on human rights and working conditions.

About Vår Energi

Vår Energi is a leading independent upstream oil and gas company operating within the geographical area Norway and the Company's business is entirely related to exploration for and production of petroleum on the Norwegian Continental Shelf (NCS). The NCS is a well-regulated environment for value creation, known for its industry-leading safety standards, fair working conditions, and strong ethical and governance frameworks. It also benefits from a stable fiscal regime and broad support from the Norwegian population.

With around 1 400 employees, Vår Energi has a strong presence along the Norwegian coast. The headquarters are located at Forus outside Stavanger, with regional offices in Hammerfest, Florø, and Oslo. This strategic location ensures efficient operation of the Company's fields on the Norwegian shelf and underscores the strong anchoring in Norway.

Vår Energi holds participating interests in 40 producing fields, six of which it operates. With approximately 1 400 employees, the Company has a strong presence along the Norwegian coast. The headquarters are located at Forus, outside Stavanger, with regional offices in Hammerfest, Florø, and Oslo. These locations support efficient operations across the Company's fields on the Norwegian shelf.

Human rights and decent working conditions fundamentals

Vår Energi is committed to lawful and ethical business, and to respect fundamental human rights and decent working conditions associated with its operations, supply chain and other business relationships. Vår Energi's work with human rights is anchored in national laws and recognized international frameworks. The Company's Code of Ethics and Human Rights policy outlines this commitment, in line with the Norwegian Human Rights Act, the Norwegian Transparency Act, the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work. Since 2022 Vår Energi has been a participant in the United Nations (UN) Global Compact and support the Ten Principles of the UN Global Compact in the areas of Human Rights, Labour, Environment and Anti-corruption.

The commitments include applying the precautionary principle related to health and safety and the environment and conducting due diligence on human rights and worker rights as described in the OECD Due Diligence Guidance for Responsible Business and required by the Norwegian Transparency Act. The Code of Ethics and policies, including the Human Rights policy, are available on Vår Energi's website.

Respect for human rights and decent work is not new to Vår Energi with the introduction of the Transparency Act. The Norwegian petroleum sector has long been subject to comprehensive regulations requiring thorough impact assessments and risk assessments. These regulations ensure that all activities on the Norwegian shelf are carefully evaluated regarding the environment, society, and economy before decisions are made. The assessments also map social impacts, including effects on local communities and other industries, as well as necessary measures to prevent and mitigate negative consequences. The process involves broad participation from affected parties to ensure thorough risk assessment and mitigation measures. In addition, the Company must comply with the framework regulations'

requirements for health, safety, and environment (HSE) in the supply chain. As an operator, Vår Energi shall see to that that its suppliers and subcontractors meet the HSE requirements. Vår Energi has comprehensive management systems that promote continuous improvement of HSE conditions, and supplier risk is assessed to implement necessary measures to prevent or mitigate negative consequences. More details about this can be found in the Sustainability statement.

The Safety & Sustainability department follows up the HSE requirements, whereas the Compliance function has overall responsibility for establishing processes for implementing the requirements of the Transparency Act and the Company's commitment to human rights and decent working conditions. The function collaborates closely with the Supply Chain Management (SCM) function in evaluating risks both for individual suppliers and the supply chain, as well as risks related to other business relationships. Systematic due diligence assessments are conducted to identify and assess actual and potential negative impacts on fundamental human rights and decent working conditions that the Company have caused or contributed to, or is directly linked to, for example through suppliers. The Compliance function is also responsible for increasing awareness in the Company about the subject and held classroom training in 2024 for the functions most exposed to third parties, including SCM, in order to increase their awareness of amongst other possible risk and impacts regarding human rights and the requirements the Company is subject to.

Suppliers are contractually obligated to follow the principles of Vår Energi's Code of Ethics and adhere to fundamental human rights. Additional specific terms related to human rights and decent work are assessed concretely where this topic is important for contract execution. Suppliers are required to conduct due diligence assessments in their supply chain and must inform Vår Energi of any findings and concerns There is also a requirement in the supplier contracts to notify Vår Energi without undue delay when actual or potential adverse impacts on fundamental human rights and/or decent working conditions are identified within the workforce of the supplier or its supply chain or business partners and which are related to the performance of the contract. Vår Energi also reserves the right to conduct audits, including with subcontractors.

Due diligence with respect to human rights and decent working conditions

Acknowledging the Company's size, the context of its operations, business model, position in the value chain, nature of its services, industry, geographical footprint, operational activities, and what is sourced from whom, Vår Energi strives to implement adequate and effective Human Rights Due Diligence in line with the OECD Due Diligence Guidance for Responsible Business Conduct. The program will facilitate the avoidance of and response to adverse impacts on human and labour rights in relation to its operations.

Human rights risk and impact assessment

The fundamental element in the Human Rights Due Diligence Program is the risk and impact assessment to get a holistic view of the Company's risk picture in order to prioritise the most serious risks with respect to people, society and the environment. It is also to evaluate if the Company is involved in any potential negative impacts, and if so, identify mitigating measures. A Double Materiality Assessment (DMA) is the basis for this risk and impact assessment. The DMA is performed or updated on an annual basis and conducted based on the methodology guided by the European Sustainability Reporting Standards (ESRS) requirements. The findings are reported to the Executive Committee for their approval, and to the Board of Directors. The results of the DMA show how the organization in the short, medium and long term impacts the environment and society i.e., impact materiality (inside-out perspective), and how sustainability issues can have a financial impact on the organization i.e., financial materiality (outside-in perspective). Fundamental human rights and decent working conditions were important part of the DMA, and four areas were identified as relevant for human rights risk, listed below. No actual negative impact was found, only potential for negative impact.

S1 - Own workforce
S2 - Workers in the value chain
S3 - Affected communities
G1 - Business conduct

More can be read about the DMA and the results in the Sustainability statement, part of Vår Energi's Annual report. In addition, a separate annual risk assessment of Human rights is performed, looking at the risk and impacts the Company can be exposed to or contribute to, and what mitigating measures are required.

Stakeholder analysis

Regular and meaningful engagement with affected communities and individuals, as well as with other relevant stakeholders, is a key component in ensuring the effective identification and management of human rights impacts. Stakeholder engagement was a key part of the DMA, with the purpose of bringing in new perspectives that can inform Vår Energi's priorities and ensure good insights in the double materiality assessment.

Three internal stakeholders, comprising union representatives and board members, were interviewed. Four external interviews were conducted with stakeholders representing suppliers, business partners, investors and labour organisations. Attempt was made to schedule an interview with two relevant NGO's (climate and environment), but neither had the opportunity to be interviewed but referred to publicly available resources.

Employees

Vår Energi's employees are covered in the section "ESRS S1 – Own workforce" in the Sustainability statement. All tariffed employees are covered by collective bargaining agreements. Employees in Vår Energi are represented by workers' representatives in the Working Environment Committee as the main form for social dialog with the Company. Employees are also regularly engaged with through town hall and department meetings.

Investors, owners, lenders, and financial institutions

Vår Energi is listed on the Oslo Stock Exchange under the ticker "VAR". Vår Energi only operates in Norway, which is an open, transparent, and low-risk country with a well-regulated oil and gas industry with industry leading safety standards, fair working conditions and high ethical and governance frameworks. Questions regarding human rights are less frequent in meetings with these stakeholder groups.

Government agencies, institutions and organisations

Vår Energi engages with the Ministry of Energy, the Norwegian Parliament, including members of the Energy and Environment Committee, the Norwegian Offshore Directorate, the Norwegian Ocean Industry Authority (Havtil), the Norwegian Environment Agency (NEA) and other governmental agencies. The Company is a member of Offshore Norge, an employer and industry organisation for companies with activities related to the Norwegian Continental Shelf (NCS), with employees participating in several of its committees, fora and networks.

Joint venture partner projects

Vår Energi participated in Offshore Norge's initiative to develop a common set of guidelines for the Transparency Act together with other operators and joint venture (JV) partners in the industry.

Under the framework of the Transparency Act JVs can align their due diligence processes with those conducted by the operator. For this report only Vår Energi operated assets are included, and related suppliers, business partners and other stakeholders.

Operators, including Vår Energi, regularly update their JV partners about their work regarding human and labour rights and compliance with the Transparency Act. This is primarily done in the annual Partner Forum, but additional information can be requested as needed.

Vår Energi informed JV partners about the work with respect to the Transparency Act in the Company's Partner Forum on 12 September 2024.

Supplier employees

Supplier employees are considered first line contracted personnel, such as yard or platform personnel, or employees in the supply chain.

Yard and platform personnel: These are employees working directly at sites like the Rosenberg Worley yard and on operated offshore facilities such as Balder, Ringhorne and Goliat. They are integrated with the day-to-day operations and maintenance of these facilities.

Employees in corporate offices: This category includes those working in roles such as canteen personnel, IT support, security, and cleaners.

They are employed through business partners but work within Vår Energi's offices, contributing to the smooth running of the Company's administrative and support functions.

Supplier employees working in Vår Energi's facilities are part of the Company's interaction through town hall and applicable department meetings. Most supplier employees are also part of training plans and receive appropriate training and are part of applicable team buildings.

Sub-supplier personnel
Most sub-suppliers are actively engaged in projects for the Company's major suppliers. Positioned further down the supply chain, such personnel are often found at various specialized sites such as at manufacturing and production facilities, as well as at fabrication sites.

Sub-supplier employees working in Vår Energi's facilities are part of the Company's interaction through town hall and department meetings as appropriate.

Customers
Vår Energi only have a few customers buying oil and gas from the Company. They are all well-known international companies in the oil and gas industry, and they are all based in Europe. Customers are thus not prioritized in the human rights risk and impact assessment.

Indigenous people
Protecting the rights of indigenous peoples is a part of the internationally recognized fundamental principles of human rights. As operator of the Goliat field in the Barents Sea, Vår Energi promotes the sustainable development, rights and expectations of the indigenous Sami people who depend on areas in the Finnmark area for their livelihood, culture and traditions. This is incorporated into the Company's processes and way of business.

Vår Energi has no operations in or near areas of affected communities or indigenous communities*, hence the Company's operations do not directly impact affected communities. However, Vår Energi operates in accordance with Norwegian legislation and promotes the sustainable development, rights and expectations of the indigenous people in the Northern Norway. There have been no reported incidents of violated rights of indigenous people during the reporting period.
*Indigenous land defined as the STN area (in Norwegian). Definition of "near" (5 km) from SASB Oil and Gas Sustainability Reporting Standard

Other affected communities and individuals
All communities and individuals who are impacted by oil and gas projects, are human rights holders. Organisations or entities, such as States, trade unions or religious institutions, are not human rights holders, but may act in a representative capacity for individuals or groups who are human rights holders.

For project locations near fishing grounds, spawning grounds, breeding grounds etc. Vår Energi is expected to undergo a rigorous process of impact assessments and consultations with local communities, fisheries, and indigenous people before receiving a permit to operate. Establishing good communication lines between all parties will allow to account for local knowledge and planning time or area restrictions. The efforts to understand potential impacts early in the project (and in procurement processes) is a further step towards risk avoidance and effective mitigation. Affected communities and individuals should also be engaged regarding the scope and assessment methodology for human rights impacts.

See section "SBM-2 Interest and views of stakeholders" in the Sustainability statement for more information on Vår Energi's stakeholders.

Grievance mechanism

Vår Energi's grievance mechanism is handled via the Company's whistleblower communication channel, which is available online on the Vår Energi website. The channel is administered by a third party and ensures full anonymity. Follow-up questions and report can also be handled anonymously. Please see Sustainability statement, G1 – Business conduct for more information on the whistleblowing channel.

There were no grievances received in 2024, nor any other concerns related to human rights.

Supply chain analysis

Vår Energi collaborates with a broad range of suppliers, primarily supporting upstream operations and projects. The Company has registered over 200 suppliers, the majority of whom are based in Norway and other European countries. Vår Energi operates exclusively in Norway and is committed to local engagement, prioritizing Norwegian suppliers wherever possible. This strengthens regional economic activity and supports a sustainable supply chain. In 2024 over 94% of Vår Energi's total spend on purchased goods and services for the company's operated assets came from Norwegian suppliers.

In addition to qualifying and monitoring suppliers for HSE compliance, Vår Energi conduct integrity due diligence assessments of new and existing suppliers, both under the Transparency Act and as part of the regular compliance work. The Company also performs integrity due diligence of sub-suppliers as well as all other new business partners like customers, consultants, and joint venture partners as in accordance with Company procedures. Various tools and methods are used to identify and prioritize potential negative social impacts at key decision-making milestones.

Vår Energi applies a tier segmentation framework to ensure that contracts receive the appropriate level of follow-up. Contracts are assessed and categorized based on key risk factors. If a contract involves an increased risk related to human rights or working conditions, the tier segmentation ensures the correct level of monitoring and oversight. This includes regular monitoring, scheduled meetings, and structured reporting to track compliance and mitigate risks.

Vår Energi's Internal Audit department conducted an audit in Q4 2024 regarding "Detection and follow-up of human rights breaches in the supply chain" to verify if the Company's processes for detecting and following up potential human rights breaches are in compliance with the Transparency Act requirements. There were no findings from the audit, only a few observations with recommendations that will be followed up in 2025.

Due diligence assessment

When considering new tenders for goods and services an integrity due diligence is performed of the applicable companies according to procedure using a tool that identifies a broad range of checks, such as corruption risk, financial risk, sanctions, risk of human rights violations, and mapping and assessment of ownership structure. It also checks for several types of crimes including human rights violations, genocide, war crimes, hate crimes, Geneva Convention violations, unlawful imprisonment, extrajudicial executions, torture, ethnic cleansing, crimes against humanity, political persecution, and political prisoners.

If the integrity due diligence assessment shows any areas of concern related to potential negative impacts regarding human and labour rights, qualification requirements are used to ensure that the supplier has sufficient technical and professional qualifications to safeguard human rights in the contract when this is possible. For new suppliers, Vår Energi ensures that contractual provisions are in place. This may include setting Key Performance Indicators (KPIs) to monitor compliance and performance. Additionally, it's essential that these suppliers demonstrate robust human rights procedures in place. The potential supplier must also complete a comprehensive questionnaire to review sufficient safeguards in place.

Once a contract is in place, potential negative impacts in the value chain are monitored through dialogue and follow-up with the value chain workers, or through the Coordinating Working Environment Committee (C-WAC). Potential negative impact on workers is always a topic in dialogue meetings with the value chain workers, particularly related to working conditions and health and safety. Working time is also monitored through monthly approval of timesheets for many workers.

In 2024, Vår Energi performed a total of 238 due diligence assessments of individual suppliers and business partners. No actual negative impact regarding human and labour and no high potential for negative impact was identified which the Company has either caused, contributed to or is directly linked to through its supply chain or business partners.

Supplier on-site audits

Suppliers operating on the NCS must register in Magnet JQS, a digital platform provided by Offshore Qualific, tailored to the energy industry, which functions both as a supplier register and a qualification tool with a focus on, among other things, human rights. Suppliers must undergo a thorough capacity assessment of their operational management system, including evaluation of risk management related to human rights. Operators on the NCS has a collaborative approach to responsible business conduct and collaborate to perform and share audit reports of suppliers in the energy sector, audits with focus on the operational management system of suppliers, security, helicopters, or human rights. The audits are administered by Offshore Qualific, and audit reports are shared in Magnet JQS. Offshore Qualific also administers networks for amongst others human rights where Vår Energi is active member. In 2024 the cooperation was also extended to include the suppliers themselves, which will give further insight into even more relevant actors' work with respect to human and labour rights.

In 2024 two on-site human rights audits of suppliers were completed by third-party auditors on behalf of Vår Energi, whereas two planned had to be postponed to January 2025 due to suppliers' workload.

There were no actual adverse impacts found, but a total of two non-conformities and 13 observations. The non-conformities were related to missing due diligence assessment and reporting of business partners and some human rights aspects, as well as not having the required gender composition in the board of directors. The observations were mainly due to missing or limited assessments and reports. Follow-up meetings have been held to close out the non-conformities and observations. Three observations remain open and there is a plan to close out these in 2025.

Due diligence assessment		Value
New suppliers that were screened using social criteria	Percentage of new suppliers that were screened using social criteria.	100%
Negative social impacts in the supply chain and actions taken	Number of suppliers assessed for social impacts.	238
	Number of suppliers identified as having significant actual or potential negative social impacts.	0
	Significant actual or potential negative social impacts identified in the supply chain.	0
	Percentage of suppliers identified as having significant actual or potential negative social impacts with which improvements were agreed upon as a result of assessment.	0
	Percentage of suppliers identified as having significant actual or potential negative social impacts with which relationships were terminated as a result of assessment, and why.	0
Operations and suppliers at significant risk for incidents of forced or compulsory labour	Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour.	0
	Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labour.	0

Mitigation of significant risks

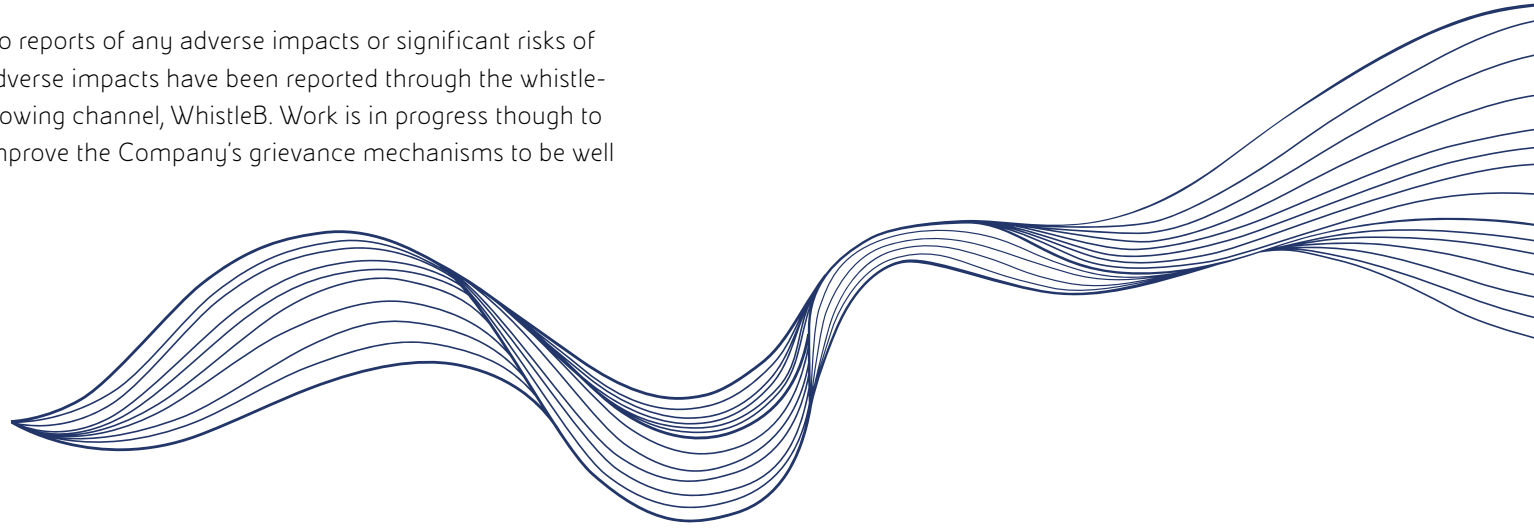
Due to the industry risk, Vår Energi assess that there is a significant inherent risk to health, environment, and safety related to working conditions on the Company's installations. As mentioned, comprehensive management systems have been established to effectively manage this risk.

Beyond this, the Company has not identified actual negative consequences or any high risk of potential negative consequences for fundamental human rights or decent work in the supply chain for work related to Vår Energi. Vår Energi's contracts are primarily with companies operating in countries with robust labour rights and regulations. A significant proportion of the suppliers are large companies that are independent subjects under the Transparency Act. This means that these companies have their own obligations to conduct due diligence assessments and report on them. There is also a requirement in the supplier contracts to inform Vår Energi about any actual or potential adverse impacts on fundamental human rights and there have been no such reports.

No actual adverse impacts or significant risks have been identified in the human rights audits conducted of suppliers, but as mentioned the non-conformities and observations are still followed up and closed when issues are solved, or the recommendations are made. Vår Energi will continue to nominate suppliers for human rights audits where there could be an increased risk for adverse human right impacts. In all recent contracts there are also a clause to audit sub-suppliers, and this will also be considered. Vår Energi's upstream value chain is complex, especially related to the manufacturing of material input commodities related to raw materials such as steel, concrete and cement. These commodities may have a potential risk for human and labour rights violations, but the large and complex supply chain may pose difficulties for detecting and addressing incidents several levels down in the supply chain.

No reports of any adverse impacts or significant risks of adverse impacts have been reported through the whistle-blowing channel, WhistleB. Work is in progress though to improve the Company's grievance mechanisms to be well prepared if any grievances are received. There are also plans to conduct human rights awareness training of the Company's representatives for the supplier contracts. It is those that have the closest contact with suppliers and they must be aware of both the requirements that applies and what type of risks to be aware of to ensure these risks are addressed in the contact and follow-up of suppliers. There is also work to include Key Performance Indicators (KPIs) related to Human Rights in the supplier follow-up to ensure that the issues are not just talked about but measured and followed up. Making sure human rights is on the agenda may also help to raise concerns and issues if there should be any.

Human rights due diligence assessments and managing human rights risks are an ongoing process, and Vår Energi is working for continuous improvements.



Alternative Performance Measures (APMs)

In this report, in order to enhance the understanding of the Company's performance and liquidity, Vår Energi presents certain alternative performance measures ("APMs") as defined by the European Securities and Markets Authority ("ESMA") in the ESMA Guidelines on Alternative Performance Measures 2015/1057.

Vår Energi presents the APMs: CAPEX, CAPEX Coverage, EBITDAX, EBITDAX Margin, Free Cash Flow, NIBD, Adjusted NIBD, NIBD/EBITDAX Ratio, Adjusted NIBD/EBITDAX Ratio, TIBD/EBITDAX Ratio and Adjusted TIBD/EBITDAX Ratio.

The APMs are not measurement of performance under IFRS ("GAAP") and should not be considered an alternative to: (a) operating revenues or operating profit (as determined in accordance with GAAP), as a measure of Vår Energi's operating performance; or (b) any other measures of performance under GAAP. The APM presented herein may not be indicative of Vår Energi's historical operating results, nor is such measure meant to be predictive of the Company's future results.

Vår Energi believes that the APMs described herein is commonly reported by companies in the markets in which it competes and is widely used in comparing and analysing performance across companies within the Company's industry.

The APMs used by Vår Energi are set out below (presented in alphabetical order):

- "CAPEX" is defined by Vår Energi as expenditures on property, plant and equipment as presented in the cash flow statements within cash flow from investing activities.
- "CAPEX Coverage" is defined by Vår Energi as cash flow from operating activities as presented in the cash flow statements ("CFFO"), as a ratio to CAPEX.
- "EBITDAX" is defined by Vår Energi as profit/(loss) for the period before income tax (expense)/income, net financial items, net exchange rate gain/(loss), depreciation and amortisation, impairments and exploration expenses.
- "EBITDAX margin" is defined by Vår Energi as EBITDAX and EBITDA as a percentage of total income, respectively.
- "Free cash flow" ("FCF") is defined by Vår Energi as CFFO less CAPEX and expenditures on exploration and evaluation assets.
- "Net interest- bearing debt" or "NIBD" is defined by Vår Energi as interest-bearing loans and borrowings and lease liabilities ("Total interest-bearing debt" or "TIBD") less cash and cash equivalents.
- "Adjusted Net interest-bearing debt" or "Adjusted NIBD" is defined by Vår Energi as TIBD excluding lease liabilities ("Adjusted total interest-bearing debt" or "Adjusted TIBD") less cash and cash equivalents.
- "NIBD/EBITDAX" is defined by Vår Energi as NIBD as a ratio of EBITDAX.
- "Adjusted NIBD/EBITDAX" is defined by Vår Energi as Adjusted NIBD as a ratio of EBITDAX.
- "TIBD/EBITDAX" is defined by Vår Energi as interest-bearing loans and borrowings and lease liabilities as a ratio of EBITDAX.
- "Adjusted TIBD/EBITDAX" is defined by Vår Energi as interest bearing loans and borrowings (but excluding lease liabilities) as a ratio of EBITDAX.

Terms and abbreviations

Term	Definition/description
AGM	Annual General Meeting
APA	Awards in Predefined Areas
AVP	Annual variable pay
BoD	Board of Directors
CF	Cash Flow
CGU	Cash generating unit
CSRD	Corporate Sustainability Reporting Directive
CCS	Carbon capture and storage
CFFO	Cash flow from operations
DMA	Double Materiality Assessment
E&P	Exploration and production
ERM	Enterprise Risk Management
ESG	Environmental, Social, Governance
ESRS	European Sustainability Reporting Standards
FCF	Free cash flow
FID	Final investment decision
FOB	Free on Board
FPSO	Floating, production, storage and offloading vessel
GHG	Greenhouse gas emissions
GRI	Global Reporting Initiative
HAP	High activity period
HSEQ	Health, Safety, Environment and Quality
HSSE	Health, Safety, Security and Environment
HSSEQ	Health, Safety, Security, Environment and Quality
IEA	International Energy Agency
IG	Investment grade

Term	Definition/description
ILO	International Labour Organisation
IOGP	International Association of Oil & Gas
IRO	Impacts, risks and opportunities
IRR	Internal rate of return
JV	Joint venture
KPI	Key Performance Indicator
LNG	Liquid Natural Gas
ME	Ministry of Energy
NCS	Norwegian Continental Shelf
NEA	Norwegian Environment Agency
NGO	Non-governmental organisation
NIBD	Net interest-bearing debt
NPI	Net profit interest
NPV	Net present value
R&D	Research and development
RLI	Reserve life index
RRR	Reserves Replacement Ratio
NGL	Natural gas liquids
NLP	NCS Logistics Project
NOx	Nitrogen oxides
OSE	Oslo Stock Exchange
PDO	Plan for Development and Operation
PIO	Plan for Installation and Operations
PRMS	Petroleum Resource Management System
SDG	Sustainable Development Goals
SIF	Serious incident frequency

Term	Definition/description
SOx	Sulphur Oxides
SPS	Subsea production system
SURF	Subsea umbilical, riser and flowlines
TRIF	Total recordable injury frequency
TCFD	Task Force on Climate Disclosures
1P reserves	The quantities of petroleum which can be estimated with reasonable certainty to be commercially recoverable, also referred to as "proved reserves"
2C reserves	The quantities of petroleum estimated to be potentially recoverable from known accumulations, also referred to as "contingent resources"
2P reserves	Proved plus probable reserves consisting of 1P reserves plus those additional reserves, which are less likely to be recovered than 1P reserves

Metric abbreviations	Definition/description
boe	Barrels of oil equivalent
kboepd	Thousands of barrels of oil equivalent per day
GJ	Gigajoules
mmbls	Standard millions of barrels
mmboe	Millions of barrels of oil equivalents
scf	Standard cubic feet
Sm^3	Standard cubic meters
tCO_2e	Tonnes CO_2 equivalents