

Tax Strategy Document for UK subsidiaries of DNO ASA

This document is prepared to meet the obligations of Schedule 19 of Finance Act 2016 and presents the UK tax strategy for the subsidiaries of DNO ASA (DNO) incorporated in the UK. The strategy is applied in all the named below UK companies and applies from the date of publication until it is superseded.

Governance and Tax Risk Management

DNO's Code of Conduct sets out the standards of behaviour which every DNO employee must follow. The Code requires compliance with all applicable laws, regulations and company policies and high standards of corporate governance and business conduct. The code applies to all aspects of DNO's business, including tax matters.

DNO's Board of Directors through its Audit Committee is ultimately responsible for establishing overall tax governance. The Board delegates executive management of DNO's business to the Executive Management (EM). The Chief Financial Officer is the EM member with responsibility for the tax function.

The Company engages external tax advisors in the countries where it operates to assist in the preparation and/or filing of tax returns as required by local laws and regulations. Some of the tax computations and returns are prepared in-house.

Taxes are considered in all material business decisions to appropriately identify and mitigate tax risks and ensure tax compliance. Where tax law is considered unclear or subject to interpretation, DNO seek to minimize the risk of uncertainty or disputes.

Tax Compliance and Tax Planning

DNO seeks to comply with all applicable UK tax laws and regulations relevant to its business. Policies, procedures and controls in the accounting and tax function are set up to ensure such compliance.

DNO does not engage in aggressive or artificial tax planning and tax planning reflects the economic substance of transactions.

When necessary, assistance is sought from external advisors to ensure understanding and mitigation of tax risks to an acceptable level whilst benefitting from any government reliefs or incentives that are available.

DNO adheres to the OECD arm's length principle in transfer pricing matters.

Relationship with HMRC

DNO seek to establish a relationship with HMRC that is built upon transparency, trust, and cooperation. When submitting tax computations and returns, DNO will disclose all relevant facts and information in compliance with applicable requirements and ensure that its employees and representatives respond promptly, fully, and professionally to HMRC queries.

Subsidiaries of DNO ASA incorporated in the UK and members of UK subgroup

DNO North Sea plc, DNO North Sea (U.K.) Limited, DNO North Sea (ROGB) Limited, DNO North Sea (Energy) Limited, DNO UK Limited and DNO Exploration UK Limited.

DNO publishes information on payments to/from governments (Country-by-Country report). The report is available on DNO's website.

8 April 2022