

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Founded in 1971, DNO is Norway’s oldest oil company and the first to list on the Oslo Stock Exchange in 1981. Initially a North Sea player, our focus over the past two decades shifted to the Middle East region, home to the world’s most prolific oil resources. By tapping into its Norwegian heritage and leveraging our regional footprint, DNO has proven a nimble and successful operator, even in challenging environments. In 2004, DNO was the first international oil company to enter the Kurdistan Region of Iraq (KRI), at a time when the Kurdish region’s oil industry was virtually non-existent. We are now the leading international operator in terms of production and reserves in the KRI. At our flagship Tawke oil field, we began production in 2007 – just two years after the start of exploration activities. The neighbouring Peshkabir field was brought on production in 2017. Our operations in the region have among the lowest finding and development costs anywhere in the world. Combined with low lifting costs, this gives us a significant competitive advantage when oil prices are weak and strong cash flow when oil prices are robust.

DNO re-entered the North Sea in 2017, acquiring offshore exploration licenses in Norway and the UK. The company has since expanded to include several producing assets offshore Norway and the UK.

In 2022, DNO completed a transaction agreement pursuant to which RAK Petroleum plc transferred its ownership of Mondoil Enterprises LLC to DNO. Following this transaction, DNO holds an indirect 33.33 percent interest in the privately-held Foxtrot International which has stakes in two offshore blocks in Côte d'Ivoire.

Wherever we operate, we look to minimize risk and maximize success through smart exploration, and when a discovery is made, fast-track production. We are committed to safe, environmentally responsible and ethically sound operations.

DNO’s Health, Safety, Security and Environment (HSSE) Policy is clear concerning our commitments to all aspects of HSSE including our environmental commitments:

- Minimize undesirable effects on the environment and biodiversity resulting from our activities;
- Promote the reduction of emissions and pollution from our operations; and
- Contribute to the sustainable development of the regions where we operate.

Business Units’ (BU) internal assurance processes combined with oversight from the corporate management and the Board of Directors through its HSSE Committee ensure we meet our commitments.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

No

Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for

<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Iraq
- Norway
- United Arab Emirates
- United Kingdom of Great Britain and Northern Ireland
- Yemen

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Operational control

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

- Oil and gas value chain
 - Upstream

Other divisions

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
<input type="checkbox"/> Yes, a Ticker symbol	<input type="checkbox"/> DNO (Listed on Oslo Stock Exchange)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

- Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Director on board	<p>DNO board members and responsibilities changed throughout 2022.</p> <p>Until May 2022, the Deputy Chairman of the Company's board of directors chaired the board's Health, Safety, Security and Environment (HSSE) Committee. In addition to the Deputy Chairman, a second director from the Company's board was a member of the HSSE committee. The second director became the Chairperson of the HSSE Committee and a new board member joined the HSSE committee in May 2022. In September 2022, the Chairperson of the HSSE Committee left DNO's board of directors (and thus the board HSSE Committee) and the remaining director became Chairperson of the HSSE Committee.</p> <p>Senior executives and managers from the company participate in the HSSE Committee meetings including the Managing Director (MD), the Chief Operating Officer (COO) and Head of Sustainability of DNO in addition to General Managers and HSSE Managers of DNO's two Business Units of Kurdistan region of Iraq and North Sea (covering Norway and the UK).</p> <p>This is a forum in which forward strategies are discussed and the Company's HSSE policy is adjusted, if necessary. The board members of the HSSE Committee take key recommendations of the Committee to the board of directors for discussion and final decisions, if necessary.</p> <p>Material presented at each meeting includes GHG data and reduction measures which are discussed by the Committee at appropriate intervals to review performance and enable forward strategy setting. Additionally, the suite of projects to reduce our GHG emissions are discussed and endorsed at the Committee. Other GHG emissions related topics discussed in the Committee include internal price on GHG, GHG verification standards and methodologies, Company's GHG emissions targets and developments in the regulatory environment applicable to DNO operations. An example of a climate-related issue which was recently discussed in committee is historical and forecasted GHG emissions performance of DNO's operated as well as non-operated assets and strategies to manage emissions going forward.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<p>Reviewing and guiding annual budgets</p> <p>Overseeing major capital expenditures</p> <p>Reviewing and guiding strategy</p> <p>Overseeing and guiding scenario analysis</p> <p>Overseeing the setting of corporate targets</p> <p>Monitoring progress towards corporate targets</p> <p>Reviewing and guiding the risk management process</p>	<Not Applicable>	<p>In addition to the board members, senior executives and managers from the company participate in the board's Health, Safety, Security and Environment (HSSE) Committee meetings. These executives and managers include the Managing Director (MD) the Chief Operating Officer (COO) and Head of Sustainability of DNO in addition to General Managers and HSSE Managers of DNO's two Business Units of Kurdistan region of Iraq and North Sea (covering Norway and the UK).</p> <p>The main material presented at each meeting includes GHG emissions data which are reviewed by the Committee to assess performance and enable forward strategy setting.</p> <p>Reviewing and guiding strategy: All key strategies related to climate change including resilience to physical and transitional risks are discussed at the board HSSE Committee level.</p> <p>Reviewing and guiding annual budgets and overseeing major capital expenditure: The HSSE Committee is updated by the management on the Company's major plans of action and its business plans and progress on mitigating risks from climate change.</p> <p>Reviewing and guiding risk management process: DNO's quarterly risk assessment process includes assessment of risk with impact on "Environment and Sustainability", ensuring such risks, including risks from climate change, are identified and mitigated appropriately.</p> <p>Overseeing the setting of corporate targets and monitoring progress towards corporate targets: On a quarterly basis, environmental performance (including GHG emissions) of the Company's operations is reported to the board HSSE Committee and the progress with respect to objectives and Key Performance Indicators (KPI) and company targets (notably GHG emissions intensity) which are agreed with the HSSE Committee at the beginning of each year is discussed. Corrective actions, if needed, are agreed on.</p> <p>Overseeing and guiding scenario analysis: Climate-related sensitivity analysis (asset stress test based on International Energy Agency's climate scenarios) is performed annually for disclosure in Company's annual report. The methodology and the results are discussed with and endorsed by the board's HSSE and Audit Committees.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1 Yes	<p>Criteria used for assessment include:</p> <ul style="list-style-type: none"> - Education background in energy and environmental related topics - Work experience within the energy sector - Work experience in the nexus of financial markets, oil and gas operations, and evolving regulations around sustainability assessments and disclosures (e.g., climate-related sensitivity analysis and water protection) <p>For most of 2022, the Health, Safety, Security and Environment (HSSE) Committee of the board of directors had two members, both of whom have extensive experience related to international oil and gas operations. Specifically, one of the board members was also the Chief Operating Officer (COO) of a publicly listed energy company incorporated in the UK. Her educational background in chemical engineering and her extensive knowledge and work experience with environmental and climate issues applicable to oil and gas companies (e.g., climate-related sensitivity analysis on valuation of oil and gas companies and protection of water resources in onshore and offshore oil and gas activities) form our assessment.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Operating Officer (COO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

In DNO, the CEO (in DNO terminology, the Managing Director or MD) has delegated management responsibility for Health, Safety, Security and Environment (HSSE) including climate related issues to the Chief Operating Officer (COO).

DNO believes that primary responsibility for all HSSE matters, including climate related issues, should be with line management. As the two Business Units' (BU) General Managers (GM) report directly to the COO, this set-up provides for clear accountability and quick decision making. In turn, operational management of emissions is the responsibility of each BU General Manager who must ensure compliance with DNO's HSSE Policy Statement, which includes the requirement to "promote the reduction of emissions and pollution from our operations" and must aim to meet goals that are set on an annual basis, including emissions related targets.

The COO chairs a quarterly HSSE review, at which the GMs report their BU's GHG emission performance and compare this with the Company's plans and targets. Where necessary, actions are agreed to improve performance and/or proposals to adjust strategy are formulated for discussion with the board HSSE Committee. In addition, the COO chairs a monthly review of the GHG emission reduction projects in all DNO operated assets. The meeting reviews status of projects in the planning and execution phases, identifying corrective actions where necessary, and it reviews the next set of potential projects and ideas to prioritise their implementation.

The COO has overall responsibility for climate transition assessment, planning and where relevant implementation. Additionally, the COO oversees the climate-related targets of the company.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Emissions targets (including project specific targets) are included in the annual goals of the individuals on the executive team with control over emissions reduction projects (operations). At the end of each year, performance against these goals is assessed as part of the annual appraisal process. A person's rating from his/her annual appraisal impacts on the level of bonus awarded.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary
Shares

Performance indicator(s)

Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The Chief Operating Officer (COO) together with the two General Managers (GM) of the Business Units (BU) as well as the Corporate Head of Sustainability are responsible for the accurate monitoring and disclosure of climate-related performance data and delivering agreed plans and projects (including to improve energy consumption and reduce emissions to the extent possible within the operational limitations). Their environmental performance is included in their overall annual performance appraisal, which is the basis for their bonus, salary adjustment and share incentive programs (monetary reward). In addition, the Chief Procurement Officer (CPO) has performance targets (Key Performance Indicators, KPI) related to increasing DNO's engagement with suppliers on climate-related issues.

The incentives include both bonus as % of salary and award of synthetic shares (with two, three or five year vesting period).

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

DNO has implemented a corporate policy for GHG monitoring and control. This policy sets internal governance and requirements for all Business Units to identify emissions reductions projects (including energy efficiency) as well as to include GHG impacts/reductions in investment proposals.

The Chief Operating Officer (COO) together with the two General Managers (GM) of the Business Units (BU) as well as the Corporate Head of Sustainability are responsible for the accurate monitoring and disclosure of climate-related performance data and delivering agreed plans and projects (including to improve energy consumption and reduce emissions to the extent possible within the operational limitations). Their environmental performance is included in their overall annual performance appraisal, which is the basis for their bonus, salary adjustment and share incentive programs (monetary reward).

In addition, the Chief Procurement Officer (CPO) has performance targets (Key Performance Indicators, KPI) related to increasing DNO's engagement with suppliers on climate-related issues.

The Corporate Head of Sustainability has performance targets (KPI) related to improving DNO's climate-related disclosures (including CDP), active engagement with investor communities, and increasing awareness among staff on climate related issues and energy transition, in collaboration with different departments including Investor Relations, Supply Chain, Human Resources and Operations.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	As is typical for the oil and gas industry, DNO owns its oil licenses together with other companies in unincorporated joint ventures, where one of these companies is nominated as the operator. The operator must provide its joint venturers with a detailed work program and budget, for each subsequent year. This is then approved by the joint ventures. Therefore, one year is the short-term time horizon for business planning purposes.
Medium-term	1	5	On an annual basis, DNO prepares a five-year plan to assess various pathways for development of the company. Therefore, period of five years represents the medium-term for business planning purposes.
Long-term	5	30	Typically, oil and gas licenses last for around thirty years, hence this is the long-term horizon for DNO.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

DNO defines financial impact in terms of both probability of occurrence and consequence should it occur. Financial impact assessment is also part of strategic impact assessment. DNO uses a five-by-five matrix for financial and strategic risk assessment, a common practice among oil and gas companies. The probability (likelihood of occurrence) dimension of the matrix has five options (Very Unlikely, Unlikely, Possible, Likely and Very Likely). The consequence dimension of the matrix has five options as well (Minimal, Minor, Significant, Major and Catastrophic).

Risks which are deemed substantive are those that combine either Significant consequence with Very Likely probability of occurrence; Major consequence with Likely or Very Likely probability of occurrence; or Catastrophic consequences with Unlikely, Possible, Likely or Very Likely probability of occurrence.

A substantive risk is thus either:

- A risk which is Very Likely to occur which has the potential to create damage and disruption to operations leading to losses between USD 1 million (minimum threshold to have a Significant consequence) and USD 10 million;
- A risk which is Likely to occur which has the potential to create damage and disruption to operations leading to losses between USD 10 million (minimum threshold to have a Major consequence) and USD 100 million; or
- A risk which, although Unlikely to occur, has the potential to create damage and disruption to operations leading to losses of more than USD 100 million (minimum threshold to have a Catastrophic consequence).

Any risk that does not meet the above criteria (e.g., leading to losses below USD 1 million and thus having a Minimal or Minor consequence) is considered non-substantive.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

DNO has a well implemented process for identifying and assessing climate-related risks based on a Risk Assessment Matrix (RAM), which is included in our company-wide risk and opportunity assessment process.

On a quarterly basis (i.e., four times a year), we carry out a bottom-up risk identification, assessment and review process in which both key risks and opportunities associated with current and future emissions and climate change are identified and analyzed, following which relevant mitigations are put in place. All risks and opportunities are assigned to competent owners who have the responsibility of following the closure of actions to control and/or reduce risk or realize the opportunity. The results of the process are reviewed by the corporate management. All resulting risks that are considered to have a substantive financial impact are reported to the board of directors' Audit Committee. Substantive HSSE related risks, including climate change related issues are also reported to the board of directors' HSSE Committee.

The time horizon covered in short (less than one year), medium (1-5 years) and long (more than five years). The value chain stages considered are mainly the ones directly related to our operation (e.g., risk of flooding) however, we cover upstream (e.g., our suppliers and financiers) and downstream (e.g., effect on communities sharing the same natural resources with us) if relevant and material.

A case study of how this process is applied to physical risk relates to the environmental protection of oil and gas pipelines in Kurdistan. For part of their trajectory, these pipelines run alongside a river that is important to the communities that live alongside. This river feeds into a reservoir for hydro-electric power generation. Failure of one of these pipelines caused by storm flooding of the river has long been identified as a risk with high potential consequence, but until four years ago was considered low probability.

Following severe flooding in the recent years which resulted in severe erosion of the riverbanks near to the pipelines, DNO concluded that there is likely an increasing trend of wetter winters, possibly related to climate change. As a result, the probability of failure of these pipelines due to storms and flooding was increased in the DNO risk identification process. It became a substantive risk (both financially and strategically) and a multi-million dollar multi-phase project was initiated in 2020 to ensure adequate environmental protection is in place (Phase 1 of pipeline-river protection project was completed in 2020. Phase 2 of the project was completed in 2021 and 2022). The progress was monitored both at the Business Unit level and Corporate, including the board HSSE Committee and the risk continues to be monitored both at the BU and Corporate levels and reported to the board of directors' committees when warranted.

A case study on how transitional risks are identified, assessed and responded to is the risk of more scrutiny by financial markets and institutions (e.g., shareholders, bondholders and insurance underwriters) on GHG emissions performance of oil and gas companies and the possible increase cost of raising capital and debt. This risk is on DNO's risk register and its probability and its financial impacts are continuously assessed.

This also created an opportunity for DNO to invest in international offset projects, both for its potential future use and for selling the surplus offsets generated and gain financial profits as an early mover in this space, especially in our core areas of operations in Middle East and west Africa. This opportunity was extensively evaluated in 2022 (and 2023) but no investment decision has been made yet.

Finally, DNO recognizes that in order to maintain access to quality financial services and attract investors, it needs to be transparent on its climate related performance and set responsible emissions targets for its business. This creates both an opportunity and risk for DNO. To address this, DNO has submitted a CDP report every year since 2008; it has had third-party verification ("Limited Assurance") of its emissions data since 2015; it has an HSSE performance section in its annual report which includes emissions goals and reporting; has adopted a more comprehensive template for its ESG reporting ("DNO's Corporate Social Responsibility (CSR) Report"), and in 2022 joined an international pledge (Oil and Gas Climate Initiative (OGCI)'s Aiming for Zero Methane Emissions) to achieve near zero methane emissions from its operations by 2030. We are also considering joining other international organizations to share best practices for improving our performance, including in the energy transition planning and implementation space.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	DNO continuously monitors current regulations in relation to its operations from the relevant local, national and international authorities. Risks from regulations are a part of our risk process and are identified and managed in each country where we operate. Example of current regulation: In Norway, emissions from oil and gas operations are subject to a national CO2 tax, in addition to pricing under European Union's Emissions Trading System (EU ETS). When assessing investments, it is important for DNO to have an informed view of how such emissions pricing is applied in order to determine the financial viability of investments that impact on emissions.
Emerging regulation	Relevant, always included	Emerging regulations are actively monitored in DNO and are identified and managed in the countries where we operate. We engage with the authorities and (where relevant) industry associations to ensure we understand emerging legislative so that we are prepared for compliance. Example of emerging regulations: If compliance with the European Union (EU) Emissions Trading System (ETS) regulations are made more expensive either through higher market prices or as a result of fewer quotas available on the market, this can lead to considerable financial implications and increased operating costs. As a case in point, the Norwegian government has proposed to increase GHG prices applicable to upstream oil and gas operations to USD 240/tCO2e by 2030 from current level of around USD 150/tCO2e. DNO has engaged with various stakeholders to better understand and prepare for increased emissions pricing.
Technology	Relevant, sometimes included	As part of the project risk assessments process, various applicable technologies are reviewed to assess if a proven technology can be deployed to lower the emissions. Examples of using new technologies and practices from our operations in Kurdistan include new well designs to reduce drilling time (and thus diesel use and GHG emissions), deploying new equipment (e.g., cameras) to discover fugitive methane emissions. We have also evaluated new hybrid systems to power oil production pumps via solar panels (final investment decision made yet). In the North Sea Business Unit, we are working with our joint venture partners to assess the potential and realize the opportunities to reduce the GHG emissions associated with powering offshore platforms (currently done via onsite gas turbines) through deploying offshore wind turbines and/or connecting the platform to the electricity grid onshore which can lead to lower overall (or local) GHG emissions.
Legal	Relevant, always included	Compliance with climate related laws/regulations and contractual commitments is required throughout DNO. The risk of non-compliance is interruption to operations and/or fines, penalties, etc. These are in addition to potential reputation damage if such non-compliance became public. A case study of this in Kurdistan is the contractual requirement for approval from the Ministry of Natural Resources for associated gas flaring (the main contributor to DNO's GHG emissions). Although DNO seeks to minimize flaring and thus GHG emissions, some level of flaring will be still required (for safety and technical/ subsurface reasons as well as infrastructure restrictions) and hence correct permits need to be in place to avoid business interruption. In the North Sea, there are numerous environmental and discharge permits required for operations (e.g., third-party verification of GHG emissions for purchase of EU ETS emissions quotas). If DNO does not comply, the risk is that the necessary permits will not be forthcoming leading to delay to operations and/or with fines and penalties.
Market	Relevant, always included	We continuously monitor the market (global supply and demand for crude oil and gas) and the factors which can affect the supply and demand of our products (crude oil and gas). DNO is a relatively small oil company with less than 0.1% of global supply thus our ability to influence the market is limited. However, global supply and demand trends impact price of oil and gas, both in short term and long term. Several years of under investment (especially in 2020-22), geopolitics, increasing pressure on the oil and gas sector for improving its environmental performance, and behavioural changes as well as competing technologies are among key drivers for future of supply and demand. DNO continuously monitors these market variables as they change the price of our products (crude oil and gas). Also a specific transitional risk is implementation of border adjustments such as the discussions around EU's Carbon Border Adjustment Mechanism (in simple words: a tax/levy on imported oil based on its GHG intensity). This means our Kurdistan oil production imported to the EU may become subject to an import tax (based on its GHG intensity). This will have implications for our economics. We have considered this possibility and we are continuously monitoring the regulatory discussions. These transitional risks are becoming more and more important and we – from a strategic point of view – consider them in our business planning.
Reputation	Relevant, always included	There is an increased focus on environmental and climate related issues (risks and opportunities) from various stakeholders such as employees, shareholders, bond investors, insurance underwriters and financial institutions. Such considerations are increasingly important to DNO in order to continue to attract high quality staff and to reduce cost of capital (financing). A good case study of DNO's work to maintain and improve its reputation with respect to climate related matters is the company's participation in CDP. By reporting to CDP, we have shown to our investors and employees that we take climate challenges seriously and are responding accordingly and transparently. In addition, we have improved our ESG/ sustainability reporting by adopting a new template for our Corporate Social Responsibility (CSR) report, which discusses our GHG performance and our efforts to reduce our emissions.
Acute physical	Relevant, always included	DNO's risk identification process identifies acute physical risk. Acute physical risks may arise from frequent extreme weather events such as severe storms, prolonged droughts and flash floods. Case study: More extreme weathers such as more frequent and stronger storms can damage DNO's offshore facilities in the North Sea as well as disrupt operations. Criteria for storm severity are set during the engineering phase of any project and designs are required to meet these criteria. In Kurdistan, recent winters have been wetter than the historical average while the summers have been drier. These changes are likely related to climate change. Higher precipitation has resulted in faster flow of the river adjacent to DNO's oil and gas pipelines. Severe erosion of the riverbanks has been experienced the past four winters and there is a risk that this will continue. As a result, DNO initiated a major upgrade to the physical storm protection measures for its pipelines in 2020. The first phase of pipeline protection project was completed in 2020 and the second phase in 2021-2022.
Chronic physical	Relevant, sometimes included	Chronic physical risks related to longer-term shifts in climate patterns (examples: sea level rise, chronic heat waves, changed precipitation patterns) may present a risk to DNO's operations in the long run. DNO's operations offshore in the North Sea and onshore in the Kurdistan region of Iraq are designed to be robust in a wide range of acute physical conditions whether that be related to temperature, wind, precipitation, waves (offshore), etc. However, such chronic physical risks can increase cost of operations, especially when the "tail end" risks of climate change become more real and significant. As an example, our core area of operation (Kurdistan region of Iraq) has experienced water shortage in the summer months (although our operations have not been impacted). Reliable access to good quality water is important for our operations and wellbeing of our staff. If climate change leads to prolonged decrease in rainfalls in Kurdistan, river flows and groundwater resources can be significantly reduced (two main sources of water supply for our operations). Water shortage therefore can become a substantial risk to our business and potentially costly mitigation measures need to be put in place (e.g., deploying low-water intensive drilling and processing technologies or building long-distance water pipelines).

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

DNO has operations in three countries and regions: Kurdistan region of Iraq, Norway and the UK. Neither the Kurdistan region nor Iraq has introduced a carbon tax yet and they are not part of any cap & trade systems either. However, both Norway and the UK have GHG pricing schemes. In Norway, DNO's emissions are subject to a national CO2 tax as well as the European Emissions Trading System (EU ETS, a cap & trade system). In Norway, we are also subject to a fee for NOx emissions. The UK set up the UK Emissions Trading System (UK ETS) in 2021 following its departure from the EU and EU's ETS. For the UK and Norway, there is little we can do other than reducing our emissions or purchasing quotas to comply.

For DNO, the risk with the potential to have substantive financial impact on our business is that Iraq or the Kurdistan region introduces some form of carbon pricing. With increasing international attention to climate change and increasing carbon pricing regulations, it is possible that Iraq/ Kurdistan impose some sort of CO2 pricing. For example, the Iraqi president ratified the Paris Agreement in January 2021 following a parliamentary vote in September 2020. While uncertain at this point, Iraq is likely to introduce more environmental regulations and restrictions in order to comply with its Paris Agreement commitments and this could include carbon pricing.

As a case in point, Iraq's plan to reduce its GH emissions and meet its Paris Climate Agreement goals relies heavily on reducing flaring from its oil and gas sector. According to the World Bank, GHG emissions from flaring in Iraq's upstream oil and gas sector ranks second in the world (after Russia). A total of 17.8 billion cubic meter of associated gas was flared in 2021, responsible for 47.5 million tonnes of CO2 emissions in Iraq. This is about a quarter of Iraq's total GHG emissions. Iraq is also a signatory to the World Bank's Zero Routine Flaring (ZRF) by 2030 program. Therefore, it is expected that more regulations and restrictions on upstream flaring will come into force in Iraq. DNO currently has one of the best flaring performances in Iraq (less than 7 kgCO2 per barrel of oil produced compared to a national average of over 20). However, we expect that regulations to get tighter and all oil and gas companies including DNO will be required to reduce flaring even more. Carbon tax can be one of the measures the government can take to reduce flaring.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

5500000

Potential financial impact figure – maximum (currency)

16400000

Explanation of financial impact figure

In 2022, there was no regulatory carbon pricing mechanism in place in Kurdistan (or Iraq) and we do not have any indications from the host government that this may change in future.

However, considering the general trends of global regulations on GHG emissions, it is not unlikely that a regulatory CO2 price comes into effect in medium/ long future.

Calculations:

Upper range: USD 30/tonne CO2e in carbon tax * 15 kgCO2e/barrel of oil produced as the GHG intensity of DNO * 100,000 barrels of oil produced per day as DNO's production * 365 days in one year = USD 16.4 million per year

Lower range: USD 15/tonne CO2e in carbon tax * 10 kgCO2e/barrel of oil produced as the GHG intensity of DNO * 100,000 barrels of oil produced per day as DNO's daily oil production rate * 365 days in one year = USD 5.5 million per year

Assumptions: We have assumed a CO2 intensity range of 10-15 kgCO2 per barrel of oil produced in the long term for DNO's assets in Kurdistan region of Iraq. We have assumed a production rate of 100,000 barrels per day for this exercise. We have assumed a carbon tax range of 30-15 USD/tCO2e.

Cost of response to risk

16200000

Description of response and explanation of cost calculation

Mitigation strategy: DNO could invest in solar PV in Kurdistan. Although costs are uncertain, we can provide a range: assuming capital cost of USD 1,350/kW (source: USA's Energy Information Agency, EIA) with 18% capacity factor (i.e., what percentage of the year when the Sun is shining) and using a 20% cost of capital lead to a levelized cost of electricity (how much each unit of electricity costs) of 171 USD per MWh of solar electricity:

$1,350 \text{ (capital cost per unit of kW capacity)} * 20\% \text{ (cost of capital)} / 18\% \text{ (capacity factor)} / (365 * 24 \text{ hours in one year}) * (1,000 \text{ to convert from USD/kWh to USD/MWh}) = 171 \text{ USD/MWh}$

As the business-as-usual scenario for electricity generation, we consider diesel. With GHG intensity of 1 tonne CO2/MWh for diesel-based electricity (source: USA's EIA), and a long-term average CO2 price of USD 30/tonne for Kurdistan, the GHG tax on diesel-based electricity is 30 USD per MWh.

$1 \text{ tCO2/MWh (GHG intensity of diesel-based electricity)} * \text{USD } 30 / \text{tCO2 (carbon tax)} = 30 \text{ USD/MWh}$

Fuel cost is estimated at USD 166 per MWh of diesel-based electricity: using diesel price of USD 0.50/liter and efficiency of 30% and heating value of 36 MJ/liter for diesel. $\text{USD } 0.50 / \text{liter (cost of diesel)} / 30\% \text{ (efficiency of generator)} / 36 \text{ MJ/liter (heating value of diesel)} * 3600 \text{ (for unit conversion from MJ to MWh)} = 166 \text{ USD per MWh of diesel-based electricity.}$

Total cost of diesel-based electricity would be 166 (fuel cost) + 30 (GHG fee) = 196 USD/MWh compared to the cost of solar PV of 171 USD/MWh.

Without any carbon tax, using diesel for electricity generation is cheaper (USD 166/MWh) compared to solar PV (USD 171/MWh). However, at carbon tax of USD 30/tonne, total cost of diesel-based electricity is higher (USD 196/MWh compared to USD 171/MWh). Considering the electricity load of Tawke license, we assume DNO will build a 12 MW solar plant to supply electricity in combination with the existing diesel-fueled generator fleet. Investment required for a 12 MW solar PV plant to partially mitigate the risk is:

$\text{USD } 1,350 / \text{kW (unit cost of solar PV)} * 12,000 \text{ kW (size of solar plant)} = \text{USD } 16.2 \text{ million}$

This is cost to respond to the risk of higher operating costs due to introduction of a carbon tax in Kurdistan.

Comment

Note that the "Potential financial impact figure" is in USD per year. The "Cost of response to risk" is in USD for the total capital cost of the PV plant over the life of the project

(e.g., 20 years) and excluding the operational and maintenance costs.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)
----------------	--

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In Kurdistan, recent winters have been wetter than the historical average. According to IPCC, Iraq is considered one of the most vulnerable countries in the Middle East to climate change and impacts of changing weather patterns have already made themselves felt in recent years, with a higher frequency and intensity of extreme weather events. More heavy rainfalls during winter have resulted in much faster flow of the river adjacent to DNO's oil and gas pipelines. Severe and rapid erosion of the riverbanks and/or riverbed has been experienced the past three winters during storms and it is expected that this will continue. In the worst-case scenario, such rapid erosion could lead to damage to one or both pipelines, potentially leading to pollution and the need to halt production.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

35000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact figure is calculated from having to shut down operations for up to a week if pipelines are damaged. A halt in production from the Tawke field in Kurdistan, production from which averaged about 45,000 barrels per day in 2022, would result in a loss in production of 315,000 barrels in one week. At realized oil prices of USD 65 per barrel, the lost production is valued at approximately 315,000*65= USD 20 million.

If the damage to the pipelines also resulted in pollution, the financial (and reputational) impact would be much higher. However, this figure is extremely difficult to estimate as it depends on many factors including the exact location of the damage, the extent of the damage, environmental conditions (e.g., water level and current) and speed of response. Our assessment is that the maximum cost of environmental remediation due to a pipeline rupture will be around USD 15 million.

Therefore, the total is 20+15= USD 35 million

Cost of response to risk

3000000

Description of response and explanation of cost calculation

To mitigate the risk of having to halt production in Kurdistan due to more extreme weather, DNO initiated a major upgrade to the physical storm protection measures for its pipelines (reinforcement of riverbank and riverbed at river crossing of our pipelines in Kurdistan). The cost of responding to the risk of more extreme weather is an estimate for the storm protection measures (both along the riverbanks and at the river crossing of pipelines) and any possible free spanning of pipelines at the bottom of the river due to faster-than-normal river flows. Example of mitigation measures are stabilizing the riverbed and reinforcing pipelines' supports in the riverbed as well as protecting riverbanks from erosion. Also, DNO has assessed the possibility of building an overpass in order not to pass the pipelines through the river. The cost estimate is based on conceptual engineering studies, experience from similar projects and DNO's internal cost database. DNO has also received quotes from third-parties for engineering and construction of an overpass for the pipelines. These quotes in addition to DNO's inhouse cost estimates are the basis for the USD 3 million estimate provided here. This is split into USD 1.4 million for the overpass bridge and USD 1.6 million for engineering, procurement, management and implementation of the riverbank and riverbed reinforcement.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Cyclone, hurricane, typhoon
----------------	-----------------------------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In addition to its operations onshore, DNO operates offshore both in Norway and the UK. While offshore production facilities are less prone to extreme weathers (they are to be designed to stand extreme weather conditions, a term called "100-year storm" in Norway), offshore drilling is sensitive to weather conditions. In case of extreme weather such as storms creating massive waves, drilling operations need to be delayed or suspended until weather conditions allow for safe drilling operations. In the industry, the term Waiting on Weather (WoW) is used to express a drilling rig on standby at a safe location until weather conditions improve allowing resumption of drilling activities. WoW can be a major cost for offshore operations due to the high daily cost of offshore drilling activities, especially for complex drilling operations. In 2021 and across DNO's assets in Norway and the UK (both operated and non-operated), there were 34 days of WoW, which implied that DNO (and its partners) had to pay rigs to be on standby due to unsuitable weather offshore in drilling locations.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In 2022, DNO had to pay rigs to be on standby due to unsuitable weather for offshore drilling for a total of 41 days. The net cost to DNO due to rigs waiting-on-weather (WoW) during the year was about USD 3.4 million. As extreme weather conditions are likely increase both in intensity and frequency due to climate change in the long term, higher costs associated with WoW will become more important in the context of offshore drilling. The USD 3.4 million is calculated based on the actual fees paid to the drilling rigs hired in 2022 for 41 days of Waiting on Weather (WoW).

Note that there can be substantial annual variations in the number of WoW. For instance, the total WoW for DNO's operations in years 2020 and 2021 were 70 days (at a total cost of USD 12 million) and 34 days (at a total cost of USD 7 million), respectively. In addition to the changes in weather patterns, company-specific parameters (e.g., what well in which offshore location was drilled with which rig at what depth in what month of the year) can change this number. To estimate future costs of WoW, we assume that an increase of 100% in extreme weather patterns and associated increase in the WoW days compared to year 2022. Thus, a cost of USD 7 million is estimated for total cost of WoW, which is USD 3.6 million higher than the cost incurred in 2022. In summary, the potential financial impact is USD 7 million per year which is based on an increase of 50% in the costs associated with extreme weathers offshore and their impact on drilling activities (compared to year 2022).

Cost of response to risk

1000000

Description of response and explanation of cost calculation

Offshore oil and gas companies cannot control or mitigate extreme weather conditions. However, we can plan drilling operations for calmer periods as the accuracy of climate models and weather forecasts improve. DNO can subscribe to these models and forecasts for better planning of its drilling operations. Also, as technology improves, drilling rigs can withstand more severe weather conditions, reducing the cost of Weighting on Weather (WoW) although such rigs will likely cost more to operate. The upper bound for mitigating WoW-associated costs would be the cost of the WoW itself (estimated at USD 7 million in previous section). We estimate a partial mitigation cost (lower bound) of USD 1 million for subscribing to more accurate climate/ weather models (to better time the drilling activities). In summary, responding to extreme weathers is not fully possible, we estimate a total cost of USD 1 million per year (cost of access to better forecasting and planning models and software) to partially mitigate the risks. We can partially mitigate the risk as explained above, but we cannot eliminate/ fully mitigate the risk (delays in drilling activities due to extreme weathers).

Comment

Note that both the "Potential financial impact figure" and "Cost of response to risk" are in USD per year.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify (Reduce direct emissions by reducing flaring)

Primary potential financial impact

Increased revenues resulting from increased production capacity

Company-specific description

Development of the Peshkabar field in the Tawke license in Kurdistan region of Iraq commenced in 2017. The oil produced had higher than expected associated gas content, leading to higher than anticipated production of associated gas (co-produced with oil). This provided DNO with the opportunity to reinject the gas from Peshkabar into the nearby Tawke oil field for reservoir pressure management and thus improved oil recovery. The climate related opportunity driver for the project is the significant reduction in flaring of associated gas. The financial impact is that injecting gas into Tawke is expected to increase the oil reserves recoverable from the field. In 2020, DNO commissioned the first phase of its associated gas injection project (cost of USD 110 million). Over its lifetime, gas injection is forecasted to increase oil reserves at the Tawke field by 23.3 million barrels of oil (although uncertain mainly due to reservoir performance). Phase 2 of the gas injection project was commissioned in 2022, which enabled capturing and reinject any associated gas produced at the Tawke field back into the Tawke field. The cost of the second phase was USD 25 million.

By end of 2022, DNO captured and injected a total of 19.1 billion cubic feet (bcf) of associated gas at the Tawke license - which otherwise would have been flared (and hence avoided GHG emissions).

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

240000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact comes from the value of added reserves and production from the Tawke field because of enhanced oil recovery from injecting Peshkabar field gas. It is calculated by multiplying the forecast incremental production due to gas injection by the forecast oil price. The share of the incremental revenue that goes to the government through the mechanism of the production sharing contract is then deducted to give the financial benefit to DNO and its partner. The actual production impact is uncertain due to the heterogeneity of the Tawke field reservoir. The potential financial impact figure is derived from the incremental production that reservoir modelling indicates to be most likely. The reserves associated with this incremental production are included in the DNO's proven and probable (2P) reserves. The 2P reserves associated with the gas injection project are 23.3 million barrels of oil. Of this 18.5 million barrels goes to the government through the production sharing contract that is in place, leaving 4.8 million barrels for DNO and its partner over the life of the license (until 2036). At an assumed average realized oil price of USD 50 per barrel, this gives an increase in revenue of USD 240 million to DNO and its partner (4.8 million barrels of oil * 50 dollars per barrel of oil = USD 240 million).

Cost to realize opportunity

135000000

Strategy to realize opportunity and explanation of cost calculation

To collect produced gas at the Peshkabar field and inject it in the Tawke field, it required construction of a gas treatment plant at the Peshkabar field, gas compression and pipeline systems to transport the treated gas from the Peshkabar field to the Tawke field and retrofitting existing/ drilling new wells for gas injection. Phase 1 of the project was commissioned in 2020 at a total cost of about USD 110 million. The main components of this project were building a gas processing facility in the Peshkabar field, a series of compressors and gas pipelines to deliver the processed gas from the Peshkabar field to the Tawke field for injection in five gas injection wells.

Phase 2 of the gas injection project which aims to capture and reinject in to the Tawke field any associated gas produced at the Tawke field was commissioned in 2022, for a total cost of about USD 25 million. The main component of the second phase was a new gas processing plant (and associated compressors and pipelines) to enable injection of any produced gas at the Tawke field back into the Tawke field.

As both phases are now complete, the cost to realize the opportunity (USD 110+25 million) is the actual cost that DNO has spent realising the project, rounded off to the nearest USD 10 million.

Total cost: USD 110 million (phase 1) + USD 25 million (phase 2) = USD 135 million

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

To further minimize flaring of associated gas in our Kurdistan operations (in addition to gas injection, discussed under Opportunity 1), DNO has been advancing multiple projects to utilize associated gas for onsite electricity and process heat generation in our Tawke license in Kurdistan. These projects plan to use the otherwise-flared (wasted) associated gas to replace diesel and naphtha which are used onsite for heat and electricity (more GHG intensive and more expensive than using associated gas). Throughout 2022, two of these projects were commissioned which enabled use of otherwise-flared associated gas for electricity generation, thus lowering GHG emissions. Details of these projects are given below.

- 1- Utilizing gas-powered generators at the Peshkabar Gas Plant (PGP) to replace diesel-fueled generators at the Peshkabar field's Central Processing Plants (CPF) (diesel-to-gas fuel switching and increasing the efficiency of gas generators through increasing their load);
- 2- Replacing two diesel-fueled generators at the Tawke field's Central Processing Plant (CPF) with dual-fueled (gas and diesel) generator (fuel switching in electricity

generation);

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3250000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

These two projects together are forecasted to save around 6.5 million liters of diesel annually, through using the otherwise-flared associated gas instead of diesel. At a price of USD 0.5/liter for diesel, this translates to an annual cost savings of about USD 3.25 million for our operations.

Math: 6.5 million liters/year * USD 0.5/liters= USD 3.25 million per year.

Cost to realize opportunity

4700000

Strategy to realize opportunity and explanation of cost calculation

We continued to realize the opportunity of fuel-switching in our operations (replacing diesel with otherwise-flared associated gas) to both reduce our GHG emissions and improve the economics of our operations. Two projects were commissioned in 2022 as explained in this section. DNO is actively assessing and implementing a series of similar projects and we expect to realize these opportunities in the next two years in our Tawke license in the Kurdistan region of Iraq. We are expanding the scope of this work to our other assets in the medium-term time horizon (1-5 years).

The cost of implementing these two projects in 2022 were USD 3.5 million and USD 1.2 million, respectively. Therefore, the total expenditure for these projects in 2022 were USD 4.7 million. These are based on actual costs incurred by DNO in 2022.

Comment

Note that the cost savings figure (USD 3.25 million) is on an annual basis.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased access to capital

Company-specific description

Over the past five years, DNO has experienced an increasing number of environmental related enquiries from existing and prospective investors (shareholders and bond holders), banks, financial institutions, and insurance underwriters, collectively referred to here as the financial community. DNO recognises that to maintain access to quality financial services and attract investors, it needs to be transparent on its climate related performance (as well as its performance in other areas of Corporate Social Responsibility CSR, and Environment, Social and Governance ESG) and set responsible emissions targets for its business. To address this, DNO has submitted a CDP report every year since 2008; it has had third-party verification of its emissions data since 2015; it has a Health, Safety, Security and Environment (HSSE) performance section in its Annual Report which includes emissions reporting; and adopted a comprehensive template for its ESG report ("DNO's Corporate Social Responsibility (CSR) Report"). DNO's CSR report continues to improve transparency on DNO's ESG related matters to the financial community and enables DNO to communicate its key emissions related targets on emissions intensity and zero venting from routine operations.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

6600000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The impact of our climate related performance and reporting position on emissions, the impact on share price and cost of debt is not possible to define with any certainty as they are influenced by many other factors. However, to illustrate the potential, it has been assumed that a positive perception of DNO's climate stance amongst investors could reduce the cost of bond debt through a 0.25 percent lower interest rate. As DNO currently has two bond loans, together worth USD 531 million, this would represent a saving of USD 1.3 million per year. Considering a maturity period of five years for bond, the savings over the bond life would be USD 6.6 million.
0.25%* USD 531 million*5 years= USD 6.6 million

Cost to realize opportunity

25000

Strategy to realize opportunity and explanation of cost calculation

Our strategy on the disclosure and reporting side is to maintain CDP reporting, external verification of emissions, improving our GHG quantification standards and policies, reporting of emissions in Annual Report and publishing an extensive ESG report on an annual basis with details on our environmental performance and our GHG emissions reduction efforts and results.

To achieve this, in addition to internal resources such as significant mid-level and executive management time (cost of which is not included here), we occasionally utilize external consultants. The cost stated here is the sum of costs for our third-party verification of year 2022 GHG numbers (USD 15k) and external costs for preparing our 2022 CDP disclosures (USD 10k). Note that this is on top of significant time devoted to these issues by the mid-level and senior management of the company.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Our company's focus is on reducing emissions from our operations. In fact, we managed to avoid nearly as much emissions (92%) as we emitted in 2022 (avoided emissions of 533,968 tCO2e compared to scope 1 emissions of 580,636 tCO2e).

None of our assets will have material production after 2035 and all of our oil and gas licenses will expire well before 2050. Therefore, developing a transition plan towards net zero by 2050 does not currently apply to us (no production and thus not emissions based on current portfolio). We are mindful of environmental concerns around fossil-fuel based energy production and use by 2050 and afterwards and plan to take them into account for our future ventures

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	IEA NZE 2050	Company-wide	<Not Applicable>	<p>DNO conducted a series of climate-related sensitivity analysis to assess potential value of its assets under certain climate-related scenarios and disclosed the results in its 2022 Annual Report. DNO used three widely cited scenarios for oil, gas, and GHG pricing development until 2050 prescribed in the International Energy Agency’s (EIA) 2022 World Energy Outlook: Stated Policies (STEPS), Announced Pledges (APS) and Net Zero by 2050 (NZE 2050).</p> <p>The NZE scenario is a 1.4 °C pathway (reference IEA);</p> <p>IEA’s Net Zero Scenario (NZE 2050): key assumptions applied in DNO analysis are:</p> <ul style="list-style-type: none"> oil price of USD 35 per barrel in 2030 and USD 24 per barrel in 2050 (in 2021 real terms). DNO used linear extrapolation for other years. gas price of USD 4.6 per MMBtu in 2030 and USD 3.8 per MMBtu in 2050 (in 2021 real terms). DNO used linear extrapolation for other years. GHG pricing in Norway: USD 240 /tCO2e by 2030 consistent with the Norwegian government’s proposal (in 2021 real terms). DNO assumed the price will increase at two percent (nominal) afterwards. GHG pricing in Kurdistan region of Iraq: USD 25/tCO2 in 2030, USD 85/tCO2 in 2040 and USD 180/tCO2 in 2050 (in 2021 real terms). DNO used linear extrapolation for other years.
Transition scenarios	IEA STEPS (previously IEA NPS)	Company-wide	<Not Applicable>	<p>DNO conducted a series of climate-related sensitivity analysis to assess potential value of its assets under certain climate-related scenarios and disclosed the results in its 2022 Annual Report. DNO used three widely cited scenarios for oil, gas, and GHG pricing development until 2050 prescribed in the International Energy Agency’s (EIA) 2022 World Energy Outlook: Stated Policies (STEPS), Announced Pledges (APS) and Net Zero by 2050 (NZE 2050).</p> <p>The STEPS scenario is a 2.5 °C pathway (reference IEA);</p> <p>IEA’s Stated Policies Scenario (STEPS): key assumptions in DNO’s analysis include:</p> <ul style="list-style-type: none"> oil price of USD 82 per barrel in 2030 and USD 95 per barrel in 2050 (in 2021 real terms). DNO used linear extrapolation for other years. gas price of USD 8.5 per MMBtu in 2030 and USD 9.2 per MMBtu in 2050 (in 2021 real terms). DNO used linear extrapolation for other years. GHG pricing in Norway: USD 240 /tCO2e by 2030 consistent with the Norwegian government’s proposal (in 2021 real terms). DNO assumed the price will increase at two percent (nominal) afterwards. GHG pricing in Kurdistan region of Iraq: No GHG price, consistent with EIA’s STEPS scenario.
Transition scenarios	IEA APS	Company-wide	<Not Applicable>	<p>DNO conducted a series of climate-related sensitivity analysis to assess potential value of its assets under certain climate-related scenarios and disclosed the results in its 2022 Annual Report. DNO used three widely cited scenarios for oil, gas, and GHG pricing development until 2050 prescribed in the International Energy Agency’s (EIA) 2022 World Energy Outlook: Stated Policies (STEPS), Announced Pledges (APS) and Net Zero by 2050 (NZE 2050).</p> <p>The APS scenario is a 1.7 °C pathway (reference IEA);</p> <p>IEA’s Announced Pledges Scenario (APS): key assumptions in DNO’s analysis include</p> <ul style="list-style-type: none"> oil price of USD 64 per barrel in 2030 and USD 60 per barrel in 2050 (in 2021 real terms). DNO used linear extrapolation for other years. gas price of USD 7.9 per MMBtu in 2030 and USD 6.3 per MMBtu in 2050 (in 2021 real terms). DNO used linear extrapolation for other years. GHG pricing in Norway: USD 240 /tCO2e by 2030 consistent with the Norwegian government’s proposal (in 2021 real terms). DNO assumed the price will increase at two percent (nominal) afterwards. GHG pricing in Kurdistan region of Iraq: USD 0/tCO2 in 2030, USD 17/tCO2 in 2040 and USD 47/tCO2 in 2050 (in 2021 real terms). DNO used linear extrapolation for other years.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

The main purpose of DNO’s climate-related sensitivity analysis is assessing the resiliency of its portfolio from a financial perspective under three commonly used climate-focused scenarios (IEA’s NZE 2050, IEA’s APS, and IEA’s STEPS)

Results of the climate-related scenario analysis with respect to the focal questions

Climate sensitivity analysis using IEA’s Stated Policies scenario: As the oil and gas price assumptions in the IEA’s Stated Policies Scenario were higher compared to DNO’s long-term price assumptions, no impairments (also known as “write off”) were observed under this scenario for DNO’s portfolio.

Climate sensitivity analysis using IEA’s Announced Pledges scenario: As the oil and gas price assumptions in the IEA’s Announced Pledges Scenario were higher compared to DNO’s long-term price assumptions, no impairments (also known as “write off”) were observed under this scenario for DNO’s portfolio.

Climate sensitivity analysis using IEA’s Net Zero 2050 scenario: Results indicated potential impairment (commonly known as “write off” outside the financial community) of USD 44 million (post-tax) on DNO assets.

These climate-related sensitivity analyses indicated that DNO’s portfolio is resilient under these assumptions (to put numbers in perspective, DNO’s market capitalization currently stands at about USD 1 billion. Therefore, a potential impairment of USD 44 million is insignificant).

Also they indicated that the main factor for company’s valuation is not the CO2 price itself (in the form of higher operating cost) but the oil and gas prices resulting from changes to demand under the IEA scenarios.

DNO plans to repeat this sensitivity analysis exercise at least once a year and report the results to the senior management as well as the board of directors of the company. We will also expand the scope of the scenario analysis if deemed appropriate, in order to ensure its business remains well placed for energy transition and climate change.

The results of the sensitivity analysis therefore, have not changed our business strategy. We are mindful of scenarios for future oil, gas and GHG prices and we continue to consider them in our business planning.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	No	DNO's products are oil and gas. DNO is aware of its scope 3 emissions, the majority of which is from end use of the oil and gas we produce (e.g., combustion of natural gas and refined petroleum products). However, DNO's production is a small percentage of global production (~0.1%), thus DNO has no significant influence on the global trends on oil and gas consumption, associated GHG emissions and mitigation technologies in addition to strategies implemented by global users of refined products. In order to have maximum impact on emissions from the resources available to it, DNO has been focusing on its own operations and, in particular, on reducing our scope 1 emissions over which we have control. While scope 2 (e.g., electricity we purchase) and 3 emissions (e.g., end use of our products) are important (all CO2 emissions contribute to global warming), our focus and priority is scope 1.
Supply chain and/or value chain	Yes	Climate-related opportunities have influenced DNO's supply chain strategies. For instance, environmental and GHG performance criteria are considered in all major and relevant procurement activities in our operations in Norway and the UK. We recognize that due to our relatively small scale in the UK and Norway and the nature of our current activities (exploration drilling and well plugging-and-abandonment, 'P&A'), our choice of drilling rigs and our influence on suppliers to undertake large investments in order to improve their GHG performance are limited. However, in our current tendering process, we ask for disclosure of energy (and thus emissions) performance which has implications for the operating cost and GHG emissions (e.g., diesel consumption). We are currently reviewing our procurement standards with the aim both to improve GHG (and broader ESG topics) disclosure in bid processes and better integrate GHG performance in our ranking and contact award procedures. We expect to be impacted by this risk/opportunity in the short-term horizon.
Investment in R&D	No	DNO does not carry out inhouse research and development activities. It seeks to take advantage of new and developing technologies through industry partnership and supply chain management. As we do not invest in inhouse R&D, climate related risks have not influenced strategy in this area.
Operations	Yes	Acute physical climate risks influence DNO's operations strategy. More extreme weather will impact when and how the company can run its operations both on shore and offshore. In Kurdistan region of Iraq, which makes up the majority of our field activities, recent winters have been wetter than the historical average. It is possible that this is related to climate change. This has resulted in much faster flow of the river adjacent to DNO's oil and gas pipelines. Severe erosion of the riverbanks and the riverbed has been experienced the past four winters and it is expected that this will continue. As a result, DNO conducted a major upgrade to the physical storm protection measures for its pipelines over 2020-2022 period (reinforcement of riverbanks at pipeline river crossing and reinforcement of riverbed to avoid free span of the two pipelines in the river crossing). Also, DNO has assessed the possibility of building an overpass in order not to pass the pipelines through the river. A case study of how DNO turned a climate related risk to an opportunity is flare reduction through injection of associated gas for improved oil recovery at the Tawke license in Kurdistan. With commissioning of the gas injection project in 2020 (phase 1) and 2022 (phase 2), not only DNO significantly enhanced its environmental performance through minimizing flaring, but also gained financial benefits (increased oil recovery and reserves). This project remains the only gas injection project in Kurdistan to date. We expect to be impacted by this risk/opportunity in the short-term horizon.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs: Capital expenditures Access to capital	Direct costs: In Kurdistan, recent winters have been wetter than the historical average. Iraq is considered one of the most vulnerable countries in the Middle East to climate change and impacts of changing weather patterns have already made themselves felt in recent years, with a higher frequency and intensity of extreme weather events. More heavy rain during winter has resulted in much faster flow of the river adjacent to DNO's oil and gas pipelines. Severe erosion of the riverbanks and the riverbed has been experienced in recent years during storms and it is expected that this will continue. If the worst were to happen and the pipelines were damaged, production would have to be shut in for about a week while repairs were carried out. To mitigate the risk of having to halt production in Kurdistan due to more extreme weather, DNO conducted a major upgrade to the physical storm protection measures for its pipelines (reinforcement of both riverbanks and riverbeds at pipeline crossings). The time horizon influenced was short term (2020-2022 budgets). Capital expenditures: As described in section 2.4a, development of the Peshkabar field in the Tawke license in Kurdistan commenced in 2017. The oil produced had higher than expected associated gas content. The additional gas meant that a project to process, transport and reinject the gas in the Tawke field became attractive both for financial and climate-related reasons. Phase 1 of the project was completed in 2020 and phase 2 in 2022. With a capital cost of about USD 135 million, this project was by far the largest single capital expenditure for the business since the Peshkabar field came on production in 2017. DNO is also actively pursuing a range of GHG reduction projects in its operations. These projects, although come at a cost, ensure DNO remains competitive in the capital markets. They also enable DNO to maintain its low GHG intensity compared to its peers. In some instances, these projects also lead to direct financial savings (i.e., if savings outweigh costs over the life of the project). This risk and opportunity have impacted our financial planning in the short-time horizon as well as the medium-time horizon. DNO has been investigating whether to procure or even invest in carbon offsets to enhance its emissions performance in addition to its efforts to reduce the emissions from its own operations. No investment decisions on carbon offsets are made yet. Access to capital: Over the past five years, DNO has experienced an increasing number of environmental related enquiries from existing and prospective investors (shareholders and bond holders), banks, financial institutions, and insurance companies, collectively referred to here as the financial community. DNO recognizes that in order to maintain access to quality financial services and attract investors, it needs to be transparent on its climate related performance (as well as its performance in other areas of ESG) and set responsible emissions targets for its business. To address this, DNO has submitted a CDP report every year since 2008; it has had third-party verification of its emissions data since 2015; it has an HSSE performance section in its annual report which includes emissions goals and reporting; and adopted a comprehensive template for its ESG reporting ("DNO's Corporate Social Responsibility (CSR) Report"). The new CSR report has improved transparency on ESG related matters to the financial community and enabled DNO to communicate its key emissions related targets on emissions intensity and zero venting from routine operations. This risk and opportunity have also impacted our financial planning in short-time horizon.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, and we do not plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 2

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2019

Target coverage

Site/facility

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

598222

Base year Scope 2 emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

599207

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

95

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

0

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:

Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

95

Target year

2024

Targeted reduction from base year (%)

66.67

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

199715.6931

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

467543

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

467543

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

32.9579136581708

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

Development of the Peshkabar field in the Tawke license in the Kurdistan region of Iraq commenced in 2017. As is typical in the region, associated gas was initially planned to be flared. However, the oil produced at Peshkabar had higher than expected associated gas content. Consequently, the Tawke license became by far the largest

contributor (95%) to DNO's GHG emissions, (599,207+0=599,207 tO2e in scope 1+2 emissions in 2019 from flaring, compared to total scopes 1+2 emissions of 632026+1471=633,497 tCO2e in 2019).

For this reason, in 2019 a target was set for scopes 1 and 2 emissions at Tawke license to be reduced by at least two-third (66.67%) within five years (by 2024). The target was set for this facility (the Tawke license) as it is the largest source of DNO's emissions across its global portfolio.

Math behind flaring at the Tawke license being the largest (95%) contributor to DNO's scope 1+2 emissions in 2019:

Flaring emissions at Tawke license in 2019: 599,207 tCO2e

Total company emissions in 2019: 633,497 tCO2e

Therefore, the ratio is 95%.

Plan for achieving target, and progress made to the end of the reporting year

To reduce flaring emissions and achieve the target, DNO planned a two-phase gas injection project.

The first phase of the project (commissioned in 2020) involved capturing and processing associated gas produced at the Peshkabir field and pipelining it to the nearby Tawke field (within the same license). At the Tawke field, the transported gas is injected underground for reservoir pressure management. The cost of this project was USD 110 million. Phase 2 of the project was commissioned in 2022 at a cost of about USD 25 million. The second phase aims to capture and reinject into the Tawke field any associated gas produced at the Tawke field itself. The second phase of the project has enabled material reduction in flaring of associated gas at the Tawke field and is expected to help with reservoir pressure maintenance and oil recovery.

Flaring GHG emissions in the Tawke license has reduced significantly due to both phases one and two being operational by year end 2022. Although uncertain (depending on reservoir performance), we forecast in 2024, on an average, 21 MMscf (million standard cubic feet) per day of otherwise flared associated gas will be injected (thus GHG avoidance). This compares to 22.1 MMscf per day of associated gas flaring (thus GHG emissions) in 2019. Although uncertain, we forecast scopes 1+2 GHG emissions of Tawke license (containing both Tawke and Peshkabir field) to be around 200,000 tCO2e in 2024 compared to 598,222 tCO2e in the base year (2019) (thus a reduction of 65%).

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to reduce methane emissions

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 2

Year target was set

2022

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Methane reduction target	Total methane emissions in CO2e
--------------------------	---------------------------------

Target denominator (intensity targets only)

<Not Applicable>

Base year

2022

Figure or percentage in base year

12958

Target year

2030

Figure or percentage in target year

1300

Figure or percentage in reporting year

12958

% of target achieved relative to base year [auto-calculated]

0

Target status in reporting year

New

Is this target part of an emissions target?

No, standalone target for reduction of methane emissions

Is this target part of an overarching initiative?

Other, please specify (In 2022, DNO joined the Aiming for Zero Methane Emissions Initiative, an oil and gas industry pledge coordinated by the Oil and Gas Climate Initiative (OGCI), to reach near zero methane emissions from its operated oil and gas assets by 2030)

Please explain target coverage and identify any exclusions

DNO joined the Aiming for Zero Methane Emissions Initiative in 2022. This is an oil and gas industry pledge coordinated by the Oil and Gas Climate Initiative (OGCI), through which DNO set a target to reach near zero methane emissions from its operated oil and gas assets by 2030 and actively work with its partners in its non-operated assets to achieve the same. The target applies to all of DNO's operated assets (consistent with the reporting methodology of Operational Control). We are targeting 90% reduction compared to the base year.

Plan for achieving target, and progress made to the end of the reporting year

Despite this target being set in 2022, DNO already started with an LDAR (Leak Detection and Repair) program to identify and remediate fugitive methane emissions from its largest operated asset (Tawke license in Kurdistan region of Iraq). DNO is actively pursuing other options to help it achieve the 2030 goal. Two specific options considered are 1) engaging with a specialized firm to improve quantification and reporting of DNO's methane emissions 2) joining industry expert groups for knowledge and best-practice sharing and action.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	6	
To be implemented*	4	8400
Implementation commenced*	2	18900
Implemented*	5	268400
Not to be implemented	0	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Fugitive emissions reductions	Oil/natural gas methane leak capture/prevention
-------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

11

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

150000

Payback period

No payback

Estimated lifetime of the initiative

11-15 years

Comment

In 2022, DNO implemented a Leak Detection and Repair (LDAR) program in its largest asset (Tawke license in the Kurdistan region of Iraq). The cost figure provided here captures only the capital cost of the equipment and excludes training costs and additional resource (staff) costs. GHG saving figure is based on emissions detected by the LDAR program in 2022. For life of the project, we have used expiry of the Tawke license (2036, thus 14 years from 2022).

Initiative category & Initiative type

Non-energy industrial process emissions reductions	Other, please specify
--	-----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

34000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

25000000

Investment required (unit currency – as specified in C0.4)

25000000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

This project relates to the second phase of the associated gas capture and injection at the Tawke license, which was implemented in late 2022. Total capital cost was about USD 25 million. GHG savings will change from year to year depending on the associated gas production rate at the Tawke field (estimated number here is based on gas production of 1.5 million standard cubic feet per day, MMscfd, over the full year). A standalone monetary savings cannot be provided because this phase is part of a bigger project (associated gas capture and injection at the Tawke license, explained in section C2.4a). See section C2.4a for economics of the whole project. For life of the project, we have used expiry of the Tawke license (2036, thus 14 years from 2022).

Initiative category & Initiative type

Non-energy industrial process emissions reductions	Other, please specify
--	-----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

221900

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

1000000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

This project relates to debottlenecking (increasing the capacity of) the compressors in the first phase of the associated gas capture and injection project at the Tawke license. This project (delivered in 2022) increased the capacity of the gas plant (originally commissioned in 2020) at the Peshkabir field in with Tawke license from approximately 30 million standard cubic feet a day (MMscfd) to approximately 40 MMscfd. Total capital cost was about USD 1 million.

GHG savings will change from year to year depending on the associated gas production rate at the Peshkabir field. The number provided here reflects the maximum GHG savings potential (based on an incremental gas flowrate of 10 MMscfd over the full year).

A standalone monetary savings cannot be provided because this phase is part of a bigger project (associated gas capture and injection at the Tawke license, explained in section C2.4a). See section C2.4a for economics of the whole project.

For life of the project, we have used expiry of the Tawke license (2036, thus 14 years from 2022).

Initiative category & Initiative type

Energy efficiency in production processes	Fuel switch
---	-------------

Estimated annual CO2e savings (metric tonnes CO2e)

7500

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

900000

Investment required (unit currency – as specified in C0.4)

1200000

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

This project relates to replacing two diesel-fueled electricity generators at the Tawke field (in Kurdistan region of Iraq) with dual-fueled (diesel and gas) generators. This project enables use of otherwise-flared associated gas produced in our operations to reduce diesel consumption for electricity generation.

Total capital cost was USD 1.2 million. This project is estimated to save about 1.8 million liters of diesel per year. At an assumed diesel price of 0.50 USD/liter, the annual savings come to about USD 0.9 million, which give a payback time of $1.8/0.9 = 2$ years.

For life of the project, we have used expiry of the Tawke license (2036, thus 14 years from 2022).

Initiative category & Initiative type

Energy efficiency in production processes	Fuel switch
---	-------------

Estimated annual CO2e savings (metric tonnes CO2e)

5000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2300000

Investment required (unit currency – as specified in C0.4)

3500000

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

This project (11kV power optimization at Peshkabir) relates to using gas powered generators at the Peshkabir Gas Plant (PGP) to replace diesel-fueled generators used historically to provide electricity for the Peshkabir Central Processing Plant (CPF). This is therefore, a fuel switching project (in addition to enabling the generators to run at higher efficiencies).

Total capital cost was USD 3.5 million. This project is estimated to save about 4.7 million liters of diesel per year. At an assumed diesel price of 0.50 USD/liter, the annual

savings come to about USD 2.3 million, which give a payback time of $3.5/2.3 = 1.5$ years.

For life of the project, we have used expiry of the Tawke license (2036, thus 14 years from 2022).

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	Our GHG emissions reduction projects have associated benefits such as resource efficiency (replacing costly diesel with otherwise flared associated gas) and increased reliability (replacing sparsely located generators across the oil and gas production field with a central power station) that warrant investment.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

DNO had previously introduced a policy of zero venting during routine operations and accordingly introduced a target for zero routine venting in 2017. Prior to that date, as is typical for the oil and gas industry, DNO had methane emissions from venting of gas direct to atmosphere from processing facilities and oil storage tanks. With the achievement of this target (zero routine venting), all company facilities now comply with this policy and there is zero routine venting and hence zero routine methane emissions. DNO intends to maintain its zero routine venting policy and therefore expects methane emissions from venting during routine operations over the next five years to remain at zero.

Additionally, in 2022, DNO implemented a Leak Detection and Repair (LDAR) program to measure, monitor and mitigate fugitive (aka residual) methane emissions at the Company's operated sites. This initiative was announced by DNO's Executive Chairman of the Board of Directors. We will continue to expand the scope of our LDAR program to minimize our fugitive emissions to the extent practically possible and reasonable.

Finally, DNO joined the Aiming for Zero Methane Emissions Initiative in 2022, which is oil and gas industry pledge coordinated by the Oil and Gas Climate Initiative (OGCI), to reach near zero methane emissions from its operated oil and gas assets by 2030 and actively work with its partners in its non-operated assets to achieve the same.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

Gas leaks (which would include methane) are not acceptable in any of DNO's operations due to the safety risk (risk of fire or explosion) they represent. In addition, the gas in DNO's Kurdistan operations also contains Hydrogen Sulphide (H₂S) which is toxic if inhaled. Therefore, at all facilities DNO has automatic leak detection in the form of gas detectors, and (in Kurdistan) automatic H₂S detectors as well. These automatic devices are complemented by the audio/visual/olfactory observations of the production operators on their rounds (once per shift). As such, any non-routine methane emission from a loss of containment, will be detected within seconds and mitigating action taken immediately. Hence, the only methane emissions at DNO facilities will be "micro" emissions (called fugitive methane emissions here) through, for example, screwed fittings and instruments, that are so small that they don't trigger the automatic detectors.

In 2022, DNO implemented a Leak Detection and Repair (LDAR) program to measure, monitor and mitigate fugitive (aka residual) methane emissions at the Company's operated sites. This initiative was announced by DNO's Executive Chairman of the Board of Directors. On a quarterly basis, all relevant locations in DNO's largest asset (Tawke license in the Kurdistan region of Iraq) are scanned as part of the LDAR program for fugitive methane emissions. All findings are recorded, emissions quantified and remediation plans put in place. DNO plans to expand the LDAR program to its other operated assets in 2023-2024.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

Yes, it is relevant to our Kurdistan operations.

Flaring is relevant to DNO's operations in Kurdistan but not to its North Sea operations. In Kurdistan, the most important flare reduction project is transfer of associated gas from the Peshkibir field, which was being flared previously, to the nearby Tawke field for underground injection. Phase 1 of the project was completed in 2020. Phase 2 of the associated gas capture and injection project (instead of flaring) was commissioned in 2022 at a total cost of about USD 25 million. This phase aims to capture and reinject any associated gas produced at the Tawke field back into the Tawke field.

In terms of target (and as also described in Section C4.1a: Target Abs2): DNO in 2019 set a target for the Tawke license GHG emissions to be reduced by at least two-third (66.67%) within five years (by 2024). The target coverage was set for the Tawke license as it is the largest source of DNO's scope emissions (598,222/632,512=95% of DNO's total emissions in 2019). Going forward, DNO expects flaring emissions in the Tawke license will drop significantly due to phase 1 and 2 of gas injection.

Although very uncertain (depending on reservoir performance), we forecast in 2024, on an average, 21 MMscf (million standard cubic feet) per day of otherwise flared associated gas will be injected. This compares to daily average of 22.1 MMscf of associated gas flaring in 2019.

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

189444

Comment

External limited verification conducted by Ernst and Young

Scope 2 (location-based)

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

1246

Comment

External limited verification conducted by Ernst and Young

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

Not applicable.

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

3187

Comment

External limited verification conducted by Ernst and Young

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IPCC Guidelines for National Greenhouse Gas Inventories, 2006
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

580636

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Third-party verification (limited assurance) by EY (Ernst and Young)

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

DNO has operations in three countries and regions: Norway, the UK, the UAE and the Kurdistan region of Iraq. While the electricity markets are fairly developed in Norway, the UK and the UAE, accessing emissions data (especially market-based emissions) from the power sector in Kurdistan is at this point impossible/ very uncertain.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

370

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Third-party verification (limited assurance) by EY (Ernst and Young)

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Calculating the lifecycle emissions of purchased goods and services would be a massive task and not very reliable because of the very wide range of goods and services purchased by DNO, the diversity of our suppliers (from small local firms in rural areas of Iraq to multi-national service companies with offices and staff around the world) and the fact that only a few of the suppliers (not all) publish and disclose their emissions data - let alone product or service specific emissions data. DNO believes the resources that would be required to carry out such an evaluation are better used on evaluating and minimising DNO's scope 1 emissions and such prioritisation is the most effective way for DNO to have a real impact on reducing emissions associated with its operations. Also we do not expect these emissions to be material compared to our direct emissions already included in Scope 1. In summary, this category is not a priority, but we are actively following industry trends and data

Capital goods

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Calculating the lifecycle emissions of capital goods would be a massive task because of the very wide range of goods and services purchased by DNO (some goods can be even purchased as used/ second-hand), the diversity of our suppliers (from small companies in Iraq to multi-national service companies with offices and staff spread around the world) and the fact that only a few of the suppliers (not all) publish and disclose their emissions data - let alone emissions data for specific products or services which DNO procures from them. DNO believes the resources that would be required to carry out such an evaluation are better used on evaluating and minimising DNO's scope 1 emissions and such prioritisation is the most effective way for DNO to have a real impact on reducing emissions associated with its operations. Also we do not expect these emissions to be material compared to our direct emissions already included in Scope 1. In summary, this category is not a priority but we are actively following industry trends and data.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Direct emissions from our fuel use (e.g. by field vehicles and for onsite electricity and process heat generation) are already included under Scope 1.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Calculating the emissions associated with upstream transportation and distribution of supplies to DNO would be a huge task because of the very wide range of goods purchased by DNO, the multiple transportation/ distribution routes, and the multiple companies involved in each transportation/ distribution activity. DNO believes the resources that would be required to carry out such an evaluation are better used on evaluating and minimising DNO's scope 1 emissions and such prioritisation is the most effective way for DNO to have a real impact on emissions. Also we do not expect these emissions to be material compared to our direct emissions already included in Scope 1. In summary, this category is not a priority but we are actively following industry trends and data.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO produces waste from our activities and responsibly gathers and disposes of such waste. The emissions from this transportation, disposal and when relevant, waste treatment are estimated to be very small compared with DNO's scopes 1 and 2 emissions and so evaluation has not been prioritised yet.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

4475

Emissions calculation methodology

Other, please specify

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

All flight-related emissions (scope 3) are calculated based on flight itineraries (provided by airlines) and established emissions factors used by DNO to estimate associated GHG emissions with those flights. Thus 100% of flight information (itineraries) are provided by airlines but DNO uses factors to calculate GHG emissions (GHG emissions figures are calculated by DNO and not provided by the airlines).

Employee commuting

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO has some staff who commute (on a regular basis) internationally to and from DNO's operations in the Kurdistan region of Iraq and (to a lower extent) DNO's offices in Kurdistan, UAE, Norway and the UK. The emissions associated with the flights taken by these commuters are included under Scope 3 "business travel" and is not broken down to commuting and business travel separately. Emissions associated with daily/routine ground transport commutes are not calculated.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

There can be two subcategories in this group which can apply to DNO: emissions from leased vehicles for transportation of staff within the city of Erbil (for Kurdistan operations) and any direct emissions from drilling activities. Both of these emissions are already accounted for under Scope 1.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO's operated oil and gas production in Kurdistan region of Iraq and the North Sea is transferred to third party owned pipeline networks for onward transportation to market. The emissions from such transportation systems are not yet calculated. DNO is not able to access the energy use and emissions data from its most important (largest) downstream transportation system (the Iraq/Turkey oil pipeline). Therefore, there is little purpose for DNO to evaluate this category.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO's oil and gas production and sales are a small percentage of global amount (less than 0.1%), and thus, DNO has limited influence on the global trends on processing of its oil and gas sold, associated GHG emissions and mitigation technologies and strategies implemented by global refiners and processors. Despite these, DNO is aware of its scope 3 emissions, the part of which is from processing (refining) and transportation of our sold products (the oil and gas we produce). We are focused on reducing our scope 1 emissions over which we have control. While scope 2 (e.g., electricity we purchase) and 3 emissions are important (all CO₂ emissions contribute to global warming), our focus and priority is scope 1.

Use of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO's oil and gas production and sales are a small percentage of global amount (less than 0.1%), and thus, DNO has limited influence on the global trends on final use of its oil and gas sold, associated GHG emissions and mitigation technologies and strategies implemented by final users of our products. Despite this, DNO is aware of its scope 3 emissions, the majority of which is from end use (e.g., combustion of natural gas and refined petroleum products) of the oil and gas we produce. We are focused on reducing our scope 1 emissions over which we have control.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Our sold products (crude oil and gas) are most likely combusted, therefore, "end of life treatment of sold products" is unlikely to apply to us. We have no way of reliably estimating how much of our crude oil and gas are not combusted and need end-of-life treatment.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO does not have any downstream leased assets.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO does not have any franchise activities.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO does not have investments other than in its own business.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

In the second half of 2022, DNO completed a transaction agreement pursuant to which RAK Petroleum plc transferred its ownership of Mondoil Enterprises LLC to DNO. Following this transaction, DNO holds an indirect 33.33 percent interest in the privately-held Foxtrot International which has stakes in two offshore blocks in Côte d'Ivoire. Emissions from the activities by Foxtrot International in Cote d'Ivoire can be included in DNO's scope 3 emissions for future years.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

DNO does not have any downstream activities.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000422

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

581006

Metric denominator

unit total revenue

Metric denominator: Unit total

1377000000

Scope 2 figure used

Location-based

% change from previous year

0.3

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities
Change in revenue
Change in physical operating conditions

Please explain

Our absolute emissions in 2022 (scope 1+2) stood at 581,006 tCO2e , which was 37% higher than of the 2021 value (424,383). At the same time, our revenues in 2022 (USD 1,377 million) increased by 37% compared to 2021 amount (USD 1004 million). Therefore, the net effect was a small decrease in emissions intensity (-0.3%).

Note that some of our operations and thus emissions in 2022 changed compared to 2021. We implemented a series of GHG reduction projects in 2022. Despite these, our emissions increased in 2022 mainly due to one of our licenses (Baeshiqa license in the Kurdistan region of Iraq) entering early phase of production which involves relatively high levels of associated gas production and flaring. We expect this to be temporary as we are evaluating options to significantly reduce flaring and the associated GHG emissions.

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO2e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Thousand barrels of crude oil/ condensate

Metric tons CO2e from hydrocarbon category per unit specified

14.8

% change from previous year

38

Direction of change

Increased

Reason for change

Our absolute emissions in 2022 (scope 1+2) stood at 581,006 tCO2e), which was 37% higher than of the 2021 value (424,383 tCO2).

Our operated production in 2022 (39,286,232 barrels of oil equivalent, boe) decreased by 1% compared to 2021 (39,680,245 boe). Therefore, the net effect was 38% increase in our emissions intensity.

A primary reason for this increase in 2022 was that one of our licenses (Baeshiqa license in the Kurdistan region of Iraq) entered early phase of production which involved relatively high levels of associated gas production and flaring. We expect this to be temporary as we are evaluating options to significantly reduce flaring and the associated GHG emissions.

Comment

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Upstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.029

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.002

Details of methodology

Our methane emissions in 2022 through venting and fugitives were estimated at 4.6 million standard cubic feet (MMscf), equivalent to about 0.0008 million barrels of oil equivalent (MMboe).

The only operated assets of DNO in 2022 which produced gas were the Tawke and Baeshiqa licenses in the Kurdistan region of Iraq. All gas produced in these licenses were either injected back to the reservoir or combusted onsite (for heat and electricity generation or flared). Associated gas produced in the Tawke and Baeshiqa licenses in 2022 totalled 15622.8 MMscf. Therefore, the ratio was $4.6/15622.8=0.029\%$

DNO's operated hydrocarbon production in 202 totalled 39.27 MMboe. Therefore, the ratio of methane emissions to total hydrocarbon production is $0.0008/39.274=0.002\%$

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	567161	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	12958	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	517	IPCC Fifth Assessment Report (AR5 – 100 year)

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)
Flaring
Fugitives

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

567161

Gross Scope 1 methane emissions (metric tons CH4)

12958

Total gross Scope 1 emissions (metric tons CO2e)

580636

Comment

In 2022, DNO had oil and gas production (on an operated basis) only in the Kurdistan region of Iraq. Our operated activities in Norway and the UK were not for oil and gas production (but for plug and abandonment of wells and decommissioning of facilities in a few shut-in oil and gas fields). The numbers presented here are only for Kurdistan, therefore.

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Iraq	554738
Norway	2790
United Kingdom of Great Britain and Northern Ireland	23107

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Kurdistan (and UAE)	554738
North Sea	25898
Corporate	0

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions , metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	580636	<Not Applicable>	All of our scope 1 and 2 emissions fall within upstream activities
Oil and gas production activities (midstream)	0	<Not Applicable>	Not applicable to DNO
Oil and gas production activities (downstream)	0	<Not Applicable>	Not applicable to DNO
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Iraq	281	
Norway	10	
United Arab Emirates	77	
United Kingdom of Great Britain and Northern Ireland	2	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Kurdistan (and UAE)	358	
North Sea (Norway and the UK)	11	
Corporate (Oslo office)	1	

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name

DNO Iraq AS

Primary activity

Oil & gas extraction

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

554738

Scope 2, location-based emissions (metric tons CO2e)

358

Scope 2, market-based emissions (metric tons CO2e)

Comment

This relates to scope 1 and scope 2 (location-based only, market based not possible) emissions in year 2022 for our largest subsidiary, DNO Iraq AS.

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	370		All of our scope 1 and 2 emissions fall within upstream activities.
Oil and gas production activities (midstream)	0		Not applicable to DNO as we do not have midstream activities
Oil and gas production activities (downstream)	0		Not applicable to DNO as we do not have downstream activities
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	We do not directly use any renewable electricity. However it is of note that in some of the countries where we operate (Norway and the UK) there is significant penetration of renewables in the electric grid thus we indirectly use renewable energies. We are working on installing solar PV in our facilities in the Kurdistan region of Iraq.
Other emissions reduction activities	0	No change	0	DNO continued with its GHG reduction activities in its operated assets in 2022, notably the Tawke license (which accounted for 81% of DNO's scope 1 emissions in 2022). DNO's main source of emissions and thus the focus of our GHG reduction efforts is flaring of associated gas, especially in the Tawke license in the Kurdistan region of Iraq. We are not able to accurately quantify the gross effect of our 2022 emissions reduction activities due to the complexity of our emissions sources and contributors.
Divestment	0	No change	0	Not applicable/relevant to DNO in 2022
Acquisitions	0	No change	0	Not applicable/relevant to DNO in 2022
Mergers	0	No change	0	Not applicable/relevant to DNO in 2022
Change in output	153963	Increased	38	Our operated production in 2022 (39,286,232 barrels of oil equivalent, boe) decreased by 1% compared to 2021 (39,680,245 boe). However, our scope 1 emissions increased by 580363-424040= 156,596 tCO2e or 37%. Therefore, the net effect was 38% increase in our emissions intensity. A key contributor to increase in our 2022 emissions was that one of our licenses (Baeshiq license in the Kurdistan region of Iraq) entered early phase of production which involved relatively high levels of associated gas production and flaring. The emissions of this license in 2022 stood at 86,769 tCO2e in 2022 compared to 643 tCO2e in 2021. We expect this to be temporary as we are evaluating options to significantly reduce flaring and the associated GHG emissions. Math: Change Kurdistan scope 1 emissions: Year 2022: 554738 Year 2021:400775 Change: 38%
Change in methodology	0	No change	0	Not applicable/relevant to DNO in 2022
Change in boundary	0	No change	0	Not applicable/relevant to DNO in 2022
Change in physical operating conditions	0	No change		Note that oil and gas operations can experience material changes over time depending on the behaviour of reservoir (e.g., level of produced water or associated gas production). We have included such changes under the "changes in the output" category.
Unidentified	0	No change		Not applicable/relevant to DNO in 2022
Other	0	No change		Not applicable/relevant to DNO in 2022

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	779601	779601
Consumption of purchased or acquired electricity	<Not Applicable>	0	1408	1408
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	0	781008	781008

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Sustainable biomass did not apply to DNO in 2022

Other biomass

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Biomass did not apply to DNO in 2022

Other renewable fuels (e.g. renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels did not apply to DNO in 2022

Coal

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

we did not combust any coal in 2022

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

we did not combust any oil in 2022

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

153852

MWh fuel consumed for self-generation of electricity

153852

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

625749

MWh fuel consumed for self-generation of electricity

588940

MWh fuel consumed for self-generation of heat

36809

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

This category includes use of diesel and naphtha. DNO uses diesel in its Kurdistan operations for process heat, electricity generation, and mechanical energy (e.g., drilling rigs). The majority of diesel use is for electricity generation; therefore, for simplicity, we have assumed all diesel used in Kurdistan is for electricity generation. All of naphtha use is for process heat.

Note that DNO uses relatively small amount of petrol for office vehicles (1,704 MWh in 2022). This was not included here because CDP does not have a category "transportation" in this question.

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

779601

MWh fuel consumed for self-generation of electricity

742791

MWh fuel consumed for self-generation of heat

36809

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	259977	259977	0	0
Heat	36809	36809	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Norway

Consumption of purchased electricity (MWh)

890

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

890

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

16

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

16

Country/area

United Arab Emirates

Consumption of purchased electricity (MWh)

192

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

192

Country/area

Iraq

Consumption of purchased electricity (MWh)

310

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

310

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
Crude oil and condensate, million barrels	32.05	2022 production (company working interest/ net to DNO)
Natural gas liquids, million barrels	0.44	2022 production (company working interest/ net to DNO)
Oil sands, million barrels (includes bitumen and synthetic crude)	0	2022 production (company working interest/ net to DNO)
Natural gas, billion cubic feet	17.43	2022 production (company working interest/ net to DNO)

C-OG9.2b

(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries/areas, please explain this.

DNO's reserves and resources reporting is in accordance with standard guidelines advised by the Society of Petroleum Engineers (SPE) and comply with Oslo Stock Exchange disclosure requirements, Circular No. 1/2013. Reported reserves fall within class 1-3 of the Norwegian Petroleum Directorate (NPD) classification and contingent resources (2C) fall within class 4, 5 and 7 of the NPD classification. The estimation and auditing of reserves are undertaken in accordance with generally accepted engineering and evaluation principles. It should be noted that reserves information is imprecise due to inherent uncertainties in—and the limited nature of—data upon which the reserves are predicated. DNO has a reserves review committee consisting of competent professional geoscientists, engineers and economists to facilitate the review and reporting process and ensure compliance with standards and procedures. The committee collects and coordinates the review of all technical data and provides a full report of the Company's reserves and resources to the Managing Director for review and approval. Economically recoverable reserves have been calculated based on input for the technical reserves and economic parameters such as license terms and projected future oil and gas prices. The reserves reported are restricted to those volumes expected to be economically recovered prior to the expiry date of the respective licenses.

International petroleum consultants DeGolyer and MacNaughton (D&M) carried out an independent assessment of the Company's licenses in the Kurdistan region of Iraq. International petroleum consultants RPS Energy Consultants (RPS) carried out an independent assessment of DNO's licenses in Norway and the United Kingdom (UK). The Company used reserves and resources numbers reported by the operating entity of its licenses in Côte d'Ivoire. The Company internally assessed Yemen Block 47. For more details on reserves and resources, see company's website:

<https://www.dno.no/media/tjknz1zl/annual-statement-of-reserves-2022.pdf>

C-OG9.2c

(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1	292.1	386.7	152.5	Based on 2022 Statement of Reserves and Resources (available on DNO's website)

C-OG9.2d

(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids	91	89	86	Based on 2022 Annual Statement of Reserves and Resources (available on DNO's website)
Natural gas	9	11	14	Based on 2022 Annual Statement of Reserves and Resources (available on DNO's website)
Oil sands (includes bitumen and synthetic crude)	0	0	0	Based on 2022 Annual Statement of Reserves and Resources (available on DNO's website)

C-OG9.2e

(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.

Development type

Onshore

In-year net production (%)

84

Net proved reserves (1P) (%)

87

Net proved + probable reserves (2P) (%)

84

Net proved + probable + possible reserves (3P) (%)

82

Net total resource base (%)

44

Comment

This related to the Tawke license in the region of Iraq.

Development type

Shallow-water

In-year net production (%)

16

Net proved reserves (1P) (%)

13

Net proved + probable reserves (2P) (%)

16

Net proved + probable + possible reserves (3P) (%)

18

Net total resource base (%)

56

Comment

This relates to our assets offshore Norway, UK and Côte d'Ivoire.

C-OG9.5a/C-CO9.5a

(C-OG9.5a/C-CO9.5a) Break down, by fossil fuel expansion activity, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

	CAPEX in the reporting year for this expansion activity (unit currency as selected in C0.4)	CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year	CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years	Explain your CAPEX calculations, including any assumptions
Exploration of new oil fields				Some of the data are market sensitive, therefore we cannot provide the data in this forum
Exploration of new natural gas fields				Some of the data are market sensitive, therefore we cannot provide the data in this forum
Expansion of existing oil fields				Some of the data are market sensitive, therefore we cannot provide the data in this forum
Expansion of existing natural gas fields				Some of the data are market sensitive, therefore we cannot provide the data in this forum
Development of new coal mines	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Expansion of existing coal mines	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	In 2022, DNO was a member of the Low Emission Center in Norway, through which DNO contributed to research and development efforts for improving environmental performance of the offshore oil and gas industry. This center, which is supported by the Norwegian government and universities as well as the industry, develops new technologies for offshore energy systems and integration with renewable power production technologies.

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)	Average % of total R&D investment planned over the next 5 years	Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan
Unable to disaggregate by technology area	<Not Applicable>	9	100000	10	DNO has been a member of the SINTEF Low Emission Center in Norway, through which DNO has been contributing to research and development efforts for improving environmental performance of the offshore oil and gas industry. This center, which is supported by the Norwegian government and universities as well as the industry, develops new technologies for offshore energy systems and integration with renewable power production technologies. DNO does not have any inhouse R&D activities on low-carbon technologies/ products. Our contribution to SINTEF totalled USD 0.2 million over 2020-2022 compared to total R&D expenditure of USD 2.3 million, therefore about 9% of total R&D expenditure. We expect this value to remain around 10% over the next five years.

C-OG9.7

(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.

This is market sensitive information thus this is not the right forum to disclose it.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Page/ section reference

Pages 1-3 of the attached letter

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

EY 2022 GHG Assurance letter.pdf

Page/ section reference

Pages 1-3 of the attached letter

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

EY 2022 GHG Assurance letter.pdf

Page/section reference

Pages 1-3 of the attached letter

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS
Norway carbon tax
UK ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

0

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1 2022

Period end date

December 31 2022

Allowances allocated

0

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

0

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

DNO has operations in both Norway and the UK where GHG emissions from certain activities can fall under two cap & trade systems (EU ETS and UK ETS) as well as Norway's CO2 tax.

In 2022, DNO did not have any operations where GHG emissions were subject to the EU ETS, UK ETS or Norway CO2 tax.

One should note that DNO is a non-operator participant (owner) in several other licenses in Norway and the UK, emissions of which are regulated under the EU ETS, UK ETS and/or Norway's carbon tax. Such emissions are not reported in this CDP disclosure because as stated in section C0.5, we use "Operational Control" approach for reporting of our emissions in this questionnaire.

Although we do not report our non-operated emissions via CDP, we can quantify total fees which DNO paid for its equity share of GHG emissions in 2022: a total of about USD 14 million (NOK 147 million) in CO2 quotas/ CO2 taxes.

UK ETS

% of Scope 1 emissions covered by the ETS

0

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1 2022

Period end date

December 31 2022

Allowances allocated

0

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

0

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

DNO has operations in both Norway and the UK where GHG emissions from certain activities can fall under two cap & trade systems (EU ETS and UK ETS) as well as Norway's CO2 tax.

In 2022, DNO did not have any operations where GHG emissions were subject to the EU ETS, UK ETS or Norway CO2 tax.

One should note that DNO is a non-operator participant (owner) in several other licenses in Norway and the UK, emissions of which are regulated under the EU ETS, EK ETS and/or Norway's carbon tax. Such emissions are not reported in this CDP disclosure because as stated in section C0.5, we use "Operational Control" approach for reporting of our emissions in this questionnaire.

Although we do not report our non-operated emissions, we can quantify total fees which DNO paid for its equity share of GHG emissions in 2022: a total of about USD 14 million (NOK 147 million) in CO2 quotas/ CO2 taxes.

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Norway carbon tax

Period start date

January 1 2022

Period end date

December 31 2022

% of total Scope 1 emissions covered by tax

0

Total cost of tax paid

0

Comment

DNO has operations in both Norway and the UK where GHG emissions from certain activities can fall under two cap & trade systems (EU ETS and UK ETS) as well as Norway's CO2 tax.

In 2022, DNO did not have any operations where GHG emissions were subject to the EU ETS, UK ETS or Norway CO2 tax.

One should note that DNO is a non-operator participant (owner) in several other licenses in Norway and the UK, emissions of which are regulated under the EU ETS, EK ETS and/or Norway's carbon tax. Such emissions are not reported in this CDP disclosure because as stated in section C0.5, we use "Operational Control" approach for reporting of our emissions in this questionnaire.

Although we do not report our non-operated emissions, we can quantify total fees which DNO paid for its equity share of GHG emissions in 2022: a total of about USD 14 million (NOK 147 million) in CO2 quotas/ CO2 taxes.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

DNO applies the same compliance strategy to these systems as all other laws and regulations as described in the Company's Compliance Charter: DNO manages compliance risk through three lines of defence: business management, compliance function and internal audit.

Business management is the first line of defence. Operational management has ownership, responsibility and accountability for assessing, controlling and mitigating compliance risks and develops and implements mitigation activities, including monitoring and reporting, for managing compliance risks in business activities.

As the second line of defence, the compliance function partners with the legal, risk management and, with respect to climate related issues, the Health, Safety, Security and Environment (HSSE) functions. They identify relevant compliance risk related laws, regulations and standards. They translate the laws into compliance obligations and assist management to identify their compliance risks. They support the Company's management in identifying mitigating activities to mitigate the overall compliance risk based on the executive management's risk appetite, monitor local level management's control of compliance risks and advise management on compliance matters.

Internal Audit provides management with a third line of defence through independent, objective assurance on the overall effectiveness of the design and operation of internal controls. Annual internal audit plans are established in consultation with the Board's Audit Committee and findings are reported to executive management.

Both the executive management and the Board of Directors' HSSE Committee have been debriefed on the risks and mitigation strategies.

A case study of our strategy of complying with systems that we anticipate to be regulated by is management of the risk of increased emissions intensity due to operational limitations. While GHG intensity of DNO's operations (currently about 14.8 kgCO₂e/boe) is far below the global average of around 16-23 kgCO₂e/boe, DNO is working on development of a frontier field in Kurdistan which during its initial phase can involve routine flaring of associated gas (due to lack of infrastructure, sales of the associated gas or using it for power generation is not possible). This can increase GHG intensity of DNO's operations with financial and reputational risks as well as regulatory risks (if a carbon price or cap & trade system is introduced in Kurdistan for instance). In response, DNO maintains a forecast for its total (absolute) GHG emissions as well as its GHG emissions intensity to better inform its decision making and mitigation processes. Also, as a mitigation strategy purchase of international offsets have been extensively evaluated.

In Norway, DNO is also working with its joint venture partners on reducing emissions. As a case in point, we have been in close discussions with our joint venture partners in one of our GHG intensive assets and the subject matter experts from the industry (including one leading technology company in Norway) to potentially install floating wind turbines to replace onsite gas turbines used for powering the offshore platform of this oil and gas production license. In the case of the more promising asset for emissions reduction, the project can potentially result in 30% reduction in emissions. Due to its large capital expenditure and technology risk a final decision has not been made but technical work has been ongoing for the last two years.

The timescale for our strategy and implementation of it is short (less than one year), medium (one to five years) as well as long-term (beyond five years); however, the more relevant time scale is 0-5 years.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Alignment with the price of allowances under an Emissions Trading Scheme

Alignment with the price of a carbon tax

Objective(s) for implementing this internal carbon price

Identify and seize low-carbon opportunities

Navigate GHG regulations

Stress test investments

Scope(s) covered

Scope 1

Pricing approach used – spatial variance

Differentiated

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

GHG pricing in Norway: USD 240 /tCO₂e by 2030 consistent with the Norwegian government's proposal (in 2021 real terms). DNO assumes the price will increase at two percent (nominal) afterwards.

GHG pricing in the UK: USD 135/tCO₂ in 2030, USD 175/tCO₂ in 2040 and USD 200/tCO₂ in 2050 (in 2021 real terms). DNO uses linear extrapolation for other years.

GHG pricing in Kurdistan region of Iraq: we have considered three scenarios, based on with IEA's Stated Policies scenario, IEA's Announced Pledges scenario and IEA's Net Zero 2050 scenario:

Net Zero scenario: USD 25/tCO₂ in 2030, USD 85/tCO₂ in 2040 and USD 180/tCO₂ in 2050 (in 2021 real terms). DNO uses linear extrapolation for other years.

Announced Pledges scenario:

USD 0/tCO₂ in 2030, USD 17/tCO₂ in 2040 and USD 47/tCO₂ in 2050 (in 2021 real terms). DNO uses linear extrapolation for other years.

Stated Policies Scenario (STEPS):

No GHG price, consistent with IEA's STEPS scenario.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO₂e)

0

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO₂e)

240

Business decision-making processes this internal carbon price is applied to

Capital expenditure

Operations

Risk management

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Norway and the UK: Current and forecasted GHG pricing is included in all of business decisions, from operating cost of existing assets to new business development (e.g., acquisition) decisions, as well as major capital expenditure and risk and opportunity management.

The impact and implication can vary project to project. As stated in section C3.2b, we have run a series of climate-change sensitivity analysis to stress test resiliency of our portfolio. We have used IEA's Stated Policies, Announced Pledges and Net Zero 2050 scenarios.

Climate sensitivity analysis using IEA's Stated Policies scenario: As the oil and gas price assumptions in the IEA's Stated Policies Scenario were higher compared to DNO's long-term price assumptions, no impairments (also known as "write off") were observed under this scenario for DNO's portfolio.

Climate sensitivity analysis using IEA's Announced Pledges scenario: As the oil and gas price assumptions in the IEA's Announced Pledges Scenario were higher compared to DNO's long-term price assumptions, no impairments (also known as "write off") were observed under this scenario for DNO's portfolio.

Climate sensitivity analysis using IEA's Net Zero 2050 scenario: Results indicated potential impairment (commonly known as "write off" outside the financial community) of USD 44 million (post-tax) on DNO assets.

These climate-related sensitivity analyses indicated that DNO's portfolio is resilient under these assumptions (to put numbers in perspective, DNO's market capitalization currently stands at about USD 1 billion. Therefore, a potential impairment of USD 44 million is insignificant). Also they indicated that the main factor for company's valuation is not the carbon price itself (in the form of higher operating cost, OPEX) but the oil and gas prices resulting from changes to demand under the IEA scenarios.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify (We collect GHG emissions data from our relevant suppliers as part of the tendering and contract award process for our offshore upstream operations in Norway and the UK.)

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

We are in early stages of supplier engagement on climate related matters. We have started with GHG performance data collection in our Norway and UK operations in 2021-2022 and plan to expand the scope in the next two years to the relevant suppliers.

Impact of engagement, including measures of success

We are in early stages of supplier engagement and so far our focus has been on GHG data collection.

Comment

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

The "other partners in the value chain" that are referred to here are the joint venture partners with which DNO works in its upstream projects. In the North Sea (Norway and the UK), DNO is operator in some of these joint ventures and non-operator in others. In the Kurdistan region of Iraq, it is operator in the two licenses where it has an ownership interest.

In all joint ventures, we engage with joint venture partners on plans related to reduce emissions. A case study on our climate-related engagement strategy: Over the last two years, we have been in close discussions with our joint venture partners in one of our GHG intensive oil and gas production licenses offshore Norway and the subject matter experts from the industry (including a leading technology company from Norway) to potentially install floating wind turbines to replace onsite gas turbines used for powering the offshore platform of this oil and gas production license. This project can potentially result in 30% reduction in emissions. Due to its large capital expenditure and technology risk a final decision has not been made but technical work is ongoing.

Additionally, we have put a system in place in 2021-2022 to request from all of our major and relevant suppliers in our North Sea activities to provide data energy use and thus GHG emissions as part of technical valuation of the procurement process. We are refining this process in 2023 and are planning to expand this to our other assets and operations, mainly the Kurdistan region of Iraq

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

The quarterly board HSSE committee meetings include two board members, the Managing Director (MD), Chief Operating Officer (COO) and the General Managers of DNO's business units, in addition to Corporate Head of Sustainability. Through having all strategy discussions at the highest levels of the company and with the relevant senior executives actively involved, we ensure that any engagement with policy makers by company representatives is with a full understanding of DNO's goals concerning climate change including emissions management and consistent with expectations of the executive team and the board.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Offshore Norge)

Is your organization's position on climate change policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

From NOROG's website:

<https://offshorenorge.no/en/topics/climate/>

- Offshore Norge – and a united Norwegian petroleum industry – views the climate challenge with concern and deep seriousness.
- Offshore Norge supports the UN intergovernmental panel on climate change, and want an ambitious international climate treaty.
- All reputable forecasts nevertheless show that oil and gas will be key energy sources for the foreseeable future. That reflects growing energy demand and the fact that renewable sources alone cannot meet these requirements. Offshore Norge believes that ensuring the lowest possible emissions from the fossil energy which the world needs should be a high-priority climate measure.
- Among actions taken by offshore Norge is launching a joint industry project to enhance energy efficiency. Through this effort, participating oil and gas companies are collaborating with each other to exchange experience, transfer knowledge and find good ways to implement energy efficiency measures. Encouraging more demonstration and pilot projects for emission-reducing technology is also an aim.
- Additionally, Offshore Norge is working actively with the environmental authorities to secure even better data on methane emissions and to identify possible reductions. Methane is a powerful greenhouse gas, and reducing its emissions could provide first aid for the climate.
- How does Offshore Norge see the industry's future from a climate perspective? An important step will be to put CO2 prices in place – preferably globally, but at least nationally and regionally – which make the most polluting fossil energy sources less profitable. Consumption can thereby be transferred to forms of energy which release less GHGs.
- Exploring for, finding and delivering natural gas from Norway to the markets is important for ensuring stable energy supplies in addition to the share met by renewables. Emissions from oil and gas production in Norway are 50 per cent below the world average.
- Reducing gas deliveries from Norway would not be beneficial for the climate. Natural gas is the solution for combating growth in coal consumption and achieving emission reductions. It is also the perfect partner for renewables since these sources will jointly reduce coal emissions and provide stable energy supplies.
- The NCS will continue to have the world's lowest CO2 emissions per unit produced. Offshore Norge wants to export the technology which makes this possible to other countries.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

38000

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

2022-annual-report.pdf

Page/Section reference

Page 14 "HSSE Performance" of annual report

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

corporate-social-responsibility-report-2022.pdf

Page/Section reference

Page 4 and 5 ("Environment") and page 11 ("Appendix") of CSR report

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Other, please specify	DNO joined the Aiming for Zero Methane Emissions Initiative in 2022, which is oil and gas industry pledge coordinated by the Oil and Gas Climate Initiative (OGCI), to reach near zero methane emissions from its operated oil and gas assets by 2030 and actively work with its partners in its non-operated assets to achieve the same.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, but we plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, but we plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications	<Not Applicable>	<Not Applicable>

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Operating Officer (COO)	Chief Operating Officer (COO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms