DNO ASA - Water Security 2022

W0. Introduction

W0.1

(W0.1) Give a general description of 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. 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.

W-OG0.1a

(W-OG0.1a) Which business divisions in the oil & gas sector apply to your organization?

Upstream

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2021	December 31 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

Iraq
Norway
United Kingdom of Great Britain and Northern Ireland

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
UAE	In 2021, DNO had one office but no field operations in the UAE. Water use of the office is not included in this disclosure because it is trivial compared to the water usage in our field operations. Note that we estimate that the water usage by all of our offices to be less than 0.5% of our field operations (this is calculated based on data on drinking water usage in our Business Unit in Kurdistan). Therefore, office water use is insignificant (thus not included in this disclosure).
Yemen	In 2021, DNO had one office but no field operations in Yemen (in force majeure). Water use of the office is not included in this disclosure because it is trivial compared to the water usage in our field operations. Note that we estimate that the water usage by all of our offices to be less than 0.5% of our field operations (this is calculated based on data on drinking water usage in our Business Unit in Kurdistan). Therefore, office water use is insignificant (thus not included in this disclosure).
DNO's offices water use in the UK	In 2021, DNO had two offices in the UK. Water use of these offices is not included in this disclosure because it is trivial compared to the water usage in our field operations. Note that we estimate that the water usage by all of our offices to be less than 0.5% of our field operations (this is calculated based on data on drinking water usage in our Business Unit in Kurdistan). Therefore, office water use is insignificant (thus not included in this disclosure).
DNO's offices water use in Norway	In 2021, DNO had two offices in Norway. Water use of these offices is not included in this disclosure because it is trivial compared to the water usage in our field operations. Note that we estimate that the water usage by all of our offices to be less than 0.5% of our field operations (this is calculated based on data on drinking water usage in our Business Unit in Kurdistan). Therefore, office water use is insignificant (thus not included in this disclosure).

W0.7

(W0.7) 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
Yes, a Ticker symbol	DNO

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	DNO uses water for a variety of purposes, including for oil and gas drilling operations, for ancillary services needed to process crude oil produced before sales (e.g., heat exchangers in processing plants) and for human consumption (at offices and camps). Availability of quality water is important for both our operations and wellbeing of our staff. Water quantity and quality are important for effective and safe field operations. Note that we have chosen “important” and not “vital” for direct use because one can, if necessary, invest in water purification projects to bring the lower quality water (which is not in shortage, for instance produced water from our operations) to the desired quality for onsite use. We do not expect this rating to change within our short/medium-term planning horizon (1-5 years) because we do not foresee material changes in our operations or availability of water. In our indirect operations, DNO - like other oil and gas companies - relies on a global supply chain to procure the equipment it needs. Building and transporting equipment relies on availability of various quality levels of water, depending on the type of the equipment (e.g., high-grade steel used for drilling and cement used in construction activities). Note that, as for indirect use, we have chosen “important” and not “vital” because one can, if necessary, invest in water purification projects to bring the lower quality water to the desired quality (e.g., sea water desalination). We do not expect this rating to change within our short/medium-term planning horizon (1-5 years) because we do not foresee material changes in terms of water in our global supply chain.
Sufficient amounts of recycled, brackish and/or produced water available for use	Not very important	Not very important	We do not use these water types and hence their quality and quantity are not relevant to our operations. We have assessed these two categories as “not very important” because as explained in the above row, lower quality water can be treated and used as substitutes for good quality fresh water if the need arises (i.e., material shortage of fresh water). We do not expect this ranking to change in our short/medium-term planning horizon (1-5 years).

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	We have operations in three countries/ regions: Norway, the UK and Kurdistan region of Iraq: In Kurdistan, we monitor and measure water withdrawals from a nearby river and from DNO-operated wells. We also procure water through third-parties (via road water tankers), volumes of which are also measured. All volume measurements are done on a daily basis. In Norway and the UK, water is supplied to our drilling rigs from the shore through third-party vessels. In addition to this, some water is withdrawn from the sea. These volumes are measured when required by the relevant regulations. When a measurement is required, they are done at the required frequency (often daily). We are working on improving the accuracy of our measurements and reporting. For example, 22 new water meters are planned to be installed across our Tawke license in the Kurdistan region of Iraq in 2022. The Tawke license is DNO’s most important area for water withdrawals with approximately 98% of the total.
Water withdrawals – volumes by source	76-99	We have operations in three countries/ regions: Norway, the UK and Kurdistan region of Iraq: In Kurdistan, we monitor and measure water withdrawals from a nearby river and from DNO-operated wells. We also procure water through third-parties (via road water tankers), volumes of which are also measured. All volume measurements are done on a daily basis. In Norway and the UK, water is supplied to our drilling rigs from the shore through third-party vessels. In addition to this, some water is withdrawn from the sea. These volumes are measured when required by the relevant regulations. When a measurement is required, they are done at the required frequency (often daily). We are working on improving the accuracy of our measurements and reporting. For example, 22 new water meters are planned to be installed across our Tawke license in the Kurdistan region of Iraq in 2022. The Tawke license is DNO’s most important area for water withdrawals with approximately 98% of the total.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	100%	We measure (via flowmeters) the quantity of the produced water in all of our oil and gas operations. This is done on a continuous basis (and reported on a daily basis).
Water withdrawals quality	76-99	We have operations in three countries/ regions: Norway, the UK and Kurdistan region of Iraq: In Kurdistan, we have two licenses: Tawke and Baeshiqa: Tawke: we measure quality of water we withdraw from a nearby river. We also measure quality of water in our central water supply tanks, which store water supplied from the aforementioned nearby river, water withdrawn from DNO-operated water wells and water purchased from third-party suppliers. These measurements were done two times in 2021. Baeshiqa: we did not have any field operations in 2021, therefore water use is not relevant there. In addition to Kurdistan, DNO has operations in offshore Norway and the UK. In these operations, quality of withdrawn water is monitored and measured when required by the relevant environmental regulations (at various required frequencies) or when required for the integrity of our operations (e.g., water used for drilling muds on a daily basis unless no daily changes are expected/ observed).
Water discharges – total volumes	100%	As per CDP definition of “discharge”, the only relevant category to our operations in 2021 is occasional discharge of water to sea in our offshore operations in Norway and the UK . Such discharges (quality and quantity) are monitored and reported when required by the applicable regulations. The measurements are done at the frequency required by the regulators. Sewage is not included in our reported volumes, consistent with the CDP guidelines, as we estimate the volumes to be relatively small. We are working on improving the accuracy of our measurements and reporting of water withdrawals and consumption/discharge through various initiatives including installing additional flowmeters and measurement systems. For example, 22 new water meters are planned to be installed across our Tawke license in the Kurdistan region of Iraq in 2022. The Tawke license is DNO’s most important area for water withdrawals with approximately 98% of the total.

	% of sites/facilities/operations	Please explain
Water discharges – volumes by destination	100%	As per CDP definition of “discharge”, the only relevant category to our operations in 2021 is discharge of water to the sea in our offshore operations in Norway and the UK. Such discharges (quality and quantity) are monitored and reported when required by the applicable regulations. The measurements are done at the frequency required by the relevant regulations. We are working on improving the accuracy of our measurements and reporting of water withdrawals and consumption/discharge through various initiatives including installing additional flowmeters and measurement systems. For example, 22 new water meters are planned to be installed across our Tawke license in the Kurdistan region of Iraq in 2022. The Tawke license is DNO’s most important area for water withdrawals with approximately 98% of the total.
Water discharges – volumes by treatment method	Not relevant	As per CDP definition of “discharge”, the only water discharge category relevant to our operations is occasional discharge of water to the sea in our offshore operations in Norway and the UK. Such discharges (quality and quantity, including any treatment required to meet the specifications for discharge) are monitored, measured and reported when required by the applicable environmental and oil and gas regulations. Oil and gas operations in both countries are heavily regulated. DNO did not directly treat any discharged water in 2021 (any such treatments were done by third-parties such as drilling rig operators) thus this category was not relevant to DNO in 2021. This may change in future depending on the nature of our operations offshore Norway and the UK (e.g., operating a production platform).
Water discharge quality – by standard effluent parameters	100%	As per CDP definition of “discharge”, the only water discharge category relevant to our operations is occasional discharge of water to the sea in our offshore operations in Norway and the UK. Such discharges (quality and quantity, including any treatment required to meet the specifications for discharge) are monitored, measured and reported when required by the applicable environmental and oil and gas regulations. Oil and gas operations in both countries are heavily regulated. In our offshore oil and gas operations, the residual-oil-in-water content is required to be measured by the applicable regulations for any “slop” water discharged to the sea (each discharge needs a measurement). Slop water discharge to the sea was the only category applied to DNO operations in 2021. Also note that discharge of any produced water to the sea needs extensive quality measurements, however this was not applicable to DNO’s operations in 2021 (no offshore production activities in 2021).
Water discharge quality – temperature	Not relevant	As per CDP definition of “discharge”, the only water discharge category relevant to our operations is occasional discharge of water to the sea in our offshore operations in Norway and the UK. Such discharges (quality and quantity) are monitored, measured and reported when required by the applicable regulations. Oil and gas operations in both countries are heavily regulated. Temperature measurement was not required by the environmental regulations applicable to our offshore operations in Norway and the UK in 2021, therefore we have chosen the “Not Relevant” answer. This may change in future if we operate any offshore oil and gas production platform.
Water consumption – total volume	76-99	We monitor and quantify our total water consumption through measuring our water withdrawals and discharges. The cumulative water consumption can be calculated from the formula below: Total consumption = Total Withdrawal – Total Discharge The frequency of this calculated number is daily (consistent with daily measurement of withdrawal and discharge volumes). We are working on further improving the accuracy of our measurements and reporting of water withdrawals and consumption/discharge through various initiatives including installing additional flowmeters and measurement systems. For instance, 22 new water meters are planned to be installed across our Tawke license in the Kurdistan region of Iraq in 2022. The Tawke license is DNO’s most important area for water withdrawals with approximately 98% of the total.
Water recycled/reused	Not relevant	In the Kurdistan region of Iraq, there are currently no water recycling facilities. In Norway and the UK, DNO did not have any operations in 2021 which involved reuse/ recycle of water. Therefore, this category is not relevant to DNO in 2021.
The provision of fully-functioning, safely managed WASH services to all workers	100%	DNO has detailed Health, Safety, and Environmental regulations and standards, which cover sanitation, hand washing and hygiene. All facilities are checked on a daily basis to ensure they meet the standards.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	430	Higher	Our water withdrawal in 2021 totaled 430 mega liters, compared to 296 mega liters in 2020. We have chosen the category “Higher” because the increase was below 50% (and not "much higher"). The increase in water withdrawal is attributed mainly to increased field activity in 2021 compared to 2020 (when COVID-19 led DNO to materially slow down activities) as well as the continuing efforts to improve measuring and reporting of our water withdrawals, consumption and discharges in 2021. The accuracy of our 2021 number is higher than of 2020. Note that produced water volumes are excluded from the reported numbers because all produced water is injected back into the underground reservoir. Therefore, the figure does not need to be disclosed to understand DNO’s water balance. We consider the figure confidential as it may be market sensitive information and since it is not required to understand our water balance, we do not disclose it. Providing forecasts on future trends is not reliably possible because our water withdrawal, discharge, and thus consumption varies year to year depending on the nature of activities across our portfolio (e.g., depending how many wells we drill each year at each field). Also, as we are installing more water flowmeters across our assets (e.g., 22 new meters to be installed in 2022), we expect our ability to provide indications of trends in future water demand to improve.
Total discharges	4	About the same	As per CDP definition of “discharge”, the only relevant water discharge category to our operations is occasional discharge to sea in offshore Norway and the UK (and not to any of our operations in Kurdistan). Such discharges are subject to regulatory permits. The volumes of any discharge are measured and reported when required by the regulators. Oil and gas operations in these countries are heavily regulated. In our offshore operations in Norway and the UK, a total of about 4 mega liters were discharged in 2021, a modest increase compared to 2020 levels (nil). The increase in 2021 was due to increased drilling activity in our Norway and the UK assets. Note that we have chosen “About the same” because this volume (4) is insignificant to our total water withdrawal (430). Note that sewage is not included in our reported volumes, consistent with CDP guidelines. We estimate the effect of excluding sewage on the overall mass balance to be negligible. Providing forecasts on future trends is not reliably possible because our water withdrawal, discharge, and thus consumption varies year to year depending on the nature of activities across our portfolio (e.g., depending how many wells we drill each year). Also, as we are installing more water flowmeters across our assets (e.g., 22 new meters to be installed in 2022), we expect our ability to provide indications of trends in future water demand to improve.
Total consumption	426	Higher	We monitor and quantify our total water consumption through measuring our water withdrawal and discharge. The cumulative water consumption (at a daily frequency) can be calculated from the formula below: Total Withdrawal - Total Discharge The increase in water withdrawal (and thus consumption) is attributed mainly to increased field activity in 2021 compared to 2020 (when COVID-19 led DNO to materially slow down its activities) as well as our continuing efforts to improve measuring and reporting of our water withdrawals, consumption and discharges. The accuracy of our 2021 number is higher than of 2020. We have chosen the category “Higher” (and not "much higher") because the increase was less than 50%. Providing forecasts on future trends is not reliably possible because our water withdrawal, discharge, and thus consumption varies year to year depending on the nature of activities across our portfolio (e.g., depending how many wells we drill each year). Also, as we are installing more water flowmeters across our assets (e.g., 22 new meters to be installed in 2022), we expect our ability to provide indications of trends in future water demand to improve.

W-OG1.2c

(W-OG1.2c) In your oil & gas sector operations, what are the total volumes of water withdrawn, discharged, and consumed – by business division – and what are the trends compared to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year %	Please explain
Total withdrawals - upstream	430	Higher	Our water withdrawal in 2021 totaled 430 mega liters, compared to 296 mega liters in 2020. We have chosen the category “Higher” because the increase was below 50% (and not "much higher"). The increase in water withdrawal is attributed mainly to increased field activity in 2021 compared to 2020 (when COVID-19 led DNO to materially slow down activities) as well as the continuing efforts to improve measuring and reporting of our water withdrawals, consumption and discharges in 2021. The accuracy of our 2021 number is higher than of 2020. Note that produced water volumes are excluded from the reported numbers because all produced water is injected back into the underground reservoir. Therefore, the figure does not need to be disclosed to understand DNO’s water balance. We consider the figure confidential as it may be market sensitive information and since it is not required to understand our water balance, we do not disclose it. Providing forecasts on future trends is not reliably possible because our water withdrawal, discharge, and thus consumption varies year to year depending on the nature of activities across our portfolio (e.g., depending how many wells we drill each year at each field). Also, as we are installing more water flowmeters across our assets (e.g., 22 new meters to be installed in 2022), we expect our ability to provide indications of trends in future water demand to improve.
Total discharges – upstream	4	About the same	As per CDP definition of “discharge”, the only relevant water discharge category to our operations is occasional discharge to sea in offshore Norway and the UK (and not to any of our operations in Kurdistan). Such discharges are subject to regulatory permits. The volumes of any discharge are measured and reported when required by the regulators. Oil and gas operations in these countries are heavily regulated. In our offshore operations in Norway and the UK, a total of about 4 mega liters were discharged in 2021, a modest increase compared to 2020 levels (nil). The increase in 2021 was due to increased drilling activity in our Norway and the UK assets. Note that we have chosen “About the same” because this volume (4) is insignificant to our total water withdrawal (430). Note that sewage is not included in our reported volumes, consistent with CDP guidelines. We estimate the effect of excluding sewage on the overall mass balance to be negligible. Providing forecasts on future trends is not reliably possible because our water withdrawal, discharge, and thus consumption varies year to year depending on the nature of activities across our portfolio (e.g., depending how many wells we drill each year). Also, as we are installing more water flowmeters across our assets (e.g., 22 new meters to be installed in 2022), we expect our ability to provide indications of trends in future water demand to improve.
Total consumption – upstream	426	Higher	We monitor and quantify our total water consumption through measuring our water withdrawal and discharge. The cumulative water consumption (at a daily frequency) can be calculated from the formula below: Total Withdrawal - Total Discharge The increase in water withdrawal (and thus consumption) is attributed mainly to increased field activity in 2021 compared to 2020 (when COVID-19 led DNO to materially slow down its activities) as well as our continuing efforts to improve measuring and reporting of our water withdrawals, consumption and discharges. The accuracy of our 2021 number is higher than of 2020. We have chosen the category “Higher” (and not "much higher") because the increase was less than 50%. Providing forecasts on future trends is not reliably possible because our water withdrawal, discharge, and thus consumption varies year to year depending on the nature of activities across our portfolio (e.g., depending how many wells we drill each year). Also, as we are installing more water flowmeters across our assets (e.g., 22 new meters to be installed in 2022), we expect our ability to provide indications of trends in future water demand to improve.
Total withdrawals - midstream/downstream	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total discharges – midstream/downstream	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total consumption – midstream/downstream	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total withdrawals – chemicals	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total discharges – chemicals	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total consumption – chemicals	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total withdrawals – other business division	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total discharges – other business division	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total consumption – other business division	<Not Applicable>	<Not Applicable>	<Not Applicable>

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	76-99	Higher	WRI Aqueduct	The bulk of our water withdrawal (76-99%) occurs in the northern part of the Kurdistan Region of Iraq at our Tawke license. The water demand of the Tawke license is met via a nearby river and multiple water wells in addition to occasional third-party tanker deliveries. Using the WRI Aqueduct platform and selecting the "Water Stress" criterion, the Tawke license falls in the borderline between “Medium High” (20-40%) and “High” (40-80%) categories. Therefore, we have chosen that "76-99% of our withdrawals are from areas with water stress" to answer this question. The increase compared to year 2020 was about one third, therefore we have chosen "higher" (and not "much higher"). It is of note that we have not experienced any shortage of water impacting our operations in Kurdistan region of Iraq. The volume of water flowing through our nearby river is much larger compared to our water withdrawals. Water wells have also been performing strongly and we do not have concerns over water shortage in the foreseeable future. DNO has a second license in the Kurdistan region of Iraq, called the Baeshiqa license. There were no field activities in this license in 2021, therefore it is not relevant to this year’s disclosure. However, using the WRI Aqueduct platform and selecting the "Water Stress" criterion, this license is in the “Medium High” (20-40%) category. For DNO’s operations in offshore Norway and the UK, the WRI tool marks both areas as no/little risk which is consistent with our experience. Water is not considered a scarce resource in neither Norway nor the UK. The increase in water withdrawal is mainly attributed to increased field activity in 2021 compared to 2020 (various COVID-19 related constraints) as well as the continuing efforts to improve measuring and reporting of our water withdrawals, consumption and discharges. The accuracy of our 2021 number is better than of 2020.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	111	About the same	This relates to water sourced from a nearby river used in our Tawke field operations in the Kurdistan region of Iraq. The volumes in 2021 (111 mega liters) were similar to the 2020 volumes (110 mega liters), mainly because the activity levels at the Tawke field requiring water from the river were not significantly different from 2020 levels.
Brackish surface water/Seawater	Relevant	5	About the same	This relates to sea water used for our offshore operations in Norway and the UK. The volumes in 2021 (5 mega liters) were similar to the 2020 volumes (2 mega liters) because the activities using sea water did not change significantly from 2020 to 2021.
Groundwater – renewable	Relevant	205	Much higher	This relates to water withdrawn from multiple DNO-operated water wells for our operations in the Tawke license (containing the Tawke and Peshkabir fields) in the Kurdistan region of Iraq. Our current view is that the groundwater is renewable based on historical performance of the water wells and our understanding of the regional aquifer. The volumes in 2021 (205 mega liters) were “much higher” (140%) than of the 2020 volumes (84 mega liters). This increase is attributed mainly to increased field activity in 2021 (especially at our Peshkabir field which relies heavily on ground water) compared to year 2020 (when our field activities had slowed down due COVID-19) as well as our continuing efforts to improve measuring and reporting of our water withdrawals, consumption and discharges. The accuracy of our 2021 number is higher than of 2020.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	As per note above, our current assessment is that our withdrawal from groundwater is from renewable sources. Therefore, the non-renewable category is not applicable to us. We do not have any indications of any material change in this category within the foreseeable future.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	All produced water is injected back into the underground reservoir. Therefore, the figure does not need to be disclosed to understand DNO’s water balance. We consider the figure confidential as it may be market sensitive information, and since it is not required to understand our water balance, we do not disclose it.
Third party sources	Relevant	110	About the same	We have operations both onshore and offshore: Kurdistan (onshore): We procure some water for our operations through third-party road tankers. The UK and Norway (offshore): This includes water supplied to our offshore drilling operations via third-party vessels. Total volumes in 2021 (110 mega liters) were similar to the 2020 volumes (101 mega liters). Despite higher activity levels in 2021, especially in our Kurdistan operations, this category did not change materially because other categories (e.g., renewable groundwater) made up for the increase in water demand.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Not relevant	<Not Applicable>	<Not Applicable>	In 2021 and 2020, we did not discharge any water in this category. Therefore, this was not relevant. We do not anticipate any changes in this category in the foreseeable future.
Brackish surface water/seawater	Relevant	4	About the same	This relates to the (small) quantities of water occasionally discharged to the sea in our offshore operations in Norway and the UK. Any such discharge is based on the Discharge Permits issued by the relevant regulatory bodies. Total volumes in 2021 were 4 mega liters, not significantly different from 2020 volumes (nil), therefore we have chosen “About the Same”. The volume of our discharge to sea is driven by the nature and level of our offshore activities (similar in 2020 and 2021). We do not anticipate any significant changes in this category in the next 1-5 years.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	In 2021 and 2020, we did not discharge any water in this category. Therefore, this is not relevant to our company. We do not anticipate any changes in this category in the foreseeable future.
Third-party destinations	Not relevant	<Not Applicable>	<Not Applicable>	In 2021 and 2020, DNO did not discharge any water in this category. Therefore, this is not relevant. We do not anticipate any material changes in this category the foreseeable future.

W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	1004	430	2.3348837209302298	Forward trends in oil & gas prices and thus our revenues are highly uncertain; therefore, we don't find it useful to forecast anticipated changes in our water intensity with revenues as its denominator. We consider the per barrel figure (see W-OG1.3a) a more useful metric. We don't anticipate a significant change in our water consumption within the next 1-5 years. We are working on reducing our water intensity, to the extent practically possible. Note revenues are in USD mill.

W-OG1.3

(W-OG1.3) Do you calculate water intensity for your activities associated with the oil & gas sector?

Yes

W-OG1.3a

(W-OG1.3a) Provide water intensity information associated with your activities in the oil & gas sector.

Business division
Upstream

Water intensity value (m3)
0.01

Numerator: water aspect
Total water withdrawals

Denominator
Barrel of oil equivalent

Comparison with previous reporting year
About the same

Please explain
Our operated production in year 2021 totaled 39.68 million barrels of oil equivalent, this compares to 40.36 million barrels in 2020.

Our total water withdrawal in 2021 was 430.139 mega liters (section W-OG1.2c), compared to 296.4 mega liters in 2020.

Explanation for the change from 2020: The increase was driven by higher level of activity (e.g., drilling) in 2021 as well as improved accounting in 2021.

Therefore, the water intensity in 2021 is calculated as:
430.139/39.68= 10.8 liters per barrels of oil equivalent (boe) ~ 0.01 m3/boe

The comparable 2020 number is 296.4/40.25= 7 liters per barrels of oil equivalent (boe) ~ 0.01 m3/boe

Internal use of the metrics: Monitoring and reducing water intensity has become more important to DNO’s management in the last two years (an example being DNO submitting this water disclosure starting in 2020). Water usage, trends, and reduction efforts are reported quarterly to DNO’s senior management as well as its Board of Directors (HSSE Committee of the Board).

Future trends: Providing reliable forecast of future trends is not possible partly because our activity level (thus water demand) can vary year to year (e.g., depending on how many wells we drill). Additionally, we are working on improving the accuracy of our water accounting which should help us in better forecasting our water intensity for next year's submission.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

No, not currently but we intend to within two years

W1.4d

(W1.4d) Why do you not engage with any stages of your value chain on water-related issues and what are your plans?

	Primary reason	Please explain
Row 1	We are planning to do so within the next two years	Main relevant stakeholders in terms of water use within our value chain over whom we have control and ability to influence are our joint venture partners with which DNO works in its upstream portfolio. The other group of stakeholders over whom we can have influence consist of various local suppliers which provide a variety of services to our operations in the Kurdistan region of Iraq (our largest area of activity). However, these local suppliers are often small in size and their water use is insignificant (compared to our total water use for instance). In terms of engagement with joint venture partners: In offshore Norway and the UK, DNO is the operator in some of its licenses while it is the non-operator in the others. In the Kurdistan region of Iraq, DNO is operator in all of its licenses. Engagement over water use is more relevant to DNO for licenses in which DNO is not an operator (i.e., part of its portfolio in Norway and the UK). Since neither Norway nor the UK is considered to be water-stressed, we do not consider engagement on water use to be a business priority at this time. However, as water-related issues are becoming increasingly important globally, we are planning to engage with our value-chain stakeholders (over which we have influence) in the next two years.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W-OG3.1

(W-OG3.1) How does your organization identify and classify potential water pollutants associated with its activities in the oil & gas sector that may have a detrimental impact on water ecosystems or human health?

DNO has a well implemented process for identifying and assessing environmental risks (including potential water pollutants) from its operations based on a Risk Assessment Matrix (RAM), which is included in our company-wide risk and opportunity assessment process. We use the internationally recognized ISO 31000 Risk Management Standard as the basis for our assessment.

DNO's risk assessment process applies to all of DNO's operations across its global assets. At the Business Unit level, more detailed policies and procedures apply depending on the nature of activity (e.g., offshore versus onshore) and risk level (e.g., hazardous chemicals versus slop water). In addition, all major field operations require an Environmental Impact Assessment (EIA) study which needs to be approved by the regulator before activities can go ahead. The EIA considers various environmental issues, including both water risks (e.g., pollution) and water availability.

On a quarterly basis, we carry out a "bottom-up" risk identification, assessment and review process in which key risks associated with current and potential future environmental matters (including water) are identified and analysed. Mitigations to reduce or eliminate the risks are put in place when deemed required and these are then managed and monitored. All risks are assigned to competent owners who have the responsibility of following the closure of actions to control and/or reduce risk. The results of the process are reviewed by the senior management in the corporate office.

Substantive operational risks, including water related issues are also reported to the Board's Health, Safety, Security and Environment (HSSE) Committee.

DNO uses a five-by-five matrix for 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 is Unlikely to occur which 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 criteria above (e.g., leading to losses below USD 1 million and thus having a Minimal or Minor consequence) is considered non-substantive.

W-OG3.1a

(W-OG3.1a) For each business division of your organization, describe how your organization minimizes the adverse impacts on water ecosystems or human health of potential water pollutants associated with your oil & gas sector activities.

Potential water pollutant	Business division	Description of water pollutant and potential impacts	Management procedures	Please explain
Hydrocarbons	Upstream	The potential water pollution risks relevant to DNO's onshore activities in the Kurdistan region of Iraq are spills of produced oil (hydrocarbons) into a nearby river and/or contamination of underground water resources by drilling fluids or reservoir fluids during our drilling operations. The potential water pollution risk relevant to DNO's activities offshore Norway and the UK is contamination of underground water resources or seawater by drilling fluids or reservoir fluids during our drilling activities. (Note that DNO did not have any oil and gas production activities in Norway and the UK in 2021, only drilling activities).	Compliance with effluent quality standards Measures to prevent spillage, leaching and leakages Community/stakeholder engagement Emergency preparedness	DNO is subject to various environmental regulations (including with respect to water resource protection) across its portfolio to which DNO is strictly committed and compliant. Additionally, DNO has its internal policies and procedures based on best international practices applicable to its operations. These regulations and internal policies and procedures ensure that across our operations we are compliant with relevant effluent quality standards and measures are taken to prevent spillage. Moreover, they ensure if water pollution occurs, actions are taken to reduce harm, and remediate any damages to the environment. We also engage with our neighbouring communities to educate them on the measures we are taking for protection and monitoring of the water resources as well as our plans to address and remediate any potential harm to water resources. We report publicly (through our annual Corporate Sustainability Report, CSR) on our environmental performance, including any hydrocarbon spills to the environment (sea and land).
Drilling fluids	Upstream	The potential water pollution risks relevant to DNO's onshore activities in the Kurdistan region of Iraq are spills of produced oil (hydrocarbons) into a nearby river and/or contamination of underground water resources by drilling fluids or reservoir fluids during our drilling operations. The potential water pollution risk relevant to DNO's activities offshore Norway and the UK is contamination of underground water resources or seawater by drilling fluids or reservoir fluids during our drilling activities. (Note that DNO did not have any oil and gas production activities in Norway and the UK in 2021, only drilling activities).	Compliance with effluent quality standards Measures to prevent spillage, leaching and leakages Community/stakeholder engagement Emergency preparedness	DNO is subject to various environmental regulations (including with respect to water resource protection) across its portfolio to which DNO is strictly committed and compliant. Additionally, DNO has its internal policies and procedures based on best international practices applicable to its operations. These regulations and internal policies and procedures ensure that across our operations we are compliant with relevant effluent quality standards and measures are taken to prevent spillage. Moreover, they ensure if water pollution occurs, actions are taken to reduce harm, and remediate any damages to the environment. We also engage with our neighbouring communities to educate them on the measures we are taking for protection and monitoring of the water resources as well as our plans to address and remediate any potential harm to water resources. We report publicly (through our annual Corporate Sustainability Report, CSR) on our environmental performance, including any hydrocarbon spills to the environment (sea and land).

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage
Direct operations

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment
More than once a year

How far into the future are risks considered?
1 to 3 years

Type of tools and methods used
Enterprise risk management

Tools and methods used
ISO 31000 Risk Management Standard
Other, please specify (Environmental Impact Assessment (EIA) and Risk Assessment Matrix (RAM))

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Employees
Investors
Local communities
Regulators

Comment
Risk management - DNO's quarterly risk assessment process includes assessment of risk with impact on "Environment and Sustainability", ensuring such risks are identified and mitigated appropriately.

In addition, risks due to extreme weather conditions related to water (e.g. floods. landslide, storms) are assessed and mitigated (as relevant) during both the day-to-day operations (e.g. drilling offshore) and long-term business planning (e.g. pipeline integrity at river crossing and impact of possible landslides caused by heavy rain).

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

DNO has a well implemented process for identifying, assessing and responding to various risks (including water-related issues) within our direct operations based on a Risk Assessment Matrix (RAM), which is included in our company-wide risk and opportunity assessment process. In contrast to our direct operations, assessing water-related risks across our value chain is not considered a business priority at the moment (and we do not have full visibility into our global supply chain and their water-related risks).

On a quarterly basis, we carry out a "bottom-up" risk identification, assessment and review process in which key risks and opportunities are identified and analysed. Mitigations are put in place and these are then managed and monitored at both the Business Unit (BU) level and the Corporate level. All risks are assigned to competent owners who have the responsibility of following the closure of actions to control and/or reduce risk. The results of the process are reviewed by the Corporate management.

All resulting business risks that are considered to have a substantive impact on the Company are reported to the Board's Audit Committee and or to the Board's Health, Safety, Security and Environment (HSSE) Committee.

The nature of our operations (oil and gas exploration and production) and our geographical footprint (Kurdistan region of Iraq, Norway, and the UK) have large implications for the contextual issues and stakeholders we consider. Environmental protection, including ecosystems, have higher focus in our offshore Norway and the UK operations partly due to the larger consequences of (and remediation efforts needed for) an offshore oil and gas pollution. In our onshore Kurdistan operations, availability of water and managing potential stakeholder conflicts (e.g., with local communities over shared freshwater resources) become more relevant and important compared to our offshore operations because Kurdistan is a water stressed area. Engagement with regulators and complying with regulations as well as availability of safe water for our staff use are important across all of our portfolio.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?
Yes, only within our direct operations

W4.1a

(W4.1a) 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 is Unlikely to occur which 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.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	1	1-25	This risk relates to having to potentially halt oil production operations at our Tawke field (within the Tawke license in the Kurdistan region of Iraq) due to excessive seasonal high river flows causing integrity risks to one of our oil pipelines which crosses a river. To mitigate this risk, DNO has performed a major upgrade to the physical protection measures at the river crossing over the last two years. Note that DNO operates two licenses in the Kurdistan region of Iraq, Tawke and Baeshiqa, both of which host multiple facilities such as oil processing units and pipelines. This risk relates to one of the pipelines within the Tawke license. We have therefore 1-25% of DNO's company-wide facilities.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Iraq	Tigris & Euphrates

Number of facilities exposed to water risk
1

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
Less than 1%

% company's total global revenue that could be affected
Less than 1%

Comment
This risk relates to having to potentially halt oil production operations at our Tawke field (within the Tawke license in the Kurdistan region of Iraq) due to excessive seasonal river flowrates causing integrity risks to one of our oil pipelines which crosses a river.

To mitigate this risk, DNO has performed a major upgrade to the physical protection measures at the river crossing over the last two years.
Note that DNO operates two licenses in the Kurdistan region of Iraq, Tawke and Baeshiqa, both of which host multiple facilities such as oil processing units and pipelines. This risk relates to one of the pipelines within the Tawke license. We have therefore 1-25% of DNO's company-wide facilities.
Note that any potential shut-in of operations due to this risk is deemed to last less than a week, therefore we do not expect this risk to have substantial effects on our annual production and revenues. Therefore, the effect on DNO's oil and gas production and associated revenues are estimated to be less than 1% (calculated based on the share of DNO's production that flows through this pipeline and the estimated time to repair or put in place alternative shipment routes).

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Iraq	Tigris & Euphrates

Type of risk & Primary risk driver

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

Primary potential impact
Disruption to sales

Company-specific description
In Kurdistan region of Iraq, recent winters have been wetter than the historical average. Iraq is considered one of the Arab region's most vulnerable 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 more transported river debris and 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 and storm debris could lead to damage to one or both pipelines, potentially leading to pollution and the need to halt production and financial losses.

Timeframe
1-3 years

Magnitude of potential impact
High

Likelihood
Likely

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
20000000

Potential financial impact figure - minimum (currency)
<Not Applicable>

Potential financial impact figure - maximum (currency)
<Not Applicable>

Explanation of financial impact
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, which currently runs at approximately 42,000 barrels per day, would result in a loss in production of 294,000 barrels in one week. At realized oil prices of USD 70 per barrel, the lost production is valued at approximately 294,000*70= 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, ambient conditions (e.g., water level and flowrate of the river) and speed of DNO's response. DNO has put in place third-party liability insurance to cover all of its Kurdistan operations (this pipeline being a part of the wide range of facilities DNO has in Kurdistan), which will cover the costs of such an accident. The limit for this insurance policy is currently set at USD 150 million. Our assessment is that the maximum cost of environmental remediation due to a pipeline rupture to be much smaller than USD 150 million, likely an order of magnitude lower (USD 15 million).

Primary response to risk
Develop flood emergency plans

Description of response
To mitigate the risk of having to halt production in Kurdistan due to more extreme weather, DNO has initiated a major upgrade to the protection measures for its pipelines (reinforcement of riverbank and riverbed at river crossing of our pipelines in Kurdistan).

Cost of response
3000000

Explanation of cost of response
To mitigate the risk of having to halt production in Kurdistan due to extreme weathers, DNO has 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 that are being implemented (in 2020 and 2021). 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 (including phases one and two of the project already completed) 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.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	DNO like many oil and gas companies, relies on a global supply chain to procure the equipment it needs. Building and transporting this equipment rely on availability of various quality levels of water, depending on the type of the equipment (e.g., high-grade steel used in drilling operations and cement used in construction activities onsite and offsite). Relying on a global supply chain allows diversification of supply – when possible – which makes DNO less prone to the risk of local shortages of water impacting its geographically diversified suppliers. Therefore, water risks beyond our direct operations are not currently a business priority (we have limited visibility and control over our global supply chain water-related risks and opportunities).

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

W4.3b

(W4.3b) Why does your organization not consider itself to have water-related opportunities?

	Primary reason	Please explain
Row 1	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	Water use, especially in the Kurdistan region of Iraq, has become increasingly important to DNO over the last two years. We have identified multiple water-related opportunities, a few of which are being pursued. However, none of these opportunities are concluded to have "potential to have a substantive financial or strategic impact". This is because we have not experienced water shortage in our operations, and we do not expect to face major water shortage within our planning horizon. We have integrated assessment of water-related issues into our quarterly risk and performance reviews (including Risk Assessment Matrix, RAM). DNO defines financial/strategic impact in terms of both probability of occurrence and consequence should it occur. Impacts which are deemed substantive are those that combine either Significant consequence (at least USD 1 mill) with Very Likely probability of occurrence; Major consequence (at least USD 10 mill) with Likely or Very Likely probability of occurrence; or Catastrophic consequences (at least USD 100 mill) with Unlikely, Possible, Likely or Very Likely probability of occurrence. Examples: Two water-related opportunities identified are listed below: 1- Use of produced water during our oil production activities in Kurdistan to reduce freshwater demand of our drilling activities (this opportunity will be realized in 2022): We are in the process of detailed assessment of using produced water (all of which are currently being injected back underground into the reservoir) to reduce freshwater demand of our drilling activities. Water used in drilling activities needs to meet certain quality specifications (e.g., salinity and acidity), therefore a thorough assessment is needed to fully realize this potential and reduce our freshwater use while meeting the operational constraints. 2- Providing produced water for agricultural use (not realized yet): Due to water shortage in the Kurdistan region of Iraq and the importance of agriculture to local communities, we are considering assessing the possibility of providing produced water (from our oil production) to local communities for agricultural purposes. We currently inject all the produced water back into the reservoir. Due to potential health implications, very thorough analyses are needed (and securing relevant regulatory approvals) before this community-service opportunity can be realized.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number
Facility 1

Facility name (optional)

Country/Area & River basin

Iraq	Tigris & Euphrates

Latitude
37.1362

Longitude
42.7934

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
0

Comparison of total withdrawals with previous reporting year
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0

Total water discharges at this facility (megaliters/year)
0

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
About the same

Please explain
This relates to an approximately 40 km long pipeline which transports oil produced at our Tawke field (coordination of which is provided) in the Kurdistan region of Iraq to an oil export facility (Fishkhabour) in the Kurdistan region of Iraq. This pipeline does not use any water (only transports oil) thus we have chosen zero for “water withdrawal, discharge, and consumption” questions. This pipeline crosses a river which has experienced much higher flow rates in recent years, leading to increased integrity risks to the pipeline. DNO has conducted multiple asset integrity improvement projects to reduce the risk of pipeline damage and potential water pollution by this pipeline.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Our water withdrawal volumes are not verified by third parties but we are planning to do so in the next two years.

Water withdrawals – volume by source

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Our water withdrawal volumes are not verified by third parties but we are planning to do so in the next two years.

Water withdrawals – quality by standard water quality parameters

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Our water withdrawal volumes are not verified by third parties but we are planning to do so in the next two years.

Water discharges – total volumes

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Our water withdrawal volumes are not verified by third parties but we are planning to do so in the next two years.

Water discharges – volume by destination

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Our water discharge volumes are not verified by third parties but we are planning to do so in the next two years.

Water discharges – volume by final treatment level

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Our water discharge volumes are not verified by third parties but we are planning to do so in the next two years.

Water discharges – quality by standard water quality parameters

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Our water discharge volumes are not verified by third parties but we are planning to do so in the next two years.

Water consumption – total volume

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Our water consumption volumes are not verified by third parties but we are planning to do so in the next two years.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

No, but we plan to develop one within the next 2 years

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Director on board	The Deputy Chairman of the Board chairs the Board Health, Safety, Security and Environment (HSSE) Committee. In addition to the Deputy Chairman, a second Director from the company's Board of Directors is a member of the Board HSSE committee (in 2021). Senior executives and managers from the company participate in the HSSE Committee meetings including the Managing Director (MD) and the Chief Operating Officer (COO) of DNO corporate in addition to General Managers and HSSE Managers of our two Business Units of Kurdistan Region of Iraq and North Sea (covering Norway and the UK). This is a forum in which forward strategies are discussed and the Company's HSSE policy is adjusted, if necessary. The Chairman of the HSSE Committee takes key recommendations of the Committee to the Board of Directors for discussion and final decisions, If necessary. Material presented includes water use and disposal topics (at a strategic level) as well as regulatory developments which are discussed by the Committee at appropriate intervals to review performance and enable forward strategy setting. An example of a water-related topic/project discussed with the Board's HSSE Committee within the last two years is the risk of heavy rainfalls in the Kurdistan region of Iraq which have resulted in more transported river debris and much faster flow of the river adjacent to DNO's oil and gas pipelines (discussed in four HSSE Board Committee meetings in 2021). Severe and rapid erosion of the riverbanks and/or riverbed has been experienced in our Tawke license in Kurdistan. With support of the Board Committee, DNO has delivered a major upgrade to the physical storm protection measures for its pipelines. Also, the HSSE Committee of the Board was informed on DNO's Water Security disclosure with CDP in summer 2021 and supported the initiative.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Reviewing and guiding annual budgets Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy	The Deputy Chairman of the Board chairs the Board Health, Safety, Security and Environment (HSSE) Committee. In addition to the Deputy Chairman, a second Director from the company's Board of Directors is a member of the Board HSSE committee (in 2021). Senior executives and managers from the company participate in the HSSE Committee meetings including the Managing Director (MD) and the Chief Operating Officer (COO) of DNO corporate in addition to General Managers and HSSE Managers of our two Business Units of Kurdistan Region of Iraq and North Sea (covering Norway and the UK). This is a forum in which forward strategies, annual budgets, major business plans, risk management policies, water related issues, opportunities and risks and relevant regulatory developments are discussed at a strategic level. The Chairman of the HSSE Committee takes key recommendations of the Committee to the Board of Directors for discussion and final decisions, if necessary.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	Criteria used for assessment include: - Education background in energy and environmental related topics - Work experience in the energy sector - Work experience in the nexus of financial markets, oil and gas operations (which inherently includes protection of water resources), and evolving regulations around sustainability assessments and disclosures (e.g., water security and water-related risks) Throughout 2021, the Health, Safety, Security and Environment (HSSE) Committee of DNO's Board of Directors had two members, both of whom have extensive educational and work background related to international oil and gas operations. Specifically, one of the board members is 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., which inherently include sustainable use of water as well as protection of water resources in onshore and offshore oil and gas activities) form our assessment. It is of note that water related issues have become more important to DNO's operations in the last two years, and thus to DNO's management and the Board.	<Not Applicable>	<Not Applicable>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Chief Operating Officer (COO)

Responsibility
Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Quarterly

Please explain
In DNO, COO has management responsibility for Health, Safety, Security and Environment (HSSE) including water related issues. DNO believes that primary responsibility for all HSSE matters 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 HSSE is the responsibility of each BU GM who must ensure compliance with DNO's HSSE Policy Statement, which includes the requirement to "Minimize undesirable effects on the environment and biodiversity resulting from our activities". The COO chairs a quarterly HSSE review session, at which the GMs report their BU's environmental performance, including on water and compare them with the Company's plans and business objectives. Where necessary, actions are agreed to improve performance and/or proposals to adjust strategy are formulated for discussion with the Board HSSE Committee.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	DNO has operations in three countries/ regions: Norway, the UK and the Kurdistan region of Iraq Norway and the UK: Water is not considered a scarce commodity in these countries, especially in the context of our offshore oil and gas operations. Therefore, addressing water issues is not a business priority for us Kurdistan region of Iraq: Although Iraq as a whole is considered a water-stressed country, we have not experienced material water shortage in our areas of operations. Considering above points, we do not see water issues to be a business priority which require dedicated incentives to the C-suite employees and board members.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?
No

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?
No, and we have no plans to do so

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	DNO's risk assessment process includes assessment of risk with impact on "Environment and Sustainability" (which includes water), ensuring such risks are identified and mitigated appropriately. Although we have not experienced material water shortage for any of our operations (in Norway, the UK and Kurdistan region of Iraq), we acknowledge water related issues are becoming more important for our various stakeholders including regulators, local communities and investors. Therefore, DNO has increased its focus on inclusion of water related issued in our strategic objectives. As a case in point, we are considering a project for reservoir pressure maintenance in one of our oil fields in Kurdistan. This project can require relatively large amounts of water over the next 15 years. Higher focus on sustainability and water issues has triggered a more thorough assessment of potential sources which can be used to meet this water demand in a more sustainable manner (e.g., using produced water from another oil field, which is a by-product of oil production, rather than fresh water).
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	We have not experienced material water shortage in any of our operations (located in Norway, the UK and Kurdistan region of Iraq). However, the Kurdistan region has been experiencing water shortage in last two years and the situation can worsen in the future (e.g., due to climate change and associated extreme weather conditions). Therefore, DNO has become more sensitive to (and proactive with respect to) water-related issues, especially water security, in its Kurdistan operations in the last two years. Our Kurdistan operations currently account for around 80% of our production and revenues. Therefore, water security and strategies to ensure security of supply for our Kurdistan operations are of importance and integrated into our long-term planning.
Financial planning	Yes, water-related issues are integrated	5-10	As mentioned above, DNO has become more sensitive and proactive with respect to water related issues (e.g., water shortage) in its Kurdistan operations over the last two years. Cost of supplying water for our operations is embedded in our economic models already. This cost is currently a very small part of our total operational cost (less than 1%) and we do not expect this to change materially within our planning horizon unless substantial (e.g., USD 30 million) capital expenditure will be required to supply water to our operations over long distances.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

Our water-related CAPEX and OPEX in 2021 were negligible (below 1%) compared to our total OPEX and CAPEX in the reporting year and the same is expected for the next reporting year (2022).

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	DNO conducted a series of climate-related sensitivity analysis to assess potential changes to its asset valuation under certain climate-related scenarios and disclosed the results of the analyses in its 2021 Annual Report. DNO used two widely used scenarios for oil, gas, and GHG pricing developments until 2050 prescribed in the International Energy Agency's (IEA) 2021 World Energy Outlook: - IEA's Sustainable Development Scenario (SDS) - IEA's Stated Policies Scenario (STEPS)

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	DNO conducted a series of climate-related sensitivity analysis to assess potential changes to its asset valuation under certain climate-related scenarios and disclosed the results of the analyses in its 2021 Annual Report. DNO used two widely cited scenarios for oil, gas, and GHG pricing developments until 2050 prescribed in the International Energy Agency's (IEA) 2021 World Energy Outlook as listed below: IEA's Sustainable Development Scenario (SDS): key assumptions applied: • oil price of USD 56 per barrel in 2030 and USD 50 per barrel in 2050 (in 2020 real terms). DNO used linear extrapolation for other years. • gas price of USD 4.2 per MMBtu in 2030 and USD 4.5 per MMBtu in 2050 (in 2020 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 2020 real terms). DNO assumed the price will increase at two percent (nominal) afterwards. • GHG pricing in Kurdistan region of Iraq: No GHG price until 2030, increasing linearly to USD 35/tCO2e by 2040 and USD 95/ tCO2e by 2050, consistent with EIA's SDS scenario. IEA's Stated Policies Scenario (STEPS): key assumptions applied are: • oil price of USD 77 per barrel in 2030 and USD 88 per barrel in 2050 (in 2020 real terms). DNO used linear extrapolation for other years. • gas price of USD 7.7 per MMBtu in 2030 and USD 8.3 per MMBtu in 2050 (in 2020 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 2020 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.	Water was not included in the scope of our recent climate-related sensitivity analyses (the analyses were limited to the effect of oil, gas, and GHG emissions pricing under climate-related scenarios) because of the lower impact and importance of water to our business compared to oil, gas, and GHG emissions prices. We expect water to be an insignificant factor in DNO's asset valuation. DNO continues to monitor the situation and will increase the scope of its scenario analyses if needed.	Water was not included in the scope of our recent climate-related sensitivity analyses (the analyses were limited to the effect of oil, gas, and GHG emissions pricing under climate-related scenarios) because of the lower impact and importance of water to our business compared to oil, gas, and GHG emissions prices. We expect water to be an insignificant factor in DNO's asset valuation. DNO continues to monitor the situation and will increase the scope of its scenario analyses if needed.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

We do not have an internal water price.

However, our routine economic analyses for our existing and new business ventures do consider cost of water supply and discharge (as part of operational cost, OPEX). Therefore, actual and anticipated cost of water are already taken into account in DNO's business planning.

Additionally, as water-related issues (including supply and thus price) becoming more important to DNO and its stakeholders (e.g., regulators and local communities), we are considering introduction of an internal water price within the next two years.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, and we do not plan to address this within the next two years	<Not Applicable>	Other, please specify (lack of clear definition of "low water impact" by CDP, see the "please explain" box)	We could not find a clear definition from CDP on what "low-water" may mean other than: " Low water impact products and services refers to products/services that could be considered as having a lower detrimental impact on water resources, water quality and ecosystems than the market norm or than the company's previous products/services. " Oil and gas production in general and particularly our operations, are not water-intensive compared to most industries (e.g., food processing or textile) because our final product – crude oil – does not contain water (other than very small amounts, often less than 0.5%). Therefore, one can argue our product is low-water impact. However, we have not chosen this answer because it is currently very difficult to compare our water intensity to our oil and gas producing peers (water disclosure is not a common practice among oil and gas producers and we do not anticipate this to significantly change within the next two years).

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Our company sets no targets or goals	<Not Applicable>	<Not Applicable>

W8.1c

(W8.1c) Why do you not have water target(s) or goal(s) and what are your plans to develop these in the future?

	Primary reason	Please explain
Row 1	We are planning to introduce a target or goal within the next two years	DNO has operations in three countries/ regions (Norway, the UK and the Kurdistan region of Iraq). Norway and the UK: Water is not currently considered a scarce commodity in these countries, especially in the context of our offshore oil and gas operations. Kurdistan region of Iraq: Although Iraq is considered a water-stressed country as a whole, we have not experienced material water shortage in our areas of operations. Therefore, we do not deem water issues to be a business priority which require dedicated targets and goals. However, water-related issues, including its availability, have become more important to DNO's management and its stakeholders (e.g., regulators and local communities in the Kurdistan region of Iraq). Therefore, we are considering setting water-related targets and goals, especially to reduce the intensity of our fresh water use in our Kurdistan operations, within the next two years.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

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

W10. Sign off

W-FI

(W-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.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

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

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

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