



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 948 138 646
Organisasjonsform: Norskreg. utenlandsk foretak
Foretaksnavn: CONOCOPHILLIPS NORGE
Forretningsadresse: Ekofiskvegen 35
4056 TANANGER

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Astri Alden
Dato for fastsettelse av årsregnskapet: 21.04.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 29.05.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1,6	4 290 000 000	4 198 000 000
Sum inntekter		4 290 000 000	4 198 000 000
Kostnader			
Lønnskostnad	2,3	3 328 000 000	3 551 000 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	70 000 000	49 000 000
Annen driftskostnad	2,6,10	595 000 000	494 000 000
Sum kostnader		3 993 000 000	4 094 000 000
Driftsresultat		297 000 000	104 000 000
Finansinntekter og finanskostnader			
Annen renteinntekt		3 000 000	10 000 000
Currency gain		18 000 000	13 000 000
Sum finansinntekter		21 000 000	23 000 000
Netto finans		21 000 000	23 000 000
Ordinært resultat før skattekostnad		318 000 000	127 000 000
Skattekostnad på ordinært resultat	7	72 000 000	26 000 000
Ordinært resultat etter skattekostnad		246 000 000	101 000 000
Årsresultat		246 000 000	101 000 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	8	246 000 000	101 000 000
Sum overføringer og disponeringer		246 000 000	101 000 000



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	16 000 000	55 000 000
Sum immaterielle eiendeler		16 000 000	55 000 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	5	98 000 000	131 000 000
Sum varige driftsmidler		98 000 000	131 000 000
Finansielle anleggsmidler			
Investering i datterselskap	4	3 897 000 000	3 897 000 000
Andre fordringer	2,3	2 387 000 000	2 245 000 000
Sum finansielle anleggsmidler		6 284 000 000	6 142 000 000
Sum anleggsmidler		6 398 000 000	6 328 000 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		7 000 000	14 000 000
Andre fordringer		45 000 000	78 000 000
Konsernfordringer	6	345 000 000	389 000 000
Sum fordringer		397 000 000	481 000 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9	1 714 000 000	1 332 000 000
Sum bankinnskudd, kontanter og lignende		1 714 000 000	1 332 000 000
Sum omløpsmidler		2 111 000 000	1 813 000 000
SUM EIENDELER		8 509 000 000	8 141 000 000

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2020	2019
Egenkapital			
Innskutt egenkapital			
Selskapskapital		101 000 000	101 000 000
Sum innskutt egenkapital		101 000 000	101 000 000
Opptjent egenkapital			
Retained Earnings		4 846 000 000	4 600 000 000
Sum opptjent egenkapital		4 846 000 000	4 600 000 000
Sum egenkapital	8	4 947 000 000	4 701 000 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	3	2 605 000 000	2 514 000 000
Sum avsetninger for forpliktelser		2 605 000 000	2 514 000 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		2 605 000 000	2 514 000 000
Kortsiktig gjeld			
Leverandørgjeld		56 000 000	52 000 000
Betalbar skatt	7	68 000 000	40 000 000
Skyldige offentlige avgifter		281 000 000	289 000 000
Kortsiktig konserngjeld	6	8 000 000	8 000 000
Annen kortsiktig gjeld	3	544 000 000	537 000 000
Sum kortsiktig gjeld		957 000 000	926 000 000
Sum gjeld		3 562 000 000	3 440 000 000
SUM EGENKAPITAL OG GJELD		8 509 000 000	8 141 000 000



Statsautoriserte revisorer
Ernst & Young AS

Vassbotnen 11a Forus, NO-4313 Sandnes
Postboks 8015, NO-4068 Stavanger

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

Fax:
www.ey.no
Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of ConocoPhillips Norge - Norwegian Branch

Report on the audit of the financial statements

Opinion

We have audited the financial statements of ConocoPhillips Norge - Norwegian Branch, which comprise the balance sheet as at 31 December 2020, the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Branch as at 31 December 2020 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Branch in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the Branch's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.



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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Branch's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Independent auditor's report - ConocoPhillips Norge - Norwegian Branch

A member firm of Ernst & Young Global Limited

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Stavanger, 21 April 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Tor Inge Skjellevik
State Authorised Public Accountant (Norway)

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Independent auditor's report - ConocoPhillips Norge - Norwegian Branch

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Tor Inge Skjellevik

Statsautorisert revisor

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ConocoPhillips Norge
Norwegian Branch

Annual Report
2020





ConocoPhillips Norge – Norwegian Branch BOARD OF DIRECTORS REPORT 2020

INTRODUCTION

ConocoPhillips Norge ("the legal entity") is incorporated under the laws of the state of Delaware in the United States and is an indirect subsidiary of the publicly listed company ConocoPhillips, traded on the New York Stock Exchange under the symbol "COP."

ConocoPhillips Norge has a branch registered in Norway with the same name ("the branch"), which conducts all the legal entity's activities in Norway.

The legal entity owns 100 percent of the shares in ConocoPhillips Skandinavia AS, which explores for, produces, transports and sells oil and gas from the Norwegian Continental Shelf (NCS). In addition, the legal entity owns 100 percent of the shares in ConocoPhillips International Well Response Company AS.

The branch's main function is to provide technical and administrative personnel services to other group companies, mainly ConocoPhillips Skandinavia AS.

The headquarters of ConocoPhillips in Norway are located in Tananger, in the municipality of Sola.

ConocoPhillips ("the group") is an international, independent exploration and production (E&P) company with operations and activities in 15 countries. The group's headquarters are in Houston, Texas. On December 31, 2020, ConocoPhillips had 63 billion US dollars of total assets and approximately 9,700 employees worldwide.

The global Covid-19 pandemic had limited impact on activities through 2020. The management team introduced strict measures at an early stage to reduce the risk of transmission. These preventive measures have been adhered to by employees and contractors through 2020.

The following section will review the branch's key financial results and drivers for the year 2020, including comparisons to prior year.

FINANCIAL RESULTS

Net Income

Net income for 2020 amounted to NOK 246 million, an increase of NOK 145 million from 2019.

Operating Revenues and Expenses

Total operating revenues in 2020 were NOK 4,290 million, an increase of NOK 92 million from 2019. The branch's revenues are primarily generated from the provision of personnel services to ConocoPhillips Skandinavia AS. Total operating expenses amounted to NOK 3,993 million, a decrease of NOK 101 million compared to 2019. The decrease was driven by lower salaries and benefits.

Financial Income and Expenses

Net financial income was NOK 21 million in 2020, compared to a net financial income of NOK 23 million in 2019.

Balance Sheet

Total assets increased by NOK 368 million to NOK 8,509 million in 2020 mainly due to an increase in cash and cash equivalents. Total liabilities were NOK 3,562 million at the end of 2020 compared to NOK 3,440 million in 2019.

Total equity at the end of 2020 was NOK 4,947 million, an increase of NOK 246 million from 2019 reflecting 2020 net income.

Cash Flow and Cash Balances

Net cash flow from operating activities during 2020 amounted to NOK 416 million, an increase of NOK 394 million compared to 2019. This was mainly related to lower pension cost in 2020 and improved working capital. The cash and cash equivalents at the end of 2020 were NOK 1,714 million.



ConocoPhillips Norge – Norwegian Branch BOARD OF DIRECTORS REPORT 2020

Overall, we believe that the branch's financial position is solid, with good liquidity and sufficient equity.

BRANCH OUTLOOK

It is the Board's opinion that the branch has a strong foundation for continued operations based on the quality and competence of its employees, as well as the overall financial strength of ConocoPhillips ("the group").

Creating an inclusive, ethical and sustainable work environment is important to the branch. Please find details on related statistics and initiatives below.

WORK ENVIRONMENT & GENDER EQUALITY *Employees*

At the end of 2020, the ConocoPhillips Norge-Norwegian branch, had 1,820 employees on its Norwegian payroll, 894 working offshore and 926 onshore, compared to 1,805 employees at the end of 2019. These numbers do not include apprentices, temporary employees, Norwegian employees working abroad or employees from other locations working in Norway.

At the end of 2020, 19 employees were expatriates in other countries and 28 ConocoPhillips employees from other countries were working in Norway.

The branch recruited 63 new employees in 2020, 16 of which were graduates who entered a one to four-year long training program with rotational assignments in several different departments. In comparison, there were 85 new employees in 2019.

Apprentices

At the end of 2020, the branch had a total of 34 apprentices, seven of which were women. 18 new apprentices started in 2020, six working onshore and twelve offshore. The

apprenticeship program was completed by 17 apprentices during the year.

Equal Employment Opportunity

The branch's recruitment policy is to hire the most competent and skilled individual regardless of cultural background, religion, age, gender, or disabilities. The branch also has solid processes in place for evaluating, transferring, compensating, and promoting employees based on competence and performance.

In 2020, 22.6 percent of employees working in Norway were women, which is similar to the year-end 2019 statistic. Of the new hires during 2020, 16 percent were female. The share of women in senior positions increased slightly to 24.9 percent at the end of 2020. Of the branch's four board members, two, or 50 percent, are women. In addition, the deputy board member is a woman.

To ensure that employees with different cultural and linguistic backgrounds succeed in an international working environment, the branch offers language support classes in both Norwegian and English for those with a different first language.

The branch also supports a good work-life balance. It offers benefits such as part-time and flexible working hours, welfare leave and an onsite kindergarten to assist employees in balancing personal and work responsibilities.

Since 2002, the branch has been an inclusive workforce employer (IA). The agreement signifies that the branch will accommodate employees with temporary or permanently reduced functional capacity, as well as employees approaching retirement. The branch works actively to achieve the goals in the annual action plan. Actions which have been introduced to ensure that the agreement is being utilized by the business include training of executives and the



ConocoPhillips Norge – Norwegian Branch BOARD OF DIRECTORS REPORT 2020

appointment of a committee to ensure employees' individual needs are being met. The branch also continued to offer job training for refugees and others with long-term unemployment during 2020.

The branch strives to attract, develop, and retain employees to enhance its business success. To help foster a diverse workforce and create an inclusive environment, the branch continues a three-year plan with measures including:

- Offering leadership training programs for all leaders.
- Continued focus on inclusion and diversity in terms of gender, cultural background, and disability.
- Actively managing possible challenges employees may encounter at different life stages and assessing the need for facilitation.
- Increasing the number of women in senior positions and within critical areas of competence.
- Emphasis on increased diversity in the recruitment process, with focus on the number of female candidates within critical areas of competence.
- Diversity computer-based training for hiring managers and interview panel members, to create awareness around common biases.
- Awareness training for diversity and inclusion available for all employees.
- Training for leaders on the topic of psychological safety which includes how to build a trusting and open work environment.

In 2020, the branch released a HR-Dashboard focusing on showing the diversity of the workforce. The dashboard gives, among other things, an overview of the gender and age distribution and the nationality of the employees.

Employee Engagement Surveys are carried out to take the pulse of the business' working environment. The last survey was conducted in 2020, and it focused on diversity and inclusion in addition to other working environment elements.

Ethics

ConocoPhillips Norge, Norwegian branch is committed to providing a workplace free of discrimination, where all employees are treated fairly and with respect. There is no tolerance for harassment. To achieve this, the employees are required to complete a course on workplace harassment every three years, as well as an annual code of ethics survey where some of the questions relate to how and when to notify unwanted behavior. The ConocoPhillips group also offers a global ethics "Helpline" where issues or concerns can be raised by employees. In addition, the branch also has a contact person for ethics enquiries for all employees to use. We encourage reporting of censurable situations and allow employees to do so anonymously, if preferred.

Sustainable Development

ConocoPhillips is committed to contributing to several important aspects of sustainable development on a global basis. The group carefully considers safety and risk, environmental (climate, biodiversity and water), social and governance (ESG) in its decision-making process. These commitments establish a framework for the group's operations.

In 2020, ConocoPhillips developed a comprehensive energy transition strategy, including an updated climate-risk strategy and new Paris-aligned target framework with an ambition to be a Paris-aligned E&P company of choice by striving to reach net-zero emissions (scope 1 and scope 2 emissions) by 2050. ConocoPhillips also established a target to reduce greenhouse

**ConocoPhillips Norge – Norwegian Branch
BOARD OF DIRECTORS REPORT 2020**

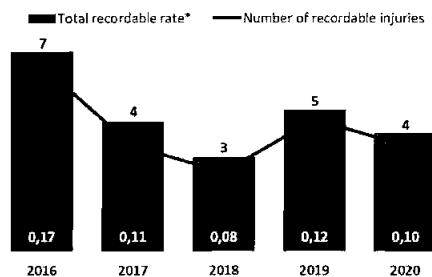
gas (GHG) emissions intensity by 35-45 percent by 2030 from January 1, 2017 baseline. For further information on sustainable development, please refer to www.conocophillips.com/sustainability.

In addition to sustainability, health, safety, and environment remains core to the branch. Please find a summary of key 2020 highlights below.

HEALTH, SAFETY & ENVIRONMENT

General

2020 was another great year in terms of health, safety and environment (HSE). The branch maintained the high level of HSE performance established in recent years with no serious events since 2015.



* The figure shows personnel injury frequency per 200,000 working hours (employees and contractors)

Safety is a core value in how the group operates across the globe and its strong HSE performance reflects its relentless effort to deeply embed safety into its culture. The group is committed to protecting the health and safety of those who are involved in its operations or live within the communities around its operations. Where the group operates, it strives to conduct its business with respect and care for both local and global environments and to systematically manage risk to drive sustainable business growth. The group’s goal is to eliminate injuries, occupational illnesses, unsafe

practices and incidents of environmental harm from its activities. This ambition drives management’s and employees’ focus on continuing to improve HSE performance and reducing major incident risk.

Employees’ and contractors’ continuous focus over time on the group’s Life Saving Rules has significantly contributed to the positive trend in HSE performance in later years. The Life Saving Rules define how the group expects its activities to be performed. Each life-saving rule comes with a set of minimum requirements and a verification template, used to implement and to verify safe planning and execution of tasks. This fosters visible and proactive leadership, as well as better communication about safety, expectations and risks in the workplace. In 2020, a new Life Saving Rule, Line of Fire, was introduced and implemented.

Covid-19

When the global Covid-19 pandemic hit, the emergency preparedness team handled the initial response and quickly implemented communication channels and barriers to avoid infection at our operated assets and office locations. As the pandemic continued, a new team with representatives from all departments, including a safety representative, was assembled to manage the long-term response and ensure workforce safety and business continuity.

The team has actively worked together with ConocoPhillips’ headquarters and operators on the NCS to align and coordinate responses to the pandemic. The team reported directly to the management team which allowed for rapid decisions in response to changes in infection numbers in society, and guidance from the Government.

Key focus areas have been to establish robust barriers to mitigate risk for infection at our work locations, ensure supply of critical



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equipment and personnel, and maintain strong communication channels to all employees, suppliers, and contractors.

The ability to work from home as well as the deferral of any non-critical activity has been important to allow for social distancing. Hygienic measures, face masks, temperature screening and testing have also been important mitigating actions.

The strong safety culture in the branch has been apparent from the start of the pandemic, and important to avoiding infection at our work locations. The entire workforce has frequently adapted to changes and shown strength and integrity throughout the year. Throughout 2020, the offshore operations have had zero Covid-19 cases. There were two work-related cases in the Tananger office, and both individuals fully recovered.

Employee Health

Sick leave was 3.7 percent in both 2019 and 2020. Since 2017, when a long-term goal of a sick leave below four percent was achieved (3.8 percent), the percent has gradually decreased to well below this target. The reduction over time is partly due to preventive work directed towards fostering a work environment that keeps employees happy and at work, as well as close follow-up of employees on sick leave. The employee assistance program, offering professional assistance in situations where life is challenging or demanding to an employee or his/her close family, together with the health insurance has also contributed to the lower level of sick leave. To encourage good health among employees, the branch also runs annual health campaigns with focus on individual's activity level and mental health.

ENVIRONMENT

The branch does not carry out any operations that impact the environment.

RESEARCH & DEVELOPMENT

The branch did not have any expenses related to research and development during 2020.

COUNTRY-BY-COUNTRY REPORTING

In accordance with section §3-3d of the Norwegian Accounting Act, the branch is required to submit an annual report detailing the payments made to the authorities per country and project. This report is available at www.conocophillips.no under Social Responsibility.

FINANCIAL RISK

Market Risk

The branch does not have any considerable risks associated with the market as it derives the majority of its income from provision of personnel services to affiliated companies based on long term relationships.

Credit Risk

The branch's credit risk is limited as the majority of its receivables are from financially solid affiliated companies.

Liquidity Risk

The branch's liquidity is considered satisfactory. The branch is expected to finance its future cash requirements through ordinary operations.



**ConocoPhillips Norge – Norwegian Branch
BOARD OF DIRECTORS REPORT 2020**

GOING CONCERN


In accordance with section §3-3a of the Norwegian Accounting Act, the Board of Directors confirm that the going concern assumption on which the financial statements have been prepared, is fulfilled.

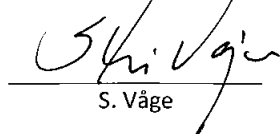
The financial position and the liquidity of the branch are considered to be sufficient and there is every indication that this will continue.

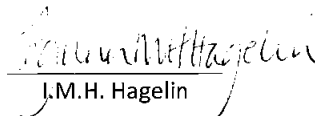
ALLOCATION OF NET INCOME

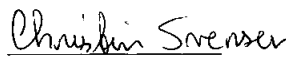
The Board proposes that the net income of NOK 246 million be transferred to retained earnings.

Tananger, December 31, 2020
April 21, 2021


J.B. Ellingsen
Chairman of the Board


S. Våge
Managing Director


J.M.H. Hagelin


C. Svensen



ConocoPhillips Norge - Norwegian Branch
INCOME STATEMENT

<i>Amounts in NOK million</i>	Note	2020	2019
Operating Revenues			
Operating revenues	1, 6	4,290	4,198
Total Operating Revenues		4,290	4,198
Operating Expenses			
Salaries and benefits	2, 3	3,328	3,551
Other operating expenses	2, 6, 10	595	494
Depreciation	5	70	49
Total Operating Expenses		3,993	4,094
Income from Operations		297	104
Financial Income and Expenses			
Interest income		3	10
Currency gain		18	13
Net Financial Items		21	23
Income before Taxes		318	127
Income taxes	7	72	26
Net Income		246	101



ConocoPhillips Norge - Norwegian Branch

BALANCE SHEET

December 31

<i>Amounts in NOK million</i>	Note	2020	2019
ASSETS			
Fixed Assets			
Intangible Assets			
Deferred tax assets	7	16	55
Total Intangible Assets		16	55
Tangible Assets			
Machinery, equipment and computers	5	98	131
Total Tangible Assets		98	131
Financial Assets			
Investments in wholly owned subsidiaries	4	3,897	3,897
Other long-term receivables	2, 3	2,387	2,245
Total Financial Assets		6,284	6,142
Total Fixed Assets		6,398	6,328
Current Assets			
Receivables			
Receivables from related companies	6	345	389
Trade accounts receivables		7	14
Other short-term receivables		45	78
Total Receivables		397	481
Cash and Cash Equivalents	9	1,714	1,332
Total Current Assets		2,111	1,813
Total Assets		8,509	8,141



ConocoPhillips Norge - Norwegian Branch

BALANCE SHEET

December 31

<i>Amounts in NOK million</i>	Note	2020	2019
EQUITY AND LIABILITIES			
Equity			
Paid-in Equity			
Common stock		101	101
Total Paid-in Equity		101	101
Retained Earnings			
Retained earnings		4,846	4,600
Total Retained Earnings		4,846	4,600
Total Equity	8	4,947	4,701
Liabilities			
Long-term Provisions			
Other provisions	3	2,605	2,514
Total Long-term Provisions		2,605	2,514
Current Liabilities			
Accounts payable		56	52
Amounts due to related companies	6	8	8
Accrued income taxes	7	68	40
Taxes other than income taxes		281	289
Other current liabilities	3	544	537
Total Current Liabilities		957	926
Total Liabilities		3,562	3,440
Total Equity and Liabilities		8,509	8,141



ConocoPhillips Norge - Norwegian Branch

CASH FLOW

<i>Amounts in NOK million</i>	Note	2020	2019
Cash Flows from Operating Activities			
Net income before tax		318	127
Taxes paid		-4	-
Depreciation	5	70	49
Difference between pension cost and net pension paid		-28	-103
Change in current assets		84	-80
Change in other provisions		-26	-21
Change in current liabilities		3	19
Other		-1	31
Net Cash Flow Provided by Operating Activities		416	22
Cash Flows from Investing Activities			
Capital expenditures and investments	5	-37	-75
Loan repayments from employees		3	-1
Net Cash Flow Used in Investing Activities		-34	-76
Net Change in Cash and Cash Equivalents		382	-54
Cash and cash equivalents at the beginning of the year		1,332	1,386
Cash and Cash Equivalents at the End of the Year		1,714	1,332



ConocoPhillips Norge – Norwegian Branch ACCOUNTING PRINCIPLES

The annual accounts have been prepared in accordance with the provisions of the Norwegian Accounting Act and Generally Accepted Accounting Principles (GAAP) in Norway.

Foreign Currency

Transactions in foreign currency are recorded at monthly exchange rates determined by the market rate at the beginning of each month. Bank deposits, receivables and liabilities in foreign currencies are translated at the exchange rate on the balance sheet date.

Investments

Investments in wholly owned subsidiaries are recorded on the balance sheet according to the cost method.

Revenue Recognition

Revenue from provision of personnel services to related companies is accounted for based on time-writing and subsequently invoiced to the receiving company.

Use of Estimates

Preparation of financial statements in accordance with GAAP require the use of estimates and assumptions that affect the amounts reported in the financial statements and valuation of assets, liabilities and obligations on the balance sheet date. Actual results could differ from these estimates.

Depreciation

Fixed assets are depreciated over the anticipated economical lifetime, according to the straight-line method.

Impairment of Fixed Assets

Machinery, equipment and computers are written down to expected actual value if a decrease in value is not expected to be temporary. Correspondingly, write-downs are

reversed if the basis for previous write-downs is no longer present.

Taxes

Total income taxes reflect both tax payable and the change in deferred tax. Deferred tax is calculated using the liability method, which calculates deferred tax on all temporary differences between the financial reporting basis and the tax basis of assets and liabilities. Temporary differences within the same tax regime are recorded net. Deferred tax liabilities and deferred tax assets are calculated using nominal value and presented net on the balance sheet.

Employee Benefit Plans

Net pension costs and calculated pension liabilities are calculated in accordance with NRS 6 pension costs.

Lease Commitments

Lease agreements with transfer of material risk and control to the lessee are considered financial leases and the corresponding assets and liabilities are recognized in the balances sheet. Other leases are classified as operational leases, where the lease expenses are reflected in the income statement as incurred.

Cash Flow Statement

The cash flow analysis has been prepared according to the indirect method.

Consolidated Financial Statement

ConocoPhillips Norge is consolidated in the accounts of ConocoPhillips, United States. The consolidated annual accounts are available at www.conocophillips.com.



ConocoPhillips Norge – Norwegian Branch NOTES FOR THE ANNUAL ACCOUNTS

All figures presented in tables are stated in millions of Norwegian Kroner (NOK).

The exchange rate as of year-end for US dollars (USD) was NOK 8.52, compared to USD/NOK 8.76 as of December 31, 2019.

Note 1 – Operating Revenues

Operating revenues are mainly generated by providing technical and administrative personnel services to other ConocoPhillips-companies, predominantly in Norway.

Note 2 – Salaries, Benefits and Fees

	2020	2019
Salary cost	2,426	2,462
Social security tax	419	442
Pension cost	296	452
Other benefits	187	195
Total Salary and Benefit Costs	3,328	3,551
Average full-time equivalents	1,796	1,776

Salary and benefit costs presented in the table above include Norwegian employees seconded abroad and represents average full-time equivalents of 1,796 in 2020.

The Managing Director of ConocoPhillips Norge – Norwegian branch receives a base salary and other remunerations, participates in the branch's ordinary pension plans and ConocoPhillips' global award programs for leading employees. On August 1, 2020, the branch changed Managing Director. The current Managing Director serves as ConocoPhillips' President Europe, Middle East and North Africa, and the branch charges out costs accordingly. Until July 31, 2020 the former Managing Director received base salary of NOK 3.3 million and other remunerations of NOK 2 million. The former Managing Director was not part of the branch's ordinary pension plans. From August 1, 2020 the new Managing Director received base salary of NOK 1.8 million and other remunerations of NOK 0.3 million. Neither the Managing Directors, nor the Board of Directors, have been extended any loans or guarantees, and they have not received any special remunerations in their capacities as Directors. The branch does not have any other financial commitments towards the Managing Director or the Board of Directors.

At the end of 2020, the branch had extended loans to employees with a total value of NOK 44 million, compared to NOK 47 million in 2019. In the period January to June 2020, the rate of interest varied from 0 to 1.96 percent, and from July to December 2020 the rate of interest varied from 0 to 0.47 percent. The loans are repaid over a period from five to eight years.

Total audit fees expensed during 2020 totaled NOK 83,044.



ConocoPhillips Norge – Norwegian Branch
NOTES FOR THE ANNUAL ACCOUNTS

Note 3 – Employee Retirement Plans

The employees in the branch are mainly covered by defined benefit pension plans. Approximately 30 percent of employees were covered by the defined contribution plan as of December 31, 2020.

The funded defined benefit plan for pension basis up to 12G is managed by ConocoPhillips Norge Pensjonskasse. In addition to the funded plan, the branch has unfunded liabilities related to pensionable pay in excess of 12G, and for employees with approved early retirement agreements. The branch also has unfunded contribution plans for pensionable pay in excess of 12G, and for offshore employees.

Prepaid pension obligations and related social security taxes for the funded defined benefit plan are reported as long-term receivables. Next year's expected pension payments from the unfunded defined benefit plan are reported as current liabilities. Pension liabilities due after one year are reported as long-term provisions. Accrued contributions for the unfunded plans are recognized as current liabilities and long-term provisions in the balance sheet, respectively. The branch has chosen an annual amortization equivalent to 10 percent of total actuarial gains and losses.

The branch is a member of the multi-employer pension plan (AFP), and pays annual premiums for all employees.

Pension Cost	2020	2019
Service cost	341	336
Interest cost	265	275
Expected return on pension assets	-461	-378
Amortized net actuarial loss	70	143
Settlement	-	5
Net Pension Cost on Defined Benefit Pension Plans	215	381
Premium on defined contribution plan	42	35
Cost on defined contribution plan for unfunded plans	11	10
Annual premium AFP	27	26
Net Pension Cost Exclusive Social Security Tax	296	452
Amortized social security tax	61	56
Net Pension Cost Included Social Security Tax	356	509

**ConocoPhillips Norge – Norwegian Branch**
NOTES FOR THE ANNUAL ACCOUNTS

Pension Obligations	2020	2019
Accrued pension obligations as of January 1	10,331	9,589
Service cost	341	336
Interest cost on accrued pension obligations	265	275
Actuarial gains (-) / loss (+)	-450	379
Paid benefits	-257	-253
Settlement	-	5
Accrued Pension Obligations as of December 31	10,230	10,331
Pension Assets		
Market value of pensions assets as of January 1	9,503	7,926
Actual return on pension assets	997	1,369
Premium payments	200	410
Pension benefits	-199	-202
Market Value of Pension Assets as of December 31	10,501	9,503
Pension Plan as of December 31		
Net pension obligation	271	-828
Unrecognized effects of actuarial losses	-376	679
Accrued social security tax	-37	-24
Net Accrued Pension Obligations as of December 31	-142	-173
Pension Plans Reconciliation against Balance Sheet		
Net plan assets on funded plan	2,343	2,198
Net pension benefit obligations on unfunded plan	-2,485	-2,371
Net Accrued Pension Obligations as of December 31	-142	-173
Actuarial Assumptions		
Discount rate	2.4%	2.6%
Expected return on pension assets	4.1%	4.8%
Expected rate of salary increases	2.5%	2.8%
Expected G-regulations	2.2%	2.5%
Expected regulations of pensions	1.6%	2.1%
Members of the Pension Plans		
Number of active members	1,294	1,324
Number of retirees and early retirees	1,634	1,656
Composition of Pension Assets as of December 31		
Bond and shares in bond funds	48 %	48 %
Shares in mutual funds	37 %	37 %
Shares in property funds	13 %	13 %
Money market investments	2 %	2 %
Total	100 %	100 %



ConocoPhillips Norge – Norwegian Branch
NOTES FOR THE ANNUAL ACCOUNTS

Note 4 – Shares in Wholly Owned Subsidiaries

The legal entity had ownership in the following companies as of December 31, 2020:

Companies	Registered Office	Ownership and Voting	Equity	2020 Profit	Book Value December 31
ConocoPhillips Skandinavia AS	Tananger	100 %	11,549	966	3,892
ConocoPhillips International Well Response Company AS	Tananger	100 %	7	-	5
Total					3,897

The shares are presented in the balance sheet for the branch since they relate to activity in Norway.

Note 5 – Machinery, Equipment and Computers

	Machinery & Equipment	Computers	Total
Acquisition cost of January 1	100	339	439
Additions	15	22	37
Retirements and transfers	-77	-41	-118
Acquisition cost as of December 31	38	320	358
Accum. Depreciation as of January 1	-49	-259	-308
Depreciation	-33	-37	-70
Retirements and transfers	77	41	118
Accum. Depreciation as of December 31	-5	-255	-260
Book Value as of December 31	33	65	98

Assets are subject to linear depreciation over the expected economic lifetime of the asset, which ranges from four to 11 years for machinery and equipment and four years for computers.



ConocoPhillips Norge – Norwegian Branch

NOTES FOR THE ANNUAL ACCOUNTS

Note 6 – Intercompany Balances with Related Companies

The table lists the main transactions with related companies in 2020, including payable and receivable balances as of December 31, 2020:

	Purchases	Sales	Payables	Receivables
ConocoPhillips Company	-	9	-	3
ConocoPhillips Skandinavia AS	-	4,169	-	334
ConocoPhillips Expatriate Service Co	86	-	7	-
Other	-	52	1	8
Total	86	4,230	8	345

ConocoPhillips Company provides technical and administrative services to support operations and projects, with related costs invoiced to the branch. Where appropriate, the services are charged onwards from the branch to other companies in Norway at cost. Sales to ConocoPhillips Company relate to IT services.

ConocoPhillips Skandinavia AS is the branch's main customer for services. The services are mainly related to technical and administrative support for operations of the Greater Ekofisk Area. In addition, the branch provides administrative support to Partner Operated Assets and other Business Units.

ConocoPhillips Expatriate Service Co invoices the branch salary and benefit costs related to the services provided by ConocoPhillips employees from other locations seconded to Norway.

**ConocoPhillips Norge – Norwegian Branch**
NOTES FOR THE ANNUAL ACCOUNTS**Note 7 – Income Taxes**

	2020	2019
Income before taxes	318	127
Income taxes	70	28
Adjustment of tax from prior period	2	-2
Total Income Taxes	72	26
Income taxes	36	8
Adjustment of tax from prior period	-4	-2
Total Taxes Payable	32	6
Change in deferred tax	40	20
Total Income Taxes	72	26
Tax Payable as of December 31		
Current year tax payable	36	8
Adjustment of tax from prior period	32	32
Tax Payable in the Balance Sheet	68	40
Basis for Deferred Tax as of December 31		
Temporary differences related to:		
- fixed assets	7	-23
- pension	-78	-227
Basis Deferred Tax	-71	-250
Deferred Tax Asset in the Balance Sheet	-16	-55

The corporate tax rate was 22 percent.

Note 8 – Equity

	Share Capital	Retained Earnings	Total Equity
Equity as of January 1	101	4,600	4,701
Net income		246	246
Equity as of December 31	101	4,846	4,947

Note 9 – Bank Deposits

ConocoPhillips Norge participates in a multi-currency cash pool arrangement with Bank of America together with other entities in the ConocoPhillips group. ConocoPhillips Company is the main guarantor, while other participants are secondary guarantors.



ConocoPhillips Norge – Norwegian Branch
NOTES FOR THE ANNUAL ACCOUNTS

Note 10 – Commitments

ConocoPhillips Norge had commitments related to the rental of offices which ended December 31, 2020. Total rent expenses for 2020 amounted to NOK 110 million, compared to NOK 100 million for 2019. In 2018 the office lease agreement was extended for ten years, starting from 2021. The new lease agreement was entered into by ConocoPhillips Skandinavia AS.

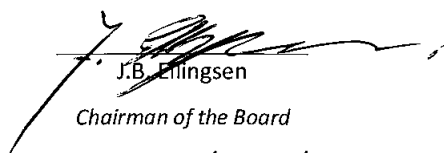
As of December 31, 2020, ConocoPhillips Norge had no leases classified as financial leases.

Note 11 – Covid-19

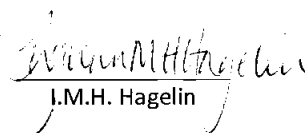
The global Covid-19 pandemic had limited impact on our Norway activities through 2020.

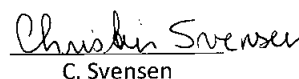
The management team in the Norway Business Unit introduced strict measures at an early stage to reduce the risk of transmission. These preventive measures have been adhered to by employees and contractors over 2020, and no Covid-19 cases have been recorded at our offshore installations.

Tananger, December 31, 2020
April 21, 2021


J.B. Ellingsen
Chairman of the Board


S. Våge
Managing Director


I.M.H. Hagelin


C. Svensen



Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Jeanette Munkvold Skovholt	21.12.2017	29.01.2018
Telefon	Deres referanse	Vår referanse
90076012	Eli A. Oftedal	2018/955

CONOCOPHILLIPS NORGE
Postboks 3
4064 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 21. desember 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

- ConocoPhillips Norge, org.nr. 948 138 646
- ConocoPhillips Skandinavia AS, org.nr. 918 110 127
- ConocoPhillips International Well Response Company AS, org.nr. 997 627 970
- ConocoPhillips Investment Norge AS, org.nr. 988 138 037

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering ovenstående selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden gjengis:

ConocoPhillips Norge er stiftet i samsvar med lovgivning i staten Delaware, USA, og er et indirekte datterselskap av det børsnoterte energiselskapet ConocoPhillips (NYSE:COP) med hovedkontori Houston. ConocoPhillips Norge har en norskregistrert filial med samme navn som utfører all virksomhet for selskapet i Norge.

ConocoPhillips Skandinavia AS driver med leting etter, utvinning og transport av olje og gass på den norske kontinentalsokkel.

Ettersom selskapene opererer i en internasjonal bransje der kommunikasjonen er engelsk, samt har en amerikansk eier, ser selskapene det hensiktsmessig å avlegge årsregnskap og årsberetning på engelsk.

En norsk oversettelse vil kun ha til formål å tilfredsstille regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan

Postadresse	Besøksadresse:	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org.nr: 996250318	Telefaks
	E-post:	22 17 08 60
	skatteetaten.no/sendepost	



være på et annet språk.”

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er eid av et utenlandsk selskap. Eierkretsen er begrenset. Selskapet driver virksomhet i en internasjonal bransje og arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale brukere av regnskapet behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jeanette Munkvold Skovholt

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer