



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

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: 07.04.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 05.07.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1,6	5 277 000 000	4 290 000 000
Sum inntekter		5 277 000 000	4 290 000 000
Kostnader			
Lønnskostnad	2,3	3 873 000 000	3 328 000 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	31 000 000	70 000 000
Annen driftskostnad	2,6	957 000 000	595 000 000
Sum kostnader		4 861 000 000	3 993 000 000
Driftsresultat		416 000 000	297 000 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap		4 000 000 000	
Annen renteinntekt			3 000 000
Currency gain		13 000 000	18 000 000
Sum finansinntekter		4 013 000 000	21 000 000
Netto finans		4 013 000 000	21 000 000
Ordinært resultat før skattekostnad		4 429 000 000	318 000 000
Skattekostnad på ordinært resultat	7	48 000 000	72 000 000
Ordinært resultat etter skattekostnad		4 381 000 000	246 000 000
Årsresultat		4 381 000 000	246 000 000
Overføringer og disponeringer			
Tilleggsutbytte	8	4 000 000 000	
Overføringer til/fra annen egenkapital	8	381 000 000	246 000 000
Sum overføringer og disponeringer		4 381 000 000	246 000 000



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	0	16 000 000
Sum immaterielle eiendeler		0	16 000 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	5	39 000 000	98 000 000
Sum varige driftsmidler		39 000 000	98 000 000
Finansielle anleggsmidler			
Investering i datterselskap	4	3 897 000 000	3 897 000 000
Andre fordringer	2,3	2 873 000 000	2 387 000 000
Sum finansielle anleggsmidler		6 770 000 000	6 284 000 000
Sum anleggsmidler		6 809 000 000	6 398 000 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		13 000 000	7 000 000
Andre fordringer		42 000 000	45 000 000
Konsernfordringer	6	375 000 000	345 000 000
Sum fordringer		430 000 000	397 000 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9	2 215 000 000	1 714 000 000
Sum bankinnskudd, kontanter og lignende		2 215 000 000	1 714 000 000
Sum omløpsmidler		2 645 000 000	2 111 000 000
SUM EIENDELER		9 454 000 000	8 509 000 000

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2021	2020
Egenkapital			
Innskutt egenkapital			
Selskapskapital		101 000 000	101 000 000
Sum innskutt egenkapital		101 000 000	101 000 000
Opptjent egenkapital			
Retained Earnings		5 227 000 000	4 846 000 000
Sum opptjent egenkapital		5 227 000 000	4 846 000 000
Sum egenkapital	8	5 328 000 000	4 947 000 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	3	2 774 000 000	2 605 000 000
Utsatt skatt	7	52 000 000	0
Sum avsetninger for forpliktelser		2 826 000 000	2 605 000 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		2 826 000 000	2 605 000 000
Kortsiktig gjeld			
Leverandørgjeld		22 000 000	56 000 000
Betalbar skatt	7	8 000 000	68 000 000
Skyldige offentlige avgifter		351 000 000	281 000 000
Kortsiktig konserngjeld	6	48 000 000	8 000 000
Annen kortsiktig gjeld	3	871 000 000	544 000 000
Sum kortsiktig gjeld		1 300 000 000	957 000 000
Sum gjeld		4 126 000 000	3 562 000 000
SUM EGENKAPITAL OG GJELD		9 454 000 000	8 509 000 000



Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of ConocoPhillips Norge

Opinion

We have audited the financial statements of ConocoPhillips Norge (the Company), which comprise the balance sheet as at 31 December 2021, 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 comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 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 International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors) is responsible for the other information. Our opinion on 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 board of directors' report contains the information required by legal requirements and 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, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



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going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in 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 ISAs, we exercise professional judgment and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Stavanger, 8 April 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Tor Inge Skjellevik
State Authorised Public Accountant (Norway)

Independent auditor's report - ConocoPhillips Norge 2021

A member firm of Ernst & Young Global Limited

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Tor Inge Skjellevik

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ConocoPhillips Norge
Norwegian Branch

Annual Report
2021





ConocoPhillips Norge – Norwegian Branch BOARD OF DIRECTORS REPORT 2021

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. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 14 countries, \$91 billion of total assets, and approximately 9,900 employees at December 31, 2021.

The following section will review the branch’s key financial results and drivers for the year 2021, including comparisons to prior year.

FINANCIAL RESULTS

Net Income

Net income for 2021 amounted to NOK 4,381 million, an increase of NOK 4,135 million from 2020.

Operating Revenues and Expenses

Total operating revenues in 2021 were NOK 5,277 million, an increase of NOK 987 million from 2020. The branch’s revenues are primarily generated from the provision of personnel services to ConocoPhillips Skandinavia AS. Total operating expenses amounted to NOK 4,861 million, an increase of NOK 868 million compared to 2020. The increase was driven by higher salaries and benefits and higher other operating expenses.

Financial Income and Expenses

Net financial income was NOK 4,013 million in 2021, compared to a net financial income of NOK 21 million in 2020. The increase was mainly due to the branch receiving dividend of NOK 4,000 million from ConocoPhillips Skandinavia AS.

Balance Sheet

Total assets increased by NOK 945 million to NOK 9,454 million in 2021 mainly due to an increase in cash and cash equivalents and other long-term receivables. Total liabilities were NOK 4,126 million at the end of 2021 compared to NOK 3,562 million in 2020.

Total equity at the end of 2021 was NOK 5,328 million, an increase of NOK 381 million from 2020.

Cash Flow and Cash Balances

Net cash flow from operating activities during 2021 amounted to NOK 4,500 million, an increase of NOK 4,084 million compared to 2020. This was mainly driven by the dividend from ConocoPhillips Skandinavia AS. The cash and cash equivalents at the end of 2021 were NOK 2,215 million.



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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").

The onshore organization has been restructured in 2021 to achieve reduced cost and increased efficiency in the organization. A severance program was offered to the onshore employees. The result of the process was 135 employees signing a severance package. These employees will leave the branch both in 2021 and 2022.

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

WORK ENVIRONMENT & GENDER EQUALITY *Employees*

At the end of 2021, the ConocoPhillips Norge-Norwegian branch, had 1,768 employees on its Norwegian payroll, 871 working offshore and 897 onshore, compared to 1,820 employees at the end of 2020. These numbers do not include apprentices, Norwegian employees working abroad or employees from other locations working in Norway.

At the end of 2021, 14 employees were expatriates in other countries and 29 ConocoPhillips employees from other countries were working in Norway.

The branch recruited 26 new employees in 2021, 11 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 63 new employees in 2020.

The directors and officers of ConocoPhillips Skandinavia AS are covered under a corporate Directors and Officers Liability insurance program. The insurance covers personal legal liabilities including defense and legal costs. The officers and directors of the parent company and all subsidiaries globally are covered by the insurance. The cover also includes employees in managerial positions or employees who become named in a claim or investigation.

Apprentices

At the end of 2021, the branch had a total of 33 apprentices, eight of which were women. 15 new apprentices started in 2021, four working onshore and 11 offshore. During the year 15 apprentices completed their apprenticeship programs.

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 2021, 23 percent of employees working in Norway were women which is an increase from 2020. Of the new hires during 2021, 38 percent were female. The share of women in senior positions increased by more than two percent to 27 percent at the end of 2021. Of the branch's four board members, three, or 75 percent, are women.

To ensure that employees with different cultural and linguistic backgrounds succeed in an international working environment, the branch offers language support classes in



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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 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 2021.

The branch strives to attract, develop, and retain employees to enhance its business success. The commitment to build a diverse, equitable and inclusive environment is foundational to the company's values and help us foster a culture where everyone can be their best.

To help strengthening that culture the branch focus on constantly learning and assessing our behaviors and biases, allowing for a natural evolution of diversity, equity and inclusion (DEI). In 2021 the company added the "E" – emphasizing the importance of "equity" in bringing "diversity" and "inclusion" together. We believe this will help create more balanced outcomes and we continue a three-year plan building on the three DEI pillars of Leadership, Accountability, Employee Awareness and Process/Programs.

2021 activities and measures include:

- Training of leaders on psychological safety which includes how to build a trusting and open work environment.
- Communicating psychological safety awareness material for all employees.
- Awareness training for diversity, equity and inclusion available for all employees.
- Offering leadership training programs for all leaders.
- A local cross functional DEI team supporting annual DEI priorities.
- Continued focus on diversity, equity and inclusion in terms of gender, cultural background, and disability.
- Elevated importance of the "how" element in our Performance Management process.
- 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.
- Diversity computer-based training for hiring managers and interview panel members, to create awareness around common biases.

To enhance awareness and increase transparency on DEI data and trends, the branch regularly updates 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 survey in 2020 focused on diversity and inclusion in addition to other



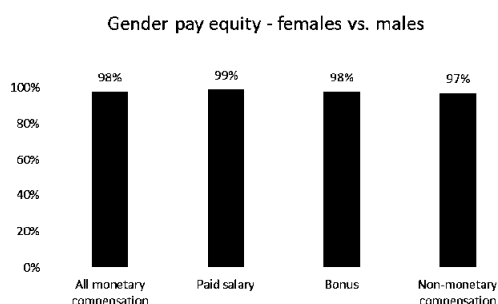
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working environment elements. A new survey has been carried out early 2022. The branch will review the results and create action plans to follow up the feedback.

Gender balance and pay equity

ConocoPhillips Norge, Norwegian branch, has assessed the gender balance and gender pay equity, as proposed by the Norwegian authorities.

The assessment is based on the employee and compensation data as of July 1, 2021.



All monetary compensation includes paid salary including base pay and allowances, bonus and variable pay. Non-monetary compensation includes compensation elements that are not paid out in cash but are nevertheless taxable income.

The gender pay equity assessment is based on analyses of comparable compensation structures and position job levels in the branch. Aggregated results are weighted average of the results of analysis in these comparison groups. Results of the gender pay equity assessment are displayed in percent as a relationship of average female earnings compared to the average male earnings.

Groups	1	2	3	4	5	6	7
Gender balance (female/male)	10/90	40/60	30/70	15/85	37/63	7/93	18/82
Gender pay equity							
All monetary compensation	98	98	98	103	91	124	94
Paid salary	96	100	99	102	94	120	96
Bonus	95	101	98	104	85	148	89
Non-monetary compensation	100	98	93	124	66	333	63

All numbers in the table show in percentages

Other gender balance information:

	Female employees	Male employees
Gender balance	418	1,396
Temporary employees	0	0
Average number of weeks parental leave	42	9
Part-time work:		
Voluntary	25	6
Unvoluntary	0	0

The results of the gender balance and gender pay equity assessment will be analyzed, improvement areas will be identified and followed up.

Ethics

ConocoPhillips Norge, Norwegian branch is committed to providing a workplace free of discrimination, where all employees are treated fairly and with respect, and with 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 has a contact person for ethics enquiries, available for all employees. We encourage reporting of censurable situations and allow employees to do so anonymously, if preferred.

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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.

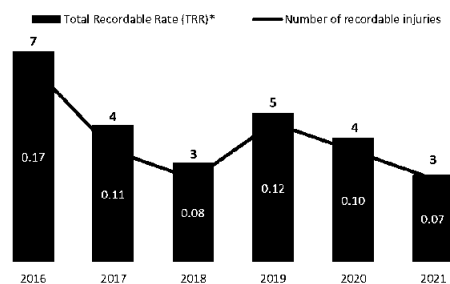
In 2021, ConocoPhillips has further developed the Energy Transition Strategy announced in 2020, including an updated climate-risk strategy and new Paris-aligned target framework with an ambition to be a Paris-aligned E&P company of choice by striving to reach net-zero emissions by 2050. ConocoPhillips in 2021 improved the greenhouse gas (GHG) intensity target to 40-50 percent by 2030 from a December 31, 2016, baseline. The previous target established in 2020 was 35-45 percent. 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 2021 highlights below.

HEALTH, SAFETY & ENVIRONMENT

General

2021 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 branch operates across the globe and its strong HSE performance reflects its relentless effort to deeply embed safety into its culture. The branch 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 branch 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 company's goal is to eliminate injuries, occupational illnesses, unsafe practices and incidents of environmental harm from its activities. This ambition drives managements and employees' focus on continuing to improve HSE performance and reducing major incident risk.

During 2021, the branch continued to improve, clarify and simplify its work processes and procedures. The systematic efforts related to operational integrity continue through improvement of procedures, training and communication. During the year there was focus on process safety, operating integrity and crane and lifting operations. Safety defenses were enhanced through risk-based assessments and a robust asset integrity process.



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Employees' and contractors' continuous focus over time on the company's Life Saving Rules has significantly contributed to the positive trend in HSE performance in later years. The Life Saving Rules define how the company 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.

Covid-19

When the pandemic hit, the emergency preparedness team handled the initial response, and quickly implemented communication channels and barriers to avoid infection to our operated assets and office locations. As the pandemic continued, a team with representatives across departments including a safety representative was assembled to manage the long-term response and ensure the workforces safety and business continuity. During the last half of 2021 the medical teams offshore managed all infections, with some assistance from the onshore medical team.

The team has actively worked together with company headquarters and other operators on the Norwegian continental shelf to align and coordinate responses to the pandemic. The team reported directly to the leadership team which allowed for rapid decisions in response to changes in infection numbers in society, and guidance from the Norwegian Government. Key focus areas have been to establish robust barriers to mitigate risk for infection to our work locations, ensure supply of critical equipment and personnel, and maintain strong communication channels to all employees, suppliers, and contractors.

Home office and deferral of non-critical activity for safety and production has been important to allow for social distancing. Hand- and cough hygiene, face masks, temperature screening and testing have also been important mitigating actions. The strong safety culture in the company has been apparent from the start of the pandemic, and important in avoiding infection to our work locations. The entire workforce has frequently adapted to changes and shown strength and integrity throughout the year.

Emergency preparedness and crises management has also been managed in a good manner onshore and offshore despite the covid situation by planning and execution of adapted mustering exercises offshore and adapted training of personnel.

Employee Health

Sick leave was 3.8 percent in 2021. Since 2017, when a long-term goal of a sick leave below four percent was achieved (3.8 percent), the percent has stayed on that level. 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. Corona has not had a decisive effect on the total sickness absence for 2021 compared to 2020.



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ENVIRONMENT

The branch does not have any operations that impact the environment.

RESEARCH & DEVELOPMENT

The branch did not have any expenses related to research and development during 2021.

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.

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.

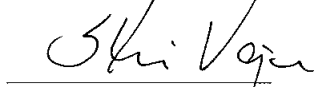
ALLOCATION OF NET INCOME

The Board proposes that the net income of NOK 4,381 million be transferred to retained earnings.

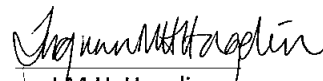
Tananger, December 31, 2021
April 7, 2022


E.A. Oftedal

Chairman of the Board


S. Våge

Managing Director


I.M.H. Hagelin


E.E. Ivarjord



ConocoPhillips Norge - Norwegian Branch INCOME STATEMENT

<i>Amounts in NOK million</i>	Note	2021	2020
Operating Revenues			
Operating revenues	1, 6	5,277	4,290
Total Operating Revenues		5,277	4,290
Operating Expenses			
Salaries and benefits	2, 3	3,873	3,328
Other operating expenses	2, 6	957	595
Depreciation	5	31	70
Total Operating Expenses		4,861	3,993
Income from Operations		416	297
Financial Income and Expenses			
Income from investments		4,000	-
Interest income		-	3
Currency gain		13	18
Net Financial Items		4,013	21
Income before Taxes		4,429	318
Income taxes	7	48	72
Net Income		4,381	246



ConocoPhillips Norge - Norwegian Branch

BALANCE SHEET

December 31

<i>Amounts in NOK million</i>	Note	2021	2020
ASSETS			
<u>Fixed Assets</u>			
Intangible Assets			
Deferred tax assets	7	-	16
Total Intangible Assets		-	16
Tangible Assets			
Machinery, equipment and computers	5	39	98
Total Tangible Assets		39	98
Financial Assets			
Investments in wholly owned subsidiaries	4	3,897	3,897
Other long-term receivables	2, 3	2,873	2,387
Total Financial Assets		6,770	6,284
Total Fixed Assets		6,809	6,398
<u>Current Assets</u>			
Receivables			
Receivables from related companies	6	375	345
Trade accounts receivables		13	7
Other short-term receivables		42	45
Total Receivables		430	397
Cash and Cash Equivalents	9	2,215	1,714
Total Current Assets		2,645	2,111
Total Assets		9,454	8,509



ConocoPhillips Norge - Norwegian Branch

BALANCE SHEET

December 31

<i>Amounts in NOK million</i>	Note	2021	2020
EQUITY AND LIABILITIES			
Equity			
Paid-in Equity			
Common stock		101	101
Total Paid-in Equity		101	101
Retained Earnings			
Retained earnings		5,227	4,846
Total Retained Earnings		5,227	4,846
Total Equity	8	5,328	4,947
Liabilities			
Long-term Provisions			
Deferred income tax	7	52	-
Other provisions	3	2,774	2,605
Total Long-term Provisions		2,826	2,605
Current Liabilities			
Accounts payable		22	56
Amounts due to related companies	6	48	8
Accrued income taxes	7	8	68
Taxes other than income taxes		351	281
Other current liabilities	3	871	544
Total Current Liabilities		1,300	957
Total Liabilities		4,126	3,562
Total Equity and Liabilities		9,454	8,509



ConocoPhillips Norge - Norwegian Branch

CASH FLOW

<i>Amounts in NOK million</i>	Note	2021	2020
Cash Flows from Operating Activities			
Net income before tax		4,429	318
Taxes paid		-40	-4
Depreciation	5	31	70
Difference between pension cost and net pension paid		-498	-28
Change in current assets		-33	84
Change in other provisions		176	-26
Change in current liabilities		403	3
Other		32	-1
Net Cash Flow Provided by Operating Activities		4,500	416
Cash Flows from Investing Activities			
Capital expenditures and investments	5	-4	-37
Net loan repayments from employees	2	5	3
Net Cash Flow Used in Investing Activities		1	-34
Cash Flows from Financing Activities			
Dividend paid	8	-4,000	-
Net Cash Flow from Financing Activities		-4,000	-
Net Change in Cash and Cash Equivalents		501	382
Cash and cash equivalents at the beginning of the year		1,714	1,332
Cash and Cash Equivalents at the End of the Year		2,215	1,714



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 Statements

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 8.81, compared to USD/NOK 8.52 as of December 31, 2020.

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

	2021	2020
Salary cost	2,454	2,426
Social security tax	439	419
Pension cost	188	296
Severance	579	-
Other benefits	213	187
Total Salary and Benefit Costs	3,873	3,328
Average full-time equivalents	1,774	1,796

Salary and benefit costs presented in the table above include Norwegian employees seconded abroad and represents average full-time equivalents of 1,774 in 2021.

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. The current Managing Director serves as ConocoPhillips' President Europe, Middle East and North Africa, and the branch charges out costs accordingly. In 2021 the Managing Director received base salary of NOK 4.7 million and other remunerations of NOK 3.3 million. Neither the Managing Director, 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 2021, the branch had extended loans to employees with a total value of NOK 39 million, compared to NOK 44 million in 2020. In the period January to June 2021, the rate of interest varied from 0 to 0.55 percent, and from July to December 2021 the rate of interest varied from 0 to 0.41 percent. The loans are repaid over a period from five to eight years.

Total audit fees expensed during 2021 totaled NOK 58,802.



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 32 percent of employees were covered by the defined contribution plan as of December 31, 2021.

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	2021	2020
Service cost	328	341
Interest cost	242	265
Expected return on pension assets	-433	-461
Amortized net actuarial gain (-) / loss (+)	-38	70
Net Pension Cost on Defined Benefit Pension Plans	100	215
Premium on defined contribution plan	46	42
Cost on defined contribution plan for unfunded plans	15	11
Annual premium AFP	26	27
Net Pension Cost Exclusive Social Security Tax	188	296
Amortized social security tax	59	61
Net Pension Cost Included Social Security Tax	247	356



ConocoPhillips Norge – Norwegian Branch
NOTES FOR THE ANNUAL ACCOUNTS

Pension Obligations	2021	2020
Accrued pension obligations as of January 1	10,230	10,331
Service cost	328	341
Interest cost on accrued pension obligations	242	265
Actuarial gains	-427	-450
Paid benefits	-369	-257
Accrued Pension Obligations as of December 31	10,004	10,230
Pension Assets		
Market value of pension assets as of January 1	10,501	9,503
Actual return on pension assets	901	997
Premium payments	420	200
Pension benefits	-240	-199
Market Value of Pension Assets as of December 31	11,581	10,501
Pension Plan as of December 31		
Net pension asset	1,577	271
Unrecognized effects of actuarial gains	-1,234	-376
Accrued social security tax	-6	-37
Net Accrued Pension Assets / Obligations as of December 31	338	-142
Pension Plans Reconciliation		
Net plan assets on funded plan	2,834	2,343
Net pension benefit obligations on unfunded plan	-2,496	-2,485
Net Accrued Pension Assets / Obligations as of December 31	338	-142
Actuarial Assumptions		
Discount rate	2.7%	2.4%
Expected return on pension assets	4.1%	4.1%
Expected rate of salary increases	2.8%	2.5%
Expected G-regulations	2.5%	2.2%
Expected regulations of pensions	1.6%	1.6%
Members of the Pension Plans		
Number of active members	1,198	1,294
Number of retirees and early retirees	1,641	1,634
Composition of Pension Assets as of December 31		
Bonds and shares in bond funds	48.0%	48.0 %
Shares in mutual funds	38.5 %	37.0 %
Shares in property funds	13.0 %	13.0 %
Money market investments	0.5 %	2.0 %
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, 2021:

Companies	Registered Office	Ownership and Voting	Equity	2021 Profit	Book Value December 31
ConocoPhillips Skandinavia AS	Tananger	100 %	12,115	4,566	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 and Computers
Acquisition cost of January 1	358
Additions	4
Retirements, transfers and sales	-38
Acquisition cost as of December 31	324
Accum. Depreciation as of January 1	-260
Depreciation	-31
Retirements and transfers	6
Accum. Depreciation as of December 31	-285
Book Value as of December 31	39

Assets are subject to linear depreciation over the expected economic lifetime of the asset, which ranges from four to 10 years for machinery and equipment and four years for computers.

Note 6 – Intercompany Balances with Related Companies

The table lists the main transactions with related companies in 2021, including payable and receivable balances as of December 31, 2021:

	Purchases	Sales	Payables	Receivables
ConocoPhillips Company	560	60	40	-
ConocoPhillips Skandinavia AS	-	5,065	-	360
ConocoPhillips Expatriate Service Co	92	-	7	-
Other intercompany	13	89	1	15
Total	665	5,214	48	375



ConocoPhillips Norge – Norwegian Branch NOTES FOR THE ANNUAL ACCOUNTS

ConocoPhillips Company provides technical, IT 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.

Note 7 – Income Taxes

	2021	2020
Income before taxes	4,429	318
Income taxes	974	70
Permanent differences	-880	-
Adjustment of tax from prior period	-46	2
Total Income Taxes	48	72
Income taxes	22	36
Adjustment of tax from prior period	-42	-4
Total Taxes Payable	-20	32
Change in deferred tax	68	40
Total Income Taxes	48	72
Tax Payable as of December 31		
Current year tax payable	22	36
Adjustment of tax from prior period	-14	32
Tax Payable in the Balance Sheet	8	68
Basis for Deferred Tax as of December 31		
Temporary differences related to:		
- fixed assets	-12	7
- pension and restructuring	250	-78
Basis Deferred Tax	238	-71
Deferred Tax (+) /Deferred Tax Asset (-) in the Balance Sheet	52	-16

The corporate tax rate was 22 percent.



ConocoPhillips Norge – Norwegian Branch
NOTES FOR THE ANNUAL ACCOUNTS

Note 8 – Equity

	Share Capital	Retained Earnings	Total Equity
Equity as of January 1	101	4,846	4,947
Net income		4,381	4,381
Transfer to home office		-4,000	-4,000
Equity as of December 31	101	5,227	5,328

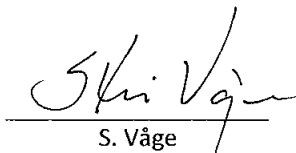
Note 9 – Bank Deposits

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.

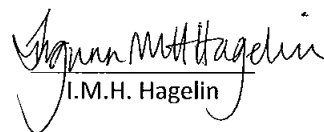
Tananger, December 31, 2021
April 7, 2022


E.A. Oftedal

Chairman of the Board


S. Våge

Managing Director


I.M.H. Hagelin


E.E. Ivarjord



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