



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 918 110 127
Organisasjonsform: Aksjeselskap
Foretaksnavn: CONOCOPHILLIPS SKANDINAVIA AS
Forretningsadresse: Ekofiskvegen 35
4056 TANANGER

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

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: Marianne Harveland Hebnes
Dato for fastsettelse av årsregnskapet: 24.04.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 22.06.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1,2	40 463 000 000	71 279 000 000
Sum inntekter		40 463 000 000	71 279 000 000
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler	6	5 413 000 000	6 403 000 000
Purchase of crude oil and natural gas		4 006 000 000	7 316 000 000
Overlift of crude oil, gas and NGL		233 000 000	42 000 000
Production and administration expenses	2,3,4,5	4 596 000 000	4 301 000 000
Processing and transportation expenses		1 188 000 000	1 223 000 000
Emission taxes		365 000 000	341 000 000
Decommissioning and removal costs	7	1 157 000 000	1 083 000 000
Exploration expenses		770 000 000	1 167 000 000
Sum kostnader		17 728 000 000	21 876 000 000
Driftsresultat		22 735 000 000	49 403 000 000
Finansinntekter og finanskostnader			
Inntekt på andre investeringer		-3 000 000	24 000 000
Annen renteinntekt		362 000 000	228 000 000
Currency gain		440 000 000	1 388 000 000
Sum finansinntekter		799 000 000	1 640 000 000
Annen rentekostnad		92 000 000	35 000 000
Sum finanskostnader		92 000 000	35 000 000
Netto finans		707 000 000	1 605 000 000
Ordinært resultat før skattekostnad		23 442 000 000	51 008 000 000
Skattekostnad på ordinært resultat	8	17 548 000 000	39 377 000 000
Ordinært resultat etter skattekostnad		5 894 000 000	11 631 000 000
Årsresultat		5 894 000 000	11 631 000 000
Overføringer og disponeringer			



Resultatregnskap

Beløp i: NOK	Note	2023	2022
Ordinært utbytte	12	3 500 000 000	0
Tilleggsutbytte	12	7 500 000 000	6 000 000 000
Ekstraordinært utbytte			10 000 000 000
Overføringer til/fra annen egenkapital		-5 106 000 000	-4 369 000 000
Sum overføringer og disponeringer		5 894 000 000	11 631 000 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Maskiner og anlegg		74 000 000	62 000 000
Skip, rigger, fly og lignende		46 380 000 000	44 516 000 000
Sum varige driftsmidler	6	46 454 000 000	44 578 000 000
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	9	153 000 000	176 000 000
Andre fordringer		469 000 000	157 000 000
Sum finansielle anleggsmidler		622 000 000	333 000 000
Sum anleggsmidler		47 076 000 000	44 911 000 000
Omløpsmidler			
Varer			
Varer		255 000 000	294 000 000
Sum varer		255 000 000	294 000 000
Fordringer			
Kundefordringer		665 000 000	1 205 000 000
Andre fordringer		1 014 000 000	1 002 000 000
Receivables from partners		65 000 000	222 000 000
Konsernfordringer	2	3 049 000 000	4 275 000 000
Sum fordringer		4 793 000 000	6 704 000 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	10	4 140 000 000	15 832 000 000
Sum bankinnskudd, kontanter og lignende		4 140 000 000	15 832 000 000
Sum omløpsmidler		9 188 000 000	22 830 000 000
SUM EIENDELER		56 264 000 000	67 741 000 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	11	101 000 000	101 000 000
Sum innskutt egenkapital		101 000 000	101 000 000
Opptjent egenkapital			
Retained Earnings		2 539 000 000	7 645 000 000
Sum opptjent egenkapital		2 539 000 000	7 645 000 000
Sum egenkapital	12	2 640 000 000	7 746 000 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	8	23 063 000 000	21 393 000 000
Andre avsetninger for forpliktelser	4	23 000 000	24 000 000
Provisions for decommissioning and removal costs	7	15 221 000 000	14 128 000 000
Sum avsetninger for forpliktelser		38 307 000 000	35 545 000 000
Annen langsiktig gjeld			
Øvrig langsiktig gjeld		6 000 000	21 000 000
Sum annen langsiktig gjeld		6 000 000	21 000 000
Sum langsiktig gjeld		38 313 000 000	35 566 000 000
Kortsiktig gjeld			
Leverandørgjeld		1 463 000 000	1 487 000 000
Betalbar skatt	8	9 207 000 000	22 103 000 000
Skyldige offentlige avgifter		107 000 000	111 000 000
Utbytte	12	3 500 000 000	0
Kortsiktig konserngjeld	2	494 000 000	456 000 000
Annen kortsiktig gjeld		444 000 000	272 000 000
Amount due to partners		96 000 000	0
Sum kortsiktig gjeld		15 311 000 000	24 429 000 000
Sum gjeld		53 624 000 000	59 995 000 000



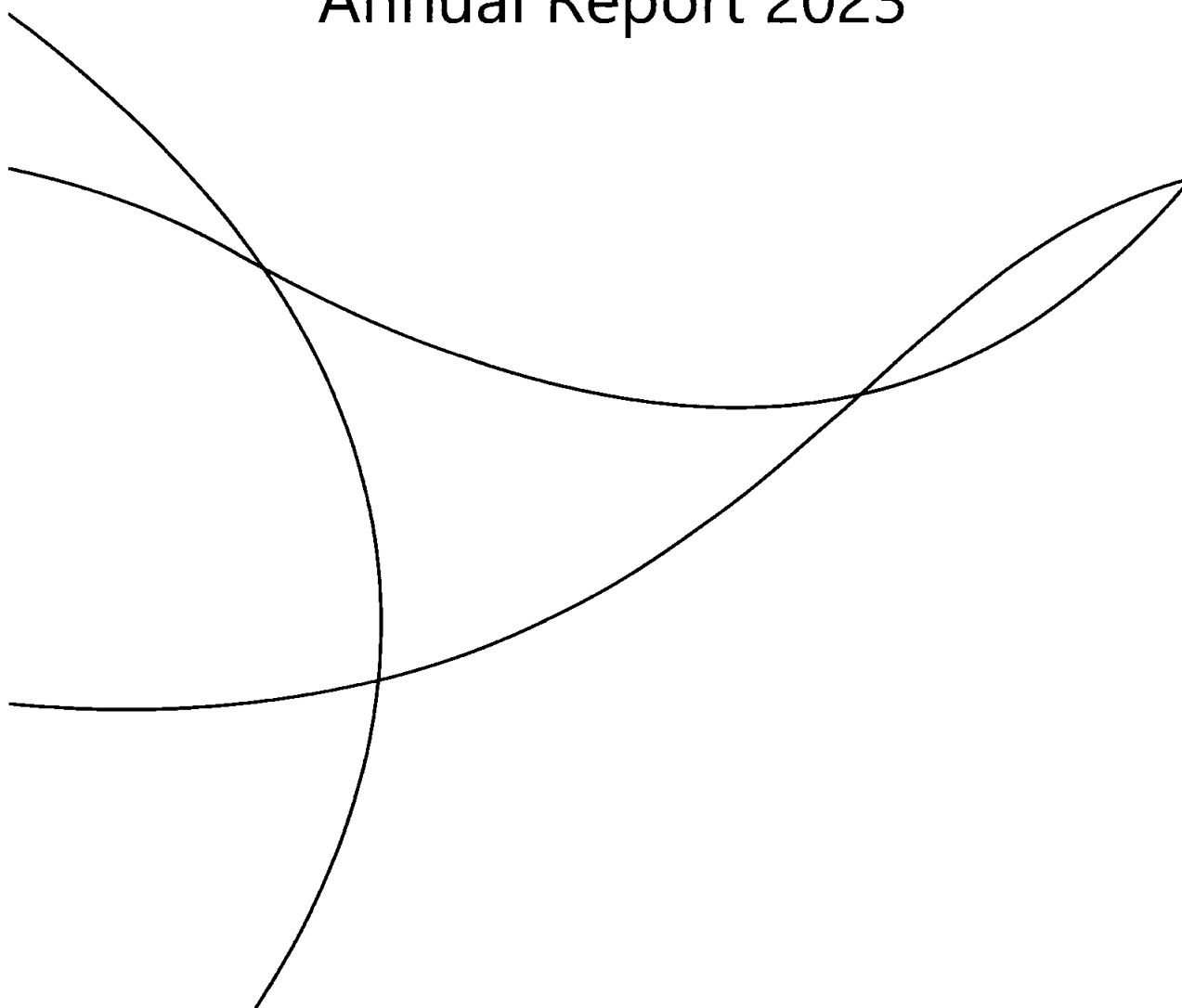
Balanse

Beløp i: NOK	Note	2023	2022
SUM EGENKAPITAL OG GJELD		56 264 000 000	67 741 000 000



ConocoPhillips Skandinavia AS

Annual Report 2023





ConocoPhillips Skandinavia AS BOARD OF DIRECTORS REPORT 2023

INTRODUCTION

ConocoPhillips Skandinavia AS explores for, produces, transports and sells oil and gas from the Norwegian Continental Shelf (NCS).

ConocoPhillips Skandinavia AS (“the company” and/or “we”) was established in Norway in 1964 and participated in the first licensing round on the NCS in 1965, in which the company was awarded three production licenses. After several years of exploration activities, a discovery was made in 1969. This resulted in the development of the Ekofisk field, the first commercial oil field offshore Norway. Today, the company is both an operator and/or partner in 13 producing fields on the NCS, from which it derives the majority of its revenues.

ConocoPhillips Skandinavia AS is a wholly owned subsidiary of ConocoPhillips Norge. The operations of the company are conducted by employees from the Norwegian branch of ConocoPhillips Norge. The headquarters of ConocoPhillips Skandinavia AS are located in Tananger, in the Stavanger Region.

ConocoPhillips (“COP” or “the group”) is an international, independent exploration and production (E&P) company. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 13 countries, USD 96 billion of total assets, and approximately 9,900 employees at December 31, 2023.

In 2023, our operated and partner-operated activities in Norway were carried out as planned. In response to recent global geopolitical volatility, we have elevated our security levels including cyber security preparedness for the company’s onshore and offshore assets on the NCS. The new geopolitics have resulted in raised uncertainties related to inflation, global supply chain constraints, and the potential

future impact this may have on energy prices. At ConocoPhillips Norway, our primary focus is placed on safe operations and reliable supplies of oil and gas to the market.

The following section will present the company’s key financial results and drivers for 2023, including comparisons to prior year.

FINANCIAL RESULTS

Production

Total net production was 41.9 million barrels of oil equivalents in 2023. This corresponds to an average of 115 thousand barrels of oil equivalents per day. In comparison, 2022 average production was 125 thousand barrels of oil equivalents per day.

Net crude production was 23.5 million barrels in 2023, compared to 25.8 million barrels in 2022. Net natural gas production was 2.9 billion standard cubic meters in 2023, down 0.3 billion standard cubic meters from 2022. Net natural gas liquids (NGL) production was 1.4 million barrels in 2023, compared to 1.3 million barrels in 2022.

Net Income

Net income for 2023 amounted to NOK 5,894 million, a decrease of NOK 5,737 million from 2022.

Operating Revenues

Total operating revenues in 2023 were NOK 40,463 million, a decrease of 43% compared to NOK 71,279 million in 2022. The decrease was largely due to lower realized commodity prices.

The majority of the company’s revenues are generated from the sale of oil and gas, with 52% and 44% respectively to oil and gas. The average realized crude oil price was USD 83.87 per barrel during 2023, compared to an average realized price of USD 102.37 per barrel in 2022. The average realized natural



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gas price in 2023 was NOK 5.08 per standard cubic meter compared to NOK 11.94 in 2022. The average realized gas prices include gas purchased for external sales.

Revenues derived from the sale of oil are primarily received in US dollars (USD). The Norwegian Kroner (NOK) weakened against the USD during the year and the average USD/NOK exchange rate in 2023 was 10.49, compared to USD/NOK 9.53 in 2022. Revenues derived from the sale of gas are mainly comprised of Euros (EUR) and British Pounds (GBP). The average EUR/NOK exchange rate in 2023 was 11.24 vs. 10.06 in 2022. We saw a similar movement in the GBP, which had an average GBP/NOK exchange rate in 2023 of 12.85 vs. 11.78 in 2022.

Operating Expenses

Total operating expenses were NOK 17,728 million in 2023, compared to NOK 21,876 million in 2022. The 19% decrease was largely the result of lower prices on purchases of gas from third parties and lower depreciation in 2023 compared to 2022.

Balance Sheet

Total assets decreased to NOK 56,264 million in 2023, from NOK 67,741 million in 2022. The decrease was largely due to lower cash and cash equivalents and lower receivables from related parties and trade. The lower cash and receivables were partly offset by an increase in tangible fixed assets.

Total liabilities at the end of 2023 were NOK 53,624 million, a decrease of NOK 6,371 million compared to 2022. The decrease was driven primarily by lower accrued taxes payable.

Total equity decreased by NOK 5,106 million, reflecting 2023 net income of NOK 5,894 offset by NOK 7,500 million dividend

distribution in 2023 and NOK 3,500 million proposed dividend distribution based on 2023 annual accounts.

Cash Flow

Cash and cash equivalents at the end of 2023 were NOK 4,140 million, compared to NOK 15,832 million in 2022. Net cash from operations decreased by 89% to NOK 3,485 million. The decrease was driven primarily by lower realized commodity prices during 2023.

Net cash outflow from financing activities amounted to NOK 7,500 million, compared to 16,000 in 2022. Both amounts reflect total dividend payments made in each of the years.

Based on the historical performance of the company and the 2023 results, the Board of Directors believe that the company's financial position is solid, with good liquidity and sufficient equity.

The following section provides an overview of the company, describes the operated and non-operated production fields, and provides an overview of key 2023 activities.

COMPANY OUTLOOK

Overview

The company manages a diverse portfolio of oil and gas assets on the NCS. The company is seeking growth opportunities and taking part in concession rounds and in the secondary market for license shares.

The financial results of oil and gas production and sales are subject to fluctuations in natural gas and crude oil prices, foreign exchange rates, and other external factors beyond the company's direct control.

In 2023, production from our operated and partner-operated fields has been on target, supporting the energy demand in Europe.



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Many activities have been carried out and milestones achieved to ensure the company's competitiveness for the long-term and the security of energy supply.

An innovation program for the Greater Ekofisk Area (GEA) is ongoing to maximize resources, minimize emissions of greenhouse gases (GHG) and enhance cost-effectiveness. The program includes several specific projects within maintenance and modification optimization, piloting new technologies and low-carbon initiatives. The activities have the potential to improve cost-effectiveness within our operations, maintenance and drilling activities, while we continue to reduce the health, safety and environment (HSE) risk in our operations.

With the company's legacy position in Norway, a balanced portfolio of operated and partner-operated long-lifetime producing assets, recent years' exploration discoveries and license awards, together with a highly qualified and experienced organization, the Board of Directors of ConocoPhillips Skandinavia AS ("the Board") firmly believes that the company is well positioned to continue its strong presence on the NCS.

Production Licenses

During 2023, the company held interests in the following producing fields:

FIELD	INTEREST	OPERATOR
Ekofisk	35.11%	COPSAS*
Eldfisk	35.11%	COPSAS*
Embla	35.11%	COPSAS*
Tor	30.66%	COPSAS*
Tommeliten A	28.14%	COPSAS*
Heidrun	23.99%	Equinor Energy AS
Alvheim	20.00%	Aker BP ASA
Aasta Hansteen	10.00%	Equinor Energy AS
Visund	9.10%	Equinor Energy AS
Grane	6.17%	Equinor Energy AS
Breidablikk	4.40%	Equinor Energy AS
Oseberg	2.40%	Equinor Energy AS
Troll	1.62%	Equinor Energy AS

* ConocoPhillips Skandinavia AS

The company is the operator for the assets located in the GEA, which currently comprises five producing fields: Ekofisk, Eldfisk, Embla, Tommeliten A and Tor. The fields are located in the North Sea, approximately 300 kilometers southwest of Stavanger. Production in the GEA takes place with several production platforms, subsea facilities, and water injection into the reservoir, which has resulted in increased oil recovery.

The company is a licensee in eight partner-operated producing fields on the NCS, as outlined in the table above. The company's largest ownership interest as partner is the Heidrun field, located in the Norwegian Sea, where Equinor is the operator. Crude oil from Heidrun is stored on a permanent floating storage unit (Heidrun B) where it is offloaded onto shuttle tankers. Some natural gas is injected into the reservoir from time to time to optimize oil production. The remaining natural gas is sold to the European market and/or used as feedstock for the methanol plant at Tjeldbergodden in Norway, where the company has an ownership interest of 18%.

Aker BP is the operator of Alvheim, an oil and gas field located in the northern part of the



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North Sea. Alvheim is developed with a Floating Production Storage and Offloading vessel and subsea wells. Crude oil is exported by using tankers, and natural gas is transported via pipeline to the Scottish Area Gas Evacuation (SAGE) terminal at St. Fergus in the UK.

Crude oil from other partner-operated fields is exported via field-specific infrastructure while gas is transported to the market via the Gassled transport system.

Greater Ekofisk Area & Operated Activities

Greater Ekofisk Area production has been stable throughout 2023, and several milestones that are vital for continued GEA longevity have been achieved through the year.

The 20-year license extensions that was granted for GEA in 2022 have been essential in enabling new capital investments. Tommeliten A, a new gas and condensate field, started production in October 2023, enabling deliveries of natural gas to Europe almost half a year ahead of plan. This milestone was a significant achievement with valuable contributions from our contractors. Significant resources remain to be produced in the Greater Ekofisk Area, and we continue our front-end activities for potential redevelopment of the previously produced fields Albuskjelli, West Ekofisk and Tommeliten Gamma.

Both Tommeliten A and Eldfisk North projects are important contributions to extend and increase production of oil and gas to continue value creation for the long-term. In addition, the development projects provide jobs and ripple effects throughout the development and operations phases.

Gross resource potential for the Tommeliten A field is estimated in the range of 120-180

million barrels oil equivalent, mainly comprising gas and condensate. The new subsea facilities are located about 25 kilometers southwest of the Ekofisk Complex, and the total capital investment is approximately NOK 13 billion. Contracts awarded have created approximately 5,000 jobs.

First oil and gas for Eldfisk North is planned to be produced in the first half of 2024, and the project has progressed safely and efficiently. The plans for development and operation (PDO) of the Eldfisk North project was submitted to the authorities in spring 2022 and approved in December the same year. The development concept is a three-by-six well slot subsea production system. The new facilities will be located 7 kilometers from the Eldfisk Complex and gross resource potential for Eldfisk North is estimated to be in the range of 50-90 million barrels of oil equivalent. Total capital investments associated with the project are estimated at around NOK 13 billion, and contract awards will create about 4,000-4,500 jobs.

The company has accelerated its efforts to reduce the emissions of greenhouse gases (GHG) in the GEA. We have an ambition to cut scope 1 & 2 GHG emissions from our operated fields by more than 50% by 2030, relative to a 2005 baseline, and reach net-zero by 2050 on a net-equity and gross-operated basis. Our focus to achieve energy efficiency improvements will continue, while also intensifying our work to achieve material emissions reductions. The planned Sørilige Nordsjø II (SN2) offshore wind farm may represent an opportunity for the company. As such, the company is studying how a potential connection to a future offshore wind farm could facilitate electrification of the GEA facilities, thereby enabling further emissions reductions. Reference to operated



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GHG initiatives in the health, safety and environment chapter.

Through the innovation program FRAMTID, teams and individuals are working cross-functionally to improve our operations. One of many initiatives that are ongoing is to carry out a pilot with the use of coiled tubing drilling technology in a production well for the first time on the NCS. The main objective is to achieve more efficient drilling and cost-effective wells operations for the long-term. An initial pilot was successfully carried out in a water injection well in 2023, and the technology will now be piloted in a production well at the Ekofisk field in 2025.

In 2023, planning and engineering activities continued to prepare for removal and decommissioning of the Tor 2/4 E facilities, planned to take place in 2024.

Partner-operated Assets

Important milestones were achieved in the ConocoPhillips' partner-operated portfolio during the year. Production from our partner-operated fields has contributed to more than half of the company's total net production on the NCS in 2023. Several development projects have been successfully completed, including Alvheim Kobra East & Gekko (KEG) and Breidablikk.

Alvheim KEG and Breidablikk are both subsea development projects, and both achieved first production in October 2023, well ahead of their originally scheduled start-up dates in 2024. The Alvheim KEG project will contribute to extending the field's lifetime beyond the mid-2030's. The Breidablikk development will bring oil and gas volumes into production via the nearby Grane field infrastructure.

Reducing GHG emissions is also a key focus area in our partner-operated portfolio. With

ownership interest in several fields operated by others, we are contributing to lowering the emissions of GHG through projects such as Troll West and Oseberg Electrification, both of which are currently under construction after being sanctioned by partners and the authorities. The Oseberg Gas Project includes new electrically driven compression with power from shore. The objective is to increase gas capacity and production, while also reducing emissions from the fields in the Oseberg Area. Expected start-up is in 2027.

The Visund, Grane and Heidrun licenses are in various stages of evaluating and maturing green power concepts with the aim of reducing GHG emissions.

Reserves

The company's proved reserves according to U.S. Securities and Exchange Commission regulation at year-end 2023 were 154 million barrels of crude oil, 23 billion standard cubic meters of gas and 13 million barrels of natural gas liquids, a total of 304 million barrels of oil equivalent. During 2023, proven reserves were reduced by 27 million barrels of oil equivalent, or 8%. The 2023 production of 43 million barrels of oil equivalents (including produced petroleum consumed in operations) was partially offset by positive reserves additions of 16 million barrels of oil equivalents through booking of new projects, additional planned developments, and positive field performance.

Exploration Activities

In 2023, we participated in the partner operated Ve exploration well on PL919. We were also awarded two new exploration licenses, PL1146B and PL036G, and traded into two licenses, PL886 and PL886B.



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License	Interest	Area	Type
PL1146B*	75%	North Sea	License award
PL036G	20%	North Sea	License award
PL886	20%	Norwegian Sea	Trade
PL886B	20%	Norwegian Sea	Trade

* ConocoPhillips Skandinavia AS as operator

In 2024, we plan to drill the second appraisal well on the 2020 Slagugle discovery and a partner-operated exploration well on the Alvhheim Deep prospect.

ETHICS AND INTEGRITY

ConocoPhillips' values are Safety, People, Integrity, Responsibility, Innovation and Teamwork, summarized as the SPIRIT Values. The SPIRIT Values define the company's expectations from its employees, including commitment to integrity. ConocoPhillips' Code of Business Ethics and Conduct (Ethics Code) forms the foundation of the company's compliance and ethics program and provides guidance for the behaviors expected of employees, including combating bribery and corruption. Each year employees complete an Ethics Code Certification, including questions on bribery and corruption.

The company commits to respecting the human rights of all people and will conduct business consistent with the human rights philosophy expressed in the Universal Declaration of Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work.

WORK ENVIRONMENT & EQUAL OPPORTUNITY *Employees*

The company has no employees. The company's operations run primarily through the provision of services by employees of the Norwegian branch of ConocoPhillips Norge. Of the company's four board members, two or 50%, are women.

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.

We will continue to publish an account of due diligence pursuant to the Transparency Act on our website www.conocophillips.no by June 30, 2024.

Sustainable Development

In 2023 ConocoPhillips entered our second decade as an independent exploration and production company with enhanced efforts to deliver lower greenhouse gas intensity energy to the world while pursuing leadership in sustainability performance across a diverse portfolio. Energy supply and security were key themes globally, and rising energy demand and market volatility reinforced the importance of reliable and affordable energy. Throughout, our sustainable development performance remains a foundational element of our long-term value proposition.

The energy transition will be complex and evolve over decades. Natural gas and oil are projected to remain essential parts of the energy supply mix across a broad range of transition scenarios. An orderly transition is the best way to manage climate-related risk, without energy shortages, undue price increases or economic shock.

Since the publication of our last Sustainability Report (2022), ConocoPhillips has continued to be guided by our Triple Mandate to reliably and responsibly deliver oil and gas



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production to meet energy transition demand while delivering competitive returns, all while achieving our net-zero operational GHG emissions ambition. We strengthened our commitment to our Paris-aligned climate risk framework with an updated target for reducing GHG operational emissions intensity and new methane reduction efforts. In 2023, we accelerated our GHG operational emissions intensity reduction target through 2030 from 40-50% to 50-60%, using a 2016 baseline.

Corporate sustainability reporting highlights water and biodiversity management efforts, with recognition of nature-related risks and impacts. Our business units continued to focus on minimizing fresh water use with research to develop and pilot technologies and processes to treat produced water for beneficial reuse.

The Greater Ekofisk Area achieved the GHG intensity target for 2023 at 14.8 kg CO₂ equivalents per BOE, down from 15.1 kg/BOE in 2022. The company has continued to identify new emissions reduction opportunities and carried out emission reductions in order to meet the Sustainable Development (SD) ambition to reduce GHG emissions by 50% within 2030 compared to 2005. Since 2005 (baseline year for the E&P industry in Norway) the CO₂ emissions are reduced by around 25%. During the year, new energy efficiency projects have been identified supporting the new GHG ambition.

In 2023, one new GHG reduction project was implemented, and we had full effect of the Rotating Equipment Opportunity (REOP) project from 2022:

- Ekofisk 2/4 J Auto Adjust Burner Mode - CO₂ reduction ~ 3,000 ton/year (new)
- Full effect of the REOP project reducing CO₂ emissions from the pipeline compressors by 56,000 tonnes for 2023.

Other SD initiatives in 2023:

- Following the endorsement of the United Nations (UN) Oil & Gas Methane Partnership 2.0 (OGMP 2.0) in 2022, the company prepared and submitted the Norway BU OGMP 2.0 Implementation Plan. The project aims at improving the accuracy and transparency of methane emissions. In conjunction with the UN Oil & Gas Methane Partnership 2.0 commitments and in response to achieving our near-term methane target four years early, COP has set a new medium-term target to achieve a near-zero methane emissions intensity by 2030. This near-zero target is defined as 1.5kg CO₂ equivalents per BOE or approximately 0.15% of natural gas produced.

Further:

- The company carried out environmental sediment monitoring around our installations in the Greater Ekofisk Area.
- ConocoPhillips and the company carry out annual review of SD risks within climate change, biodiversity, water and stake holder engagement and keep a register of these SD risks.

ConocoPhillips is committed to ESG excellence in all parts of our operations, including business with our suppliers. We are a Paris-aligned company, committed to achieving our net-zero ambition by 2050.

For further information on sustainable development, please refer to www.conocophillips.com/sustainability.

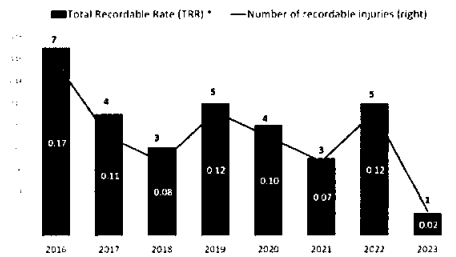
HEALTH, SAFETY & ENVIRONMENT

General

The company further improved the high level of health, safety and environment (HSE) performance established in recent years, with no serious incidents or injuries in 2023.



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* The figure shows personnel injury frequency per 200.000 working hours (employees and contractors).

Safety is a core value in how the company operates across the globe and its strong HSE performance reflects its relentless effort to deeply embed safety into its culture. The company 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 company 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 management's, employees' and contractors' focus on continuing to improve HSE performance and reducing major incident risk.

During 2023, the company continued the systematic efforts related to improvement and simplification of procedures, training and communication. Throughout the year, key focus was on process safety, operating integrity, dropped object prevention and crane and lifting operations. Safety defenses were enhanced through risk-based assessments and a robust asset integrity process.

Employees' and contractors' continuous focus over time on the company's Life Saving Rules and Process Safety Fundamentals 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.

Through active involvement in the Always Safe initiative together with a few other operators in Norway, the company has contributed systematically to further strengthen the industry's safety culture, increase correct safety behavior, and enhance predictability both for our employees and our contractors.

The company also has a comprehensive program to ensure suppliers meet contractual requirements, drive continuous improvement and safeguard HSE standards in their work. Regular supplier audits with emphasis on HSE, quality and operations are carried out before and after contracts are awarded. Internal audits are also conducted to verify that installations and departments operate according to internal and external requirements.

The company's partner-operated assets are monitored with focus on risks related to activities and projects, with special attention to major accident risk. The company actively contributes to sharing of best practices in the licenses.

Occupational Hygiene

Work environment mapping has been performed towards Special Maintenance



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(Mechanical & Automation) and Logistics. A multi discipline group has worked to reduce exposure potential for diesel exhaust by identifying sources that could be replaced or redesigned. A special focus has also been on the potential of reduced benzene exposure. Finally, a mapping of hand tool with hand-arm vibration has been performed.

Emergency Preparedness

The company continues to strengthen its capabilities in managing complex major incidents and cyber security threats.

Several exercises have been carried out with focus on cyber security in 2023. A large cyber security exercise was conducted in October involving all levels of our emergency preparedness, together with several specialist departments within COP.

In April 2023 the company arranged a Norpipe oil pipeline emergency response exercise face to face in Teesside. This was a co-operation between the response teams in Tananger, Teesside and ConocoPhillips' Global Incident Management Assist Team, and with participation from Oil Spill Response Limited and UK authorities. In December a level 2 exercise was carried out, involving nearly 200 people (PSA, Joint Rescue Coordination Centre, Police, Bristow, Offshore, Onshore and SAR).

ENVIRONMENT

The group has implemented high environmental standards with the goal that its actions today will not only provide the energy needed to drive economic growth and social well-being, but also strive to secure a stable and healthy environment for tomorrow.

In line with these values, the company continued its efforts in environmental research during 2023 to increase the

knowledge base and develop new tools for environmental management. One example is the company's further development of the SYMBIOSES model, a major industry initiative focusing on the Norwegian marine areas. The project combines existing environmental risk models with population models for plankton and fish to improve impact prediction following the unlikely event of an oil spill. The final project report was issued in 2023.

Phase II of the Glider Program was continued with successful harvesting of large volumes of meteorological, oceanographic, chemical, and biological data, and mapping of fish and marine mammals. The glider platforms have enabled data capture not possible with traditional research vessels and methods, resulting in unique and improved datasets generating groundbreaking knowledge of life at sea. Phase II is a three-year program to study the impact on ecosystems from produced water and seismic activity.

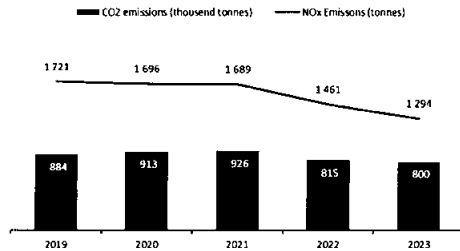
The company has also contributed to a significant international project studying sea-bird distribution and migration. This will increase the knowledge of sea-bird populations in the North Atlantic and contribute to the development of methods for environmental monitoring and prediction of environmental risk for these species.

The environmental footprint in numbers:

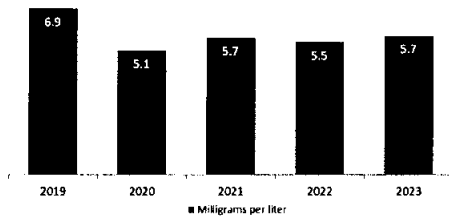
Emissions to air were slightly lower in 2023 compared to 2022. The total emission of CO₂ in 2023 was 0.8 million tonnes. The total emission of NO_x in 2023 was 1,294 tonnes.



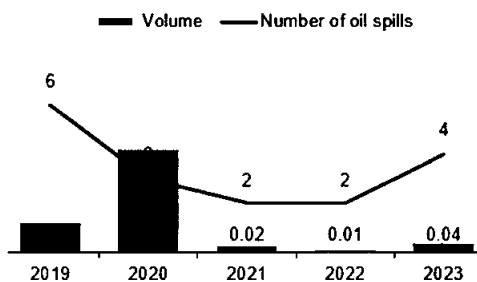
ConocoPhillips Skandinavia AS
BOARD OF DIRECTORS REPORT 2023



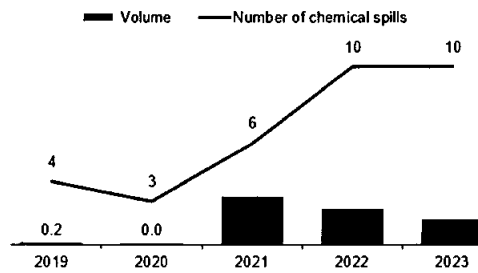
The maximum allowed oil-in-water content in produced water set by Norwegian authorities is 30 mg/l. The oil in water concentration in produced water for the entire Ekofisk Area was 5.7 mg/l and has been below 10 mg/l for the last 10 years.



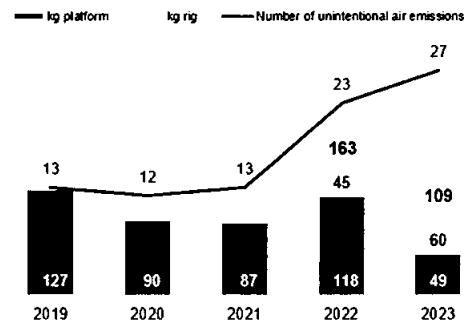
The graph below reflects the number and volume of unintentional oil spills. In 2023 there were four oil spills, which totaled 0.04 cubic meters.



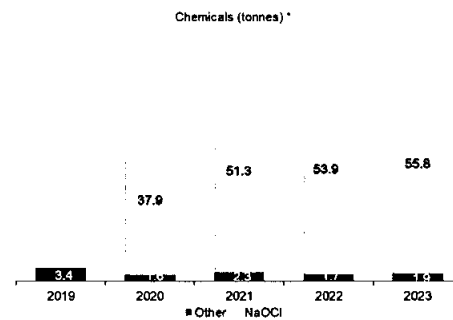
There were 10 chemical spills in 2023 totaling 1.8 cubic meters.



The number of unintentional air emissions in 2023 was 27, with a total of 109 kg gas released.



Discharges of environmentally hazardous chemicals to sea have been low over the last years.



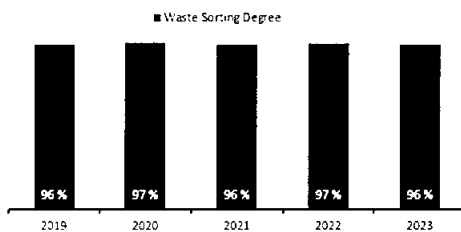
*Tonnes of discharge of environmentally harmful components



**ConocoPhillips Skandinavia AS
BOARD OF DIRECTORS REPORT 2023**

The large increase in 2020 and forward is due to new reporting requirements for Sodium Hypochlorite produced by the electro chlorination systems offshore.

Since 2005, the degree of waste sorting has stabilized at a high level, reaching 96% in 2023. The amount of recycled waste was 7,500 tonnes in 2023.



RESEARCH & DEVELOPMENT

Innovation is a core value at ConocoPhillips, and we are engaged in a continuous journey to foster a culture of innovation and harness ideas and expertise to help improve performance and enhance the value of our assets.

Research & Development (R&D) plays a significant role in this work as one of the drivers of innovation and technological development.

The R&D program generates new knowledge and experience to support our portfolio of oil and gas assets. The overall goal is to include results of the industrial research effort for improved exploration and operations performance, for growth opportunities and future requirements.

The company's 2023 R&D portfolio consisted of 50 projects. These projects help build strong relationships with our stakeholders and suppliers through trust and innovation.

The company spent NOK 21 million net on R&D activities during 2023.

The portfolio supports the company's strategies for sustainability. The projects are aligned with and help strengthen our operating assets and exploration efforts for improvements in subsurface characterization, asset integrity, and safe and responsible production, drilling and decommissioning activities.

Selected projects are explained in some detail in the following sections.

The aim of the ongoing Ekofisk Field Low Salinity EOR pilot project is to demonstrate and quantify increased oil recovery potential of injecting low salinity water under real field conditions. The Research Council of Norway has awarded SkatteFUNN tax deduction for this project.

The company continued funding of the LowEmission Research Center for low emission technology for petroleum activities on the NCS. The vision and overall goal are to drive technology development enabling emission reductions in support of the ambition established for the industry. Research areas include technology and concepts for offshore energy systems and integration with renewable power production technologies.

A collaboration project on full scale testing of a technology that can significantly increase the subsea oil transportation distance from the current world record of about 70 kilometers to more than 100-200 kilometers was initiated in 2023. If successful, the EMPIG cold-flow system will open up for longer tiebacks at a lower cost and lower emissions than with current technology and allow for a greater selection of host facilities for tiebacks.



ConocoPhillips Skandinavia AS BOARD OF DIRECTORS REPORT 2023

DigiWells is a center for research-based innovation funded by the Research Council of Norway and industrial partners to develop new knowledge, methodologies, technologies and innovative solutions to optimize well construction performance. The center is developing new knowledge that will help to drill and position wells in an optimal manner and has a goal of delivering four technologies yearly towards industry testing. The main objectives are value creation, safe operation, and minimum environmental footprint. The DigiWells consortium connects the operators, service companies, and academic partners to accelerate the digital transformation and enable a step change of the well delivery process.

COUNTRY-BY-COUNTRY REPORTING

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

FINANCIAL RISK

Market Risk

The company's financial performance is highly dependent upon oil and gas commodity prices, which can fluctuate considerably. In addition, changes in foreign currency exchange rates can have a significant impact on the company's financial performance, since the majority of its revenues are in USD and EUR, which are subject to exchange rate movements when converted back to the functional currency, NOK.

The company does not hedge its cash flow for foreign exchange risk.

Credit Risk

The company's credit risk is limited as the majority of its receivables are from financially solid affiliated companies. The remainder of the company's receivables are primarily related to sales to large corporations and are based on agreements.

Liquidity Risk

The company's liquidity is considered satisfactory. The company is expected to finance its future cash requirements primarily through revenues from ordinary operations, participation in the group's cash pool arrangement and intercompany loans from affiliated companies if necessary.

Other Risk Factors

There are several risks and uncertainties out of our control, including execution on the energy transition plans. We may be adversely affected and potentially need to reduce economic end-of-field life of certain assets and impair associated to net book value due to the emissions intensity of some of our assets.

GOING CONCERN

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

The financial position and the liquidity of the company are considered to be sufficient going forward.



**ConocoPhillips Skandinavia AS
BOARD OF DIRECTORS REPORT 2023**

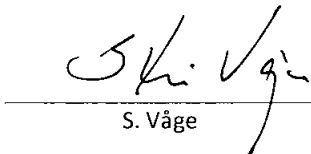
ALLOCATION OF NET INCOME

In 2023, the company generated a net income of NOK 5,894 million. The Board proposes a dividend of NOK 3,500 million to be distributed to COPNO, and the remaining amount of NOK 2,394 million to be transferred to retained earnings.

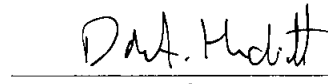
Tananger, December 31, 2023
April 24, 2024


E.A. Oftedal

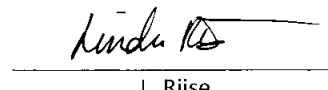
Chairman of the Board


S. Våge

*Managing Director /
Board Member*


D. Hendicott

Board Member


L. Riise

Board Member



ConocoPhillips Skandinavia AS

INCOME STATEMENT

<i>Amounts in NOK million</i>	Notes	2023	2022
Operating Revenues and Other Income			
Crude oil sales		20,965	25,243
Natural gas sales		17,967	44,754
NGL sales		723	621
Other income		808	661
Total Operating Revenues and Other Income	1, 2	40,463	71,279
Operating Expenses			
Purchase of crude oil and natural gas		4,006	7,316
Overlift of crude oil, gas and NGL		233	42
Production and administration expenses	2, 3, 4,5	4,596	4,301
Processing and transportation expenses		1,188	1,223
Emission taxes		365	341
Depreciation	6	5,413	6,403
Decommissioning and removal costs	7	1,157	1,083
Exploration expenses	6	770	1,167
Total Operating Expenses		17,728	21,876
Income from Operations		22,735	49,403
Financial Income and Expenses			
Income/loss from investments in associated companies		-3	24
Interest income		362	228
Interest expense		-92	-35
Currency gain		440	1,388
Net Financial Items		707	1,605
Income before Taxes		23,442	51,008
Income taxes	8	17,548	39,377
Net Income		5,894	11,631
Proposed dividend	12	3,500	



ConocoPhillips Skandinavia AS BALANCE SHEET

<i>Amounts in NOK million</i>	Notes	2023	2022
ASSETS			
<u>Non-Current Assets</u>			
Tangible Assets			
Production plant and equipment		42,615	40,056
Production plant under construction		3,101	3,490
Capitalized exploration costs and license transfers		664	970
Machinery, software, equipment and facilities		74	62
Total Tangible Assets	6	46,454	44,578
Financial Assets			
Investments in associated companies	9	153	176
Long-term receivables		469	157
Total Financial Assets		622	333
Total Non-Current Assets		47,076	44,911
<u>Current Assets</u>			
Inventories		255	294
Receivables			
Receivables from partners		65	222
Receivables from related companies	2	3,049	4,275
Trade receivables		665	1,205
Other short-term receivables		1,014	1,002
Total Receivables		4,793	6,704
Cash and Cash Equivalents	10	4,140	15,832
Total Current Assets		9,188	22,830
Total Assets		56,264	67,741



ConocoPhillips Skandinavia AS

BALANCE SHEET

<i>Amounts in NOK million</i>	Notes	2023	2022
EQUITY AND LIABILITIES			
<u>Equity</u>			
Paid-in Equity			
Share capital	11	101	101
Total Paid-in Equity		101	101
Retained Earnings		2,539	7,645
Total Equity	12	2,640	7,746
<u>Liabilities</u>			
Long-term Provisions			
Deferred income tax	8	23,063	21,393
Provisions for decommissioning and removal costs	7	15,221	14,128
Other provisions	4	23	24
Total Long-term Provisions		38,307	35,545
Long-term Liabilities		6	21
Current Liabilities			
Amount due to partners		96	-
Amounts due to related companies	2	494	456
Accounts payable		1,463	1,487
Taxes payable	8	9,207	22,103
Taxes other than income taxes		107	111
Dividend	2, 12	3,500	-
Other current liabilities		444	272
Total Current Liabilities		15,311	24,429
Total Liabilities		53,624	59,995
Total Equity and Liabilities		56,264	67,741



ConocoPhillips Skandinavia AS

CASH FLOW

<i>Amounts in NOK million</i>	Notes	2023	2022
Cash Flows from Operating Activities			
Net income before tax		23,442	51,008
Taxes paid		-28,773	-26,881
Depreciation	6	5,413	6,403
Expensed exploration wells and licenses	6	413	972
Change in current assets		1,949	-1,361
Change in decommissioning and removal costs	7	1,093	480
Change in current liabilities		278	712
Change in long-term receivables		-312	-100
Other		-18	4
Net Cash Provided by Operating Activities		3,485	31,237
Cash Flows from Investing Activities			
Capital expenditures	6	-7,702	-6,381
Proceeds from sale of assets		4	-
Return of capital from investments		21	-32
Net Cash Used in Investing Activities		-7,677	-6,413
Cash Flows from Financing Activities			
Dividend paid	12	-7,500	-16,000
Net Cash Used in Financing Activities		-7,500	-16,000
Net Change in Cash and Cash Equivalents		-11,692	8,824
Cash and cash equivalents at the beginning of the year		15,832	7,008
Cash and Cash Equivalents at the end of the Year		4,140	15,832



ConocoPhillips Skandinavia AS **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.

Ownership in Joint Venture Operations and Associated Companies

For ownership in production licenses on the NCS, and in other joint venture operations, the company's net share is reflected in the respective accounts of the financial statements based on the gross method. Ownership interests in associated companies are recorded on the balance sheet according to the cost method.

Revenue Recognition

Operating revenues from petroleum products production are reflected in the income statement when the title passes to the customer on the product's delivery date based on the contractual terms of the agreement. Other income is entered into the books as they are earned.

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.

Exploration Costs

Geological and geophysical costs which are not related to extraction of proven reserves

are expensed as incurred. Costs for drilling and equipping exploration wells are capitalized pending further evaluation of whether economically recoverable reserves have been found. If economically recoverable reserves are not found, exploration well costs are expensed (the Successful Efforts method).

Development Costs

Expenses associated with the development of oil and gas fields are capitalized. Expenses incurred following decision on development and expenses related to the preparation of the Plan for Development and Operation are included. Interest expenses related to major development projects are capitalized and depreciated as part of the project acquisition cost until first production.

Maintenance and Repairs

Regular maintenance and repairs costs are expensed as incurred. Expenses for major changes and improvements that significantly increase the life of the asset, capacity or improve safety and environment, are capitalized.

Depreciation

Depreciation of property, plant and equipment related to the development of oil and gas fields is calculated according to the unit-of-production method. Following this method, the annual depreciation rate appears as the ratio of the annual production volume and the remaining economic recoverable resources. Fixed assets are grouped in cash generating units and depreciated collectively, normally as the entire oil and gas field.

Land-based assets and pipelines are depreciated over the expected economic lifetime, according to the straight-line method.



ConocoPhillips Skandinavia AS ACCOUNTING PRINCIPLES

Impairment of Tangible Fixed Assets

Tangible fixed assets are assessed for impairment for independent groups of assets with independent inbound cash flows. If the assessment indicates that the fair value of the fixed asset is lower than the book value, and this is not expected to be temporary, the asset is written down to the highest of the estimated net sales value and value in use. Value in use is determined based on management's expectations of future economic and operating conditions and is calculated as a present value of future cash flows after tax. Correspondingly write-downs are reversed if the basis for previous write-downs are no longer present, and/or the asset's future economic expectations have significantly improved.

Replacement and Cancellation of Major Tangible Fixed Assets

When fixed assets (platforms, pipelines and production wells) that do not constitute an entire cash generating unit are replaced or discontinued, the asset's acquisition cost is charged against accumulated depreciation and is included in future depreciation according to the unit-of-production method for the cash generating unit.

Inventories

Materials in the warehouse consist of equipment for exploration and field development and are valued at average acquisition costs.

Over-/Underlifts

Liabilities arising from overlifts of petroleum products in relation to the company's ownership are assessed at full cost of production and are presented under other short-term liabilities in the balance sheet. Receivables arising from underlifts of petroleum products in relation to the company's ownership are assessed at the lowest value of full cost and market value

and are presented under other short-term receivables in the balance sheet.

Natural Gas Loans, Storage and Swaps

Liabilities and credit balances will arise between partners on producing fields due to natural gas swaps, loans and storage under contracts or agreements. Liabilities and credit balances are valued at the estimated production cost at year-end. Liabilities and credit balances are calculated on the basis of the volumes expected to be returned.

Research & Development

Research and development costs are reflected in the income statement as incurred. When commercialized projects reach a certain degree of maturity, expenses are capitalized.

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 projected benefit commitments 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 balance sheet. Other leases are classified as operational leases, where the lease expenses are reflected in the income statement as incurred.



ConocoPhillips Skandinavia AS
ACCOUNTING PRINCIPLES

Provisions for Future Decommissioning and Removal Costs

The estimated present value of future costs of decommissioning and removal of production facilities as required by the authorities, is accrued using the unit-of-production method. The provision is gradually accrued so when the field is shut in, the provision is sufficient to cover the expenses. In addition, an interest cost is calculated on the present value of the obligation and expensed annually.

The discount rate used for calculating the present value of the removal obligation is a risk-free interest rate, plus a risk margin. Estimated expenses for future decommissioning and removal are assessed annually and changes in estimates are recognized over the remaining production period.

Cash Flow Statement

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

Consolidated Financial Statements

ConocoPhillips Skandinavia AS is included in the consolidated financial statements of ConocoPhillips, United States. The consolidated financial statements are available at www.conocophillips.com.



ConocoPhillips Skandinavia AS NOTES TO 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 10.18, compared to USD/NOK 9.85 as of December 31, 2022. The exchange rate at year-end for Euros (EUR) was NOK 11.24 compared to EUR/NOK 10.51 as of year-end 2022.

Note 1 – Operating Revenues

Total operating revenues for 2023 amounted to NOK 40,463 million.

Per Area of Operations	Crude Oil	Natural Gas	NGL	Other Revenues	Total 2023	Total 2022
Ekofisk	9,140	1,142	144	84	10,510	12,580
Eldfisk	3,774	376	83	-	4,233	6,265
Embla	291	392	45	-	728	762
Tor	981	215	39	-	1,235	1,839
Tommeliten	-	134	-	-	134	-
Heidrun	3,574	1,618	89	282	5,563	8,247
Aasta Hansteen	63	3,741	-	-	3,804	11,256
Visund	442	2,559	275	-	3,276	7,080
Troll	272	2,966	-	4	3,242	8,442
Alvheim	1,429	540	-	109	2,078	4,658
Oseberg	512	820	43	1	1,376	2,498
Grane	486	-	-	55	541	734
Purchased from 3 rd parties	1	3,344	5	-	3,350	7,039
Pipelines	-	-	-	25	25	22
Methanol	-	-	-	240	240	352
Miscellaneous	-	120	-	8	128	-495
Total Operating Revenues	20,965	17,967	723	808	40,463	71,279

Operating Revenues by Geographical Area	2023	2022
Norway	1,933	2,228
Great Britain	35,598	62,058
The EU	2,932	6,993
Total Operating Revenues	40,463	71,279



ConocoPhillips Skandinavia AS NOTES TO THE ANNUAL ACCOUNTS

Note 2 – Intercompany Balances with Related Companies

The table lists the main transactions with related companies in 2023, including payable and receivable balances as of December 31, 2023:

	Purchases	Sales	Payables	Receivables
ConocoPhillips Company	326	124	26	118
ConocoPhillips Norge - Norwegian Branch	5,120	-	3,967	-
ConocoPhillips (U.K.) Marketing and Trading Limited	3,654	35,260	-	2,919
Other intercompany	12	12	1	12
Total	9,112	35,396	3,994	3,049

The company purchases technical and administrative services from ConocoPhillips Company, to support operations and projects. The company also invoices project cost regarding R&D to ConocoPhillips Company.

The company purchases services from the Norwegian branch of ConocoPhillips Norge. These are mainly personnel and administration services to support the operations.

Transactions with ConocoPhillips (U.K.) Marketing and Trading Limited relate to sale of crude oil, natural gas and natural gas liquids (NGL), and purchase of CO₂-quotas.

Note 3 – Salaries, Benefits and Fees

The company does not have any employees.

No remuneration has been disbursed, no loans have been issued and no guarantees have been made on behalf of the company to the Managing Director or the Board of Directors.

Remuneration of the Managing Director is paid by ConocoPhillips Norge. The company has no financial obligations to the Managing Director or the Board of Directors.

Expensed auditors' fees in 2023 amounted to NOK 7.4 million for auditing services and NOK 0.3 million for other attestation services.

Note 4 – Pension Plans

The company has an unsecured pension obligation related to retirees who are entitled to future benefits in accordance with a German pension scheme.

Estimated Pension Obligations	2023	2022
Accrued pension obligations	23	22
Unrecognized effects of actuarial losses	1	4
Estimated Pension Obligations as of Dec. 31	24	26

Actuarial Assumptions	2023	2022
Discount rate	3.4%	4.0%
Expected regulation of pensions in effect	2.0%	2.0%



ConocoPhillips Skandinavia AS
NOTES TO THE ANNUAL ACCOUNTS

Note 5 – Research & Development

The company has expensed research and development costs of NOK 21 million, compared to NOK 19 million in 2022. No research and development costs have been capitalized for 2023.

Note 6 – Tangible Fixed Assets

	Production Plant & Equipment	Production Plant under Construction	Capitalized Exploration Costs & License Transfers	Machinery, Software, Equipment & Facilities	Total
Acquisition cost as of Jan. 1	124,988	3,490	970	363	129,811
Additions	5,685	1,877	108	32	7,702
Retirements and transfers	2,056	-2,267	-413	-11	-635
Acquisition Cost as of Dec. 31	132,728	3,101	664	385	136,878
Accum. depreciation as of Jan. 1	-84,932	-	-	-301	-85,233
Depreciation	-5,392	-	-	-21	-5,413
Retirements and transfers	211	-	-	11	222
Accum. Depreciation as of Dec. 31	-90,113	-	-	-311	-90,424
Net Book Value as of Dec. 31	42,615	3,101	664	74	46,454

Dry hole costs of NOK 413 million.

Depreciation of assets on the Norwegian Continental Shelf is calculated in accordance with the unit-of-production method. Onshore fixed assets and some pipelines are depreciated on a straight-line basis over the expected life of the asset (1-36 years).

An impairment or a reversal of an impairment assessment is performed on every field and ownership in other fixed assets. Net sales value is used as recoverable amount. Future cash flows constitute the basis for net sales value and is calculated based on estimated costs and unbiased oil and gas resources. Future prices are based on a combination of future markets, estimates from external experts and the company's own assessment. The analysis resulted in no impairments or reversal of impairments for 2023.

The acquisition cost as of December 31, 2023, includes capitalized interest of NOK 1,184 million.

Note 7 – Provisions for Decommissioning and Removal Costs

In accordance with the provisions in the Norwegian Petroleum Act, the Norwegian Government requires the licensees to remove offshore installations no longer in use. Current convention requires offshore steel platforms to be removed and brought ashore, wells must be permanently plugged, and concrete structures must be cleaned for in-place disposal. In-place disposal of pipelines buried in the seabed is permitted.



ConocoPhillips Skandinavia AS
NOTES TO THE ANNUAL ACCOUNTS

Cost estimates are developed for the decommissioning of production facilities, securing and final plugging of wells, preparation of pipelines and concrete structures for in-place disposal, in addition to the removal of redundant steel production facilities. Technological development, potential efficiency gains by removing several platforms simultaneously and future cost and interest rate development, are some of the uncertainty factors associated with the cost estimates.

Provisions for Decommissioning and Removal

Provisions as of Jan 1.	14,128
Increase in allocation	1,157
Incurred costs, charged against provisions	-64
Provisions as of Dec. 31	15,221

Provisions are reported as decommissioning and removal costs in the balance sheet.

Present Value as of Dec. 31	Present Value of Future Costs	Time Horizon Years
Ekofisk	7,949	1-30
Eldfisk	4,410	1-30
Ekofisk Center	860	1-31
Embla	505	1-13
Tor I	277	1-2
Tor II	270	27-30
Tommeliten A	306	26-30
Heidrun	1,940	23-30
Alvheim	1,430	16-20
Visund	411	14-19
Oseberg	409	4-26
Troll	321	18-39
Aasta Hansteen	262	17-22
Grane	209	22-29
Breidablikk	54	22-26
Pipelines and Terminals	608	2-36
Total Present Value as of Dec. 31	20,221	

Assumptions	2023	2022
Escalation factor	2.3%	2.3%
Discount rate horizon less than 10 years	3.9%	3.6%
Discount rate horizon more than 10 years	3.2%	3.1%



ConocoPhillips Skandinavia AS
NOTES TO THE ANNUAL ACCOUNTS

Note 8 – Income Taxes

Income Tax	Tax Rate	2023	2022
	%		
Corporate taxes	22.0	5,506	11,755
Special taxes	71.8	10,356	26,364
Adjustment of tax from prior period		15	44
Total Taxes Payable		15,877	38,163
Change in deferred tax		1,671	1,214
Total Income Taxes		17,548	39,377

Effective tax rate in % **75%** 77%

Reconciliation of Income Tax

Income before taxes		23,442	51,008
Income taxes	78.0	18,286	39,789
Permanent differences		-52	79
Change fixed asset with no deferred tax		15	18
Uplift		-426	-329
Onshore revenues		-317	-826
Valuation Allowance		23	554
Adjustment of tax from prior period		19	92
Total Income Taxes		17,548	39,377

Taxes Payable as of Dec. 31

Current year tax payable		15,861	38,119
Tax paid in installments		-7,323	-16,673
Adjustment of tax from prior period		669	657
Taxes Payable in the Balance Sheet		9,207	22,103

Basis for Deferred Tax as of Dec. 31

Temporary differences related to:			
- fixed assets		32,149	32,663
- decommissioning/removal		-15,151	-14,055
- other temporary differences		350	345
Basis Deferred Corporate Tax	22.0	17,348	18,953
Onshore activities		-4	-6
Deduction investment costs		13,292	9,586
Calculated Corporate Tax		-4,635	-5,317
Basis Deferred Special Tax	71.8	26,001	23,216



ConocoPhillips Skandinavia AS NOTES TO THE ANNUAL ACCOUNTS

Deferred Tax as of Dec. 31	Tax Rate %	2023	2022
Corporate taxes	22.0	3,816	4,170
Special taxes	71.8	18,669	16,669
Valuation Allowance		578	554
Deferred Tax in the Balance Sheet		23,063	21,393

The Petroleum Tax Act was revised in 2022 when a cash flow based tax was introduced for the special tax. The special tax rate changed from 56% to 71.8%. "Calculated corporate tax" was introduced as a deduction in the special tax basis to maintain an overall tax rate of 78%.

In addition, as introduced in 2020, projects approved under the temporary Covid-19 tax rules receive 12.4% uplift against the special tax basis.

Note 9 – Ownership Interests in Associated Companies

	Ownership	Book Value Dec. 31
Equinor Metanol ANS	17.99%	65
Norpipe Oil AS	35.05%	61
Vestprosess DA	2.00%	14
LedaFlow Technologies DA	25.00%	8
Tjeldbergodden Luftgassfabrikk DA	11.27%	5
Alvheim AS	20.00%	-
Tjeldbergodden Utvikling AS	1.60%	-
Total		153

The Norpipe Oil AS value of NOK 61 million has been impaired by NOK 3 million in 2023. The Net Income impact of the impairment is included in Income from investments in associated companies.

Note 10 – Bank Deposits

The company 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.

Note 11 - Share Capital, Shareholders and Ownership structure

The share capital consists of one class of shares, with 101,000 shares at a nominal value of NOK 1,000 each. ConocoPhillips Norge owns 100% of the shares.



ConocoPhillips Skandinavia AS NOTES TO THE ANNUAL ACCOUNTS

Note 12 – Equity

	Share Capital	Retained Earnings	Total Equity
Equity as of Jan. 1	101	7,645	7,746
Paid dividend	-	-7,500	-7,500
Proposed dividend	-	-3,500	-3,500
Net income	-	5,894	5,894
Equity as of Dec. 31	101	2,539	2,640

The company paid a dividend of NOK 7,500 million to ConocoPhillips Norge in 2023. Recommended dividend distribution of NOK 3,500 million based on 2023 annual accounts to ConocoPhillips Norge.

Note 13 – Rental Agreements and Leasing

The company had by year-end 2023 entered into leases for operating equipment such as search and rescue (SAR) helicopters, supply and stimulation vessels, drilling rigs, office facilities and warehouse and quay in its roles as an operator for several licenses. As a partner in other licenses, the company has also entered into lease agreements for rigs. Several of the contracts have options for extensions.

The company's share of minimum lease liabilities as of year-end 2023, categorized by non-cancellable contract period are as follows:

	Remaining minimum liability	Expiration of contract
Helicopters and Vessels	669	2024-2028
Rigs (operated)	132	2028
Office, Warehouse and Quay	80	2028-2030
Rigs (partner operated)	6	2024
Other	9	2024-2028
Lease Liability as of Dec. 31	896	

As of December 31, 2023, the company had no leases classified as financial leasing.

Note 14 – Other Commitments

In 2023 the company committed to a Slagugle appraisal well in production license 891 where COP is the operator with 80% ownership. The well is planned to be drilled in late 2024 and the company's share of the estimated well cost is USD 51 million. The company is also participating as partner with 20% working interest in an exploration well on the Alvheim Deep prospect in production license 203. The well is anticipated to start operations in Q2 2024, and the company's share of the cost is estimated to USD 14 million.



ConocoPhillips Skandinavia AS
NOTES TO THE ANNUAL ACCOUNTS

Note 15 – Reserves

Unaudited

		2023	2022
Crude oil	million barrels	154	175
Natural gas	billion Sm ³	23	24
NGL	million barrels	13	13

The reserves presented above are based on the U.S. Securities and Exchange Commission regulation of proved reserves. The amount includes crude oil, natural gas and NGL that can be recovered with reasonable technical and economic certainty from known oil and gas reservoirs. In accordance with SEC requirements, amounts are based on analysis of technical and geological data, and under existing economic and operating conditions, at prices (12 months' average) and expenses on the date the estimates were prepared. The prices can deviate from this only if they are stipulated by contract and cannot be increased based on future expected conditions.

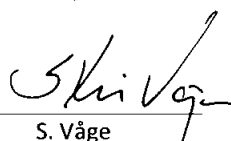
Proven natural gas reserves include gas used for fuel. Natural gas is estimated at standard conditions (1.01325 bar, 15.56 degrees Celsius).

The proven reserves are based on production estimates from the Greater Ekofisk Area, Heidrun, Alvheim, Visund, Oseberg Area, Troll, Aasta Hansteen, Grane and Breidablikk.

Tananger, December 31, 2023
April 24, 2024


E.A. Oftedal

Chairman of the Board

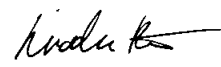

S. Våge

Managing Director /

Board Member


D. Hendicott

Board Member


L. Riise

Board Member



Statsautoriserte revisorer
Ernst & Young AS

Vassbotnen 11 a Forus, 4313 Sandnes
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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of ConocoPhillips Skandinavia AS

Opinion

We have audited the financial statements of ConocoPhillips Skandinavia AS ("the Company"), which comprise the balance sheet as of 31 December 2023, 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 of 31 December 2023 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 and Managing Director) 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 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 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, 24 April 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Tor Inge Skjellevik
State Authorised Public Accountant (Norway)

Independent auditor's report - ConocoPhillips Skandinavia AS 2023

A member firm of Ernst & Young Global Limited

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Skjellevik, Tor Inge

Statsautorisert revisor

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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

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0134 Oslo	Org.nr: 996250318	Telefaks
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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

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