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Introduction to the enterprise and key figures 2024

Page 18 Introduction to the enterprise

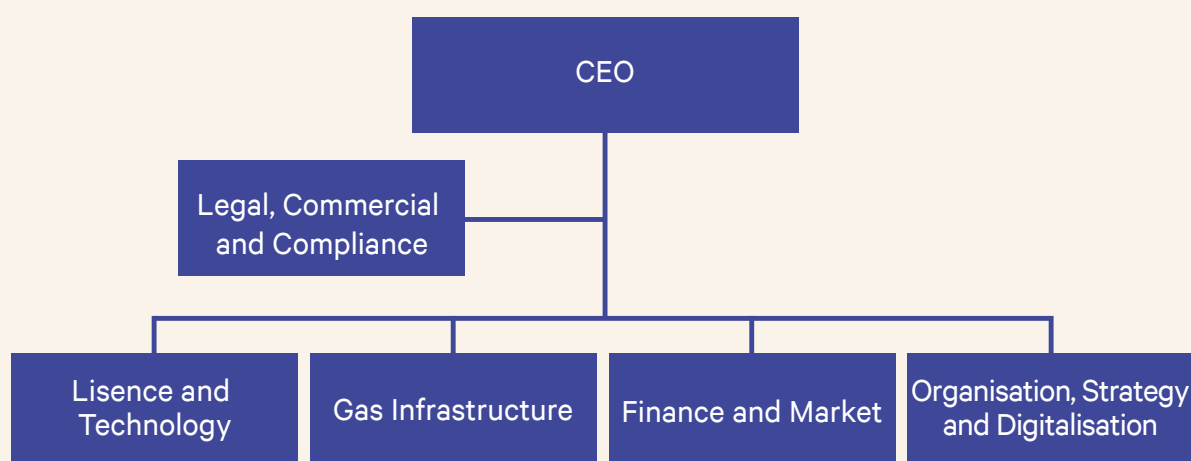
Page 21 Key figures 2024



Troll B
Photo: Øyvind Hagen, Equinor

Petoro as

Petoro manages the State's Direct Financial Interest (SDFI). The company's principal objective is to generate the highest possible financial value from the SDFI portfolio. At year-end, the company had 79 employees.



The Ministry of Trade, Industry and Fisheries, in the person of the Minister, represents the Government as sole owner and serves as the company's general meeting and highest authority. The Board has overall responsibility for administration of the company. Petoro's organisation is shown in the figure above.

Licence and Technology:

This department manages the state's participating interests in production licences on the NCS. Along with other Petoro departments, the objective is to create the greatest possible value and highest possible revenues from the state's direct participating interests in petroleum activities. The department pays particular attention to influencing developments in the production licences through effective data use and analysis, deep professional and industrial insight, as well as its own studies for increased value creation.

Gas Infrastructure:

Since the state increased its ownership in the key Norwegian gas transport system in the autumn of 2024, the Gassled gas transport system has been wholly-owned by the state, while the state is the largest owner in the Nyhamna process plant and Polarled pipeline. Petoro is a licensee and manages the gas infrastructure on behalf of the state, as part of the SDFI scheme. Gassco is the operator.

Petoro manages the key gas infrastructure separately from its other joint ventures, thus ensuring that the company does not assign particular emphasis on the impact on the rest of the SDFI portfolio. In addition to commercial assessments, Petoro also emphasises that the gas infrastructure shall be operated in a cost-effective manner and contribute to sound resource management.

Finance and Market:

This department is responsible for financial management of Petoro's activities and the State's Direct Financial Interest (SDFI). The department is also responsible for preparing budgets and long-term forecasts for use in the company's planning and strategy work. Profitability assessments in connection with investment decisions and analyses of other relevant commercial issues are also important parts of the department's area of responsibility.

This department is also responsible for following up to ensure that Equinor's marketing and sale of the state's petroleum together with its own production complies with the Marketing and Sale Instructions issued to Equinor. The primary goals of the Marketing and Sale Instructions are to achieve the highest possible value creation from the state's overall oil and gas production and secure equitable distribution of income and costs between Equinor and the state. The department is also responsible for market analysis, which supports both the follow-up of the Marketing and Sale Instructions and decisions related to investments in fields and infrastructure.

Organisation, Strategy and Digitalisation:

This department handles HR, communication and administrative support functions. The department is also responsible for the company's strategy and analysis work, which contributes to necessary insights as a basis for solving tasks across the entire organisation, and is a key tool in decision processes for both management and the Board.

The department is furthermore responsible for the company's digitalisation efforts both internally and externally, as well as IT operations and data management. Petoro views digitalisation as one of the most important tools for increased profitability in the SDFI portfolio and to ensure efficient operation of the company.

Legal, Commercial and Compliance:

This department is responsible for handling legal issues and legal advice associated with the company's needs. The EVP Legal, Commercial and Compliance is responsible for the company's compliance function, as well as the Board Secretariat. The department is also responsible for conducting commercial negotiations.

Key figures for Petoro AS

	2024	2023	2022
Total allocation/ administrative grant (NOK million)*	319	304	290
Employees at 31 December	79	73	70
Full-time equivalents (average number of full-time equivalents employed)	72.5	71.5	68.4
Payroll share of administrative grant (per cent)**	45	43	42
Payroll cost per full-time equivalent (NOK million)**	1.97	1.85	1.78
Share of administrative grant for consultants (percentage)	13	14	17
ICT expenses (NOK million)	35	34	33
Office lease expenses incl. overhead costs	12.6	12.6	11.6

*) excluding VAT

**) Payroll in Note 3 in Petoro AS' annual accounts

The State's Direct Financial Interest (SDFI)

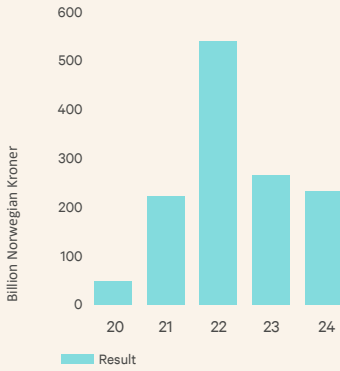
The SDFI scheme was established in 1985. Under this arrangement, the state participates as a direct investor in petroleum activities on the Norwegian continental shelf (NCS), so that the state receives revenues and meets expenses associated with SDFI's ownership interests. Petoro acts as licensee for the state's ownership interests in production licences, fields, pipelines and onshore facilities, and manages this portfolio based on sound business principles. At the end of 2024, the portfolio consisted of 183 production licences, 44 producing fields and 16 pipelines and terminals, as well as follow-up of 12 production licences with net profit agreements. The listed quantities are based on the Norwegian Offshore Directorate's definitions.

The SDFI portfolio represents about 30 per cent of Norway's overall oil and gas reserves and yielded a cash flow of NOK 220 billion in 2024.

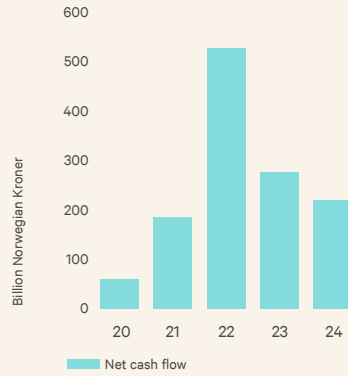
Key figures for SDFI			
	2024	2023	2022
Net cash flow (NOK million)	220,048	276,905	528,171
Operating revenue (NOK million) (NGAAP)	304,809	352,690	640,426
Production expenses (million NOK) (NGAAP)	24,292	23,362	23,489
Net income for the year (in NOK million) (NGAAP)	232,108	266,172	539,208
Investments (in NOK million) (cash)	48,526	30,396	28,378
Production — oil and NGL (thousand bbl/d)	354	354	359
Production - dry gas (million scm/d)	113	102	109
Production - total (thousand boe/d)	1,063	994	1,044
Remaining reserves (million boe)	4,129	4,475	4,779
Reserve replacement rate (annual percentage)	11	16	49
Reserves added (million boe)	43	59	188
Oil price (USD/bbl)	82	83	104
Oil price (NOK/bbl)	871	876	988
Gas price (NOK/scm)	4.50	5.76	11.95

Key figures 2024

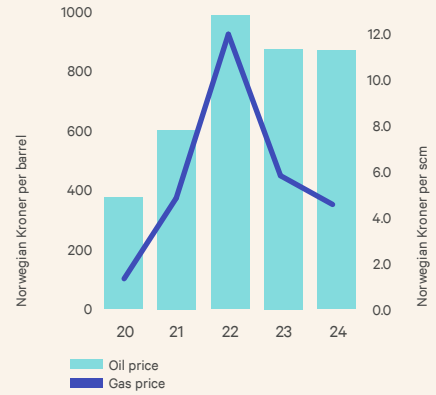
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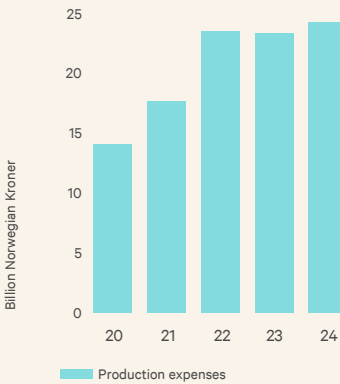
Cash flow



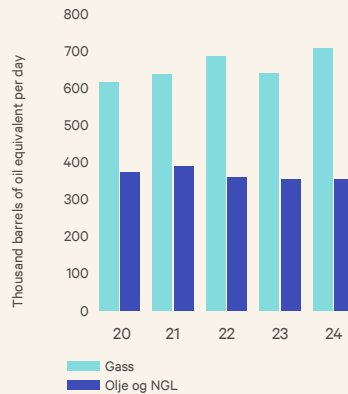
Oil and gas prices



Production expenses



Production



Investments (cash)

