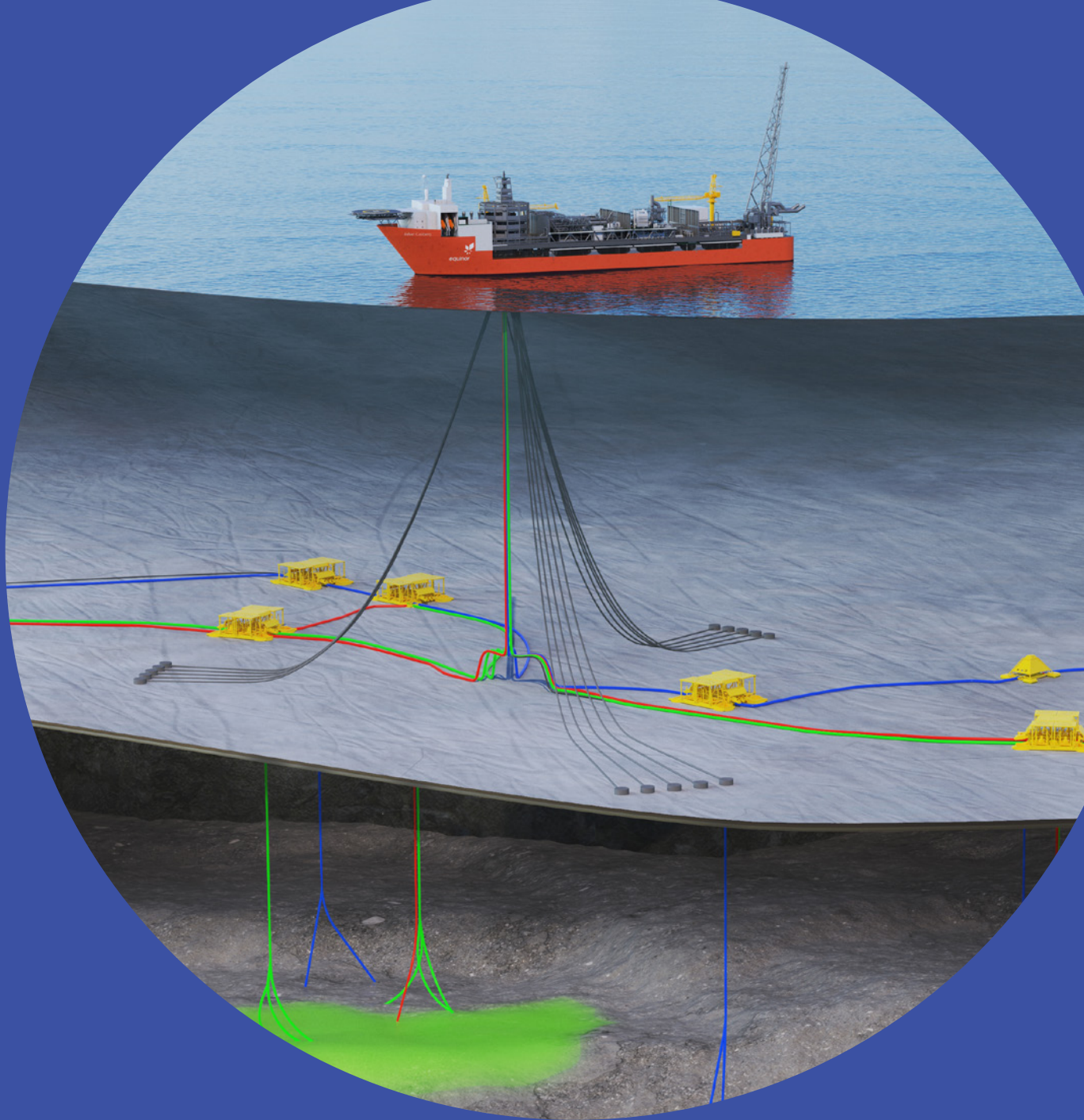


4

Management and control

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Johan Castberg. Illustration: Render AS and Equinor

Board of directors of Petoro



Arne Sigve Nylund

Chair

Year of election: 2023

Occupation: Self-employed.

Other directorships: Chair of the board of AS Nylund Consulting and ASN Invest AS. Board member of Utror AS and Daytona Holdco AS.

Education: Mechanical engineer in operations technology, BSc in business economics

Career: Technical/operative management roles at Mobil Exploration Inc./Statoil (1983-1996), OIM Gullfaks, Equinor (1996-2001), VP for Production at Equinor (2001-2009), VP for Production for Onshore Plants at Equinor (2009-2013), EVP of Development & Production Norway at Equinor (2014-2021), EVP of Projects, Drilling & Procurement at Equinor (2021-2022)



Brian Bjordal

Deputy Chair

Year of election: 2016

Occupation: Self-employed

Education: Civil engineer, BSc, Heriot-Watt University, Edinburgh

Career: Various positions at Statoil ASA, including senior engineer pipelines & structures; head of Pipeline and Platform Inspection, asset owner representative Europipe development, head of early-phase studies Europipe II, Åsgard Transport, Ekofisk by-pass, Franpipe, director of Process plant Kårstø, director Troll / Sleipner area (Development and Production Norway) (1984-2001), CEO, Gassco AS (2001-2015) Statoil ASA



Kristin Skofteland

Director

Year of election: 2020

Occupation: Chief Commercial Officer & Legal Counsel Beyonder AS

Other directorships: Chair of the board of Energychange AS, Norsk Ess AS and Battery Norway. Board member of Gassnova SF and Blueday Technology AS

Education: Law degree from the University of Tromsø, Attorney and TRIUM Executive MBA

Career: Various positions in Total Norge AS, including Legal Director and then Director of Gas and Oil Sales, Strategy, Business Development and R&D



Trude J. H. Fjeldstad

Director

Year of election: 2015

Occupation: Business Development Director at Hydro Rein AS

Other directorships: Board member of Re Gründerhus AS

Education: Economics degree from the University of Oslo, MBA in Corporate Finance from NHH, MSc in Technology Management (MTM) from NTNU

Career: Various positions in Statkraft and Hydro, including Vice President and general manager of Statkraft Tofte, general manager of Treasury Centre SA; secretary to the board of Statkraft; senior gas manager at Statkraft; chief executive of Paine de l'Ain Power SAS and portfolio manager for gas at Norsk Hydro



Anne Harris

Director

Year of election: : 2024

Occupation: Adviser and board appointments

Other directorships: Board member of Mer AS, board member of Azane Fuel Solutions AS, board member of Aker Biomarine AS, and board member of COWI Holding AS

Education: MSc in Business from BI Norwegian Business School

Career: Deputy Chief Accountant/Head of Controlling & System Development/ Admin & HR Manager, Total Norge AS (1980-2000), VP Performance mgt O&E/ SVP Fin. reporting Group/EVP HRO&HS, Norsk Hydro ASA (2000-2010), CFO, Entra Property AS (2014-2019), CFO, Statkraft AS (2019-2023)



Hege Odden

Board member, elected by the employees

Year of election: 2024

Occupation: Senior adviser, Petoro AS

Education: Master of Science with specialisation in organic chemistry from the University of Oslo (UiO). Bachelor's degree in chemistry from the University of Oslo (UiO).

Career: Experience from technical roles and project management for early-phase projects in AS Norske Shell (2011-2021)



Torbjørn Mæland

Board member, elected by the employees

Valgt inn i styret: : 2024

Occupation: Attorney, Petoro AS

Education: Candidate of Law degree from the University of Bergen (UiB)

Career: Broad experience from all legal aspects linked to the energy industry. This includes experience as an attorney and head of the Statnett legal department and from two of Norway's major commercial law firms (Thommessen and Schjødt)

Management of Petoro



Kristin Fejerskov Kragseth

CEO

Education: Marine engineer with a master's degree from Texas A&M University

Career: Nearly 30 years of experience from the oil and gas industry, and comes from the position of President and CEO of Vår Energi. Has previously worked as Vice President for Production in Point Resources and Technical Manager for the NCS in ExxonMobil. She has also held a number of positions in ExxonMobil, both nationally and internationally.



Kjell Morisbak Lund

EVP License and Technology

Education: MSc marine technology, NTNU.

Career: Broad experience from work in both upstream and downstream oil and gas activities. Started his career at SINTEF as a researcher in the area of marine structures, and then worked for Statoil (now Equinor) for 18 years - many of which in the area of pipelines. Held several project, staff and management positions at Equinor – including as HR manager, VP of Pipeline and Transport Technology, Operations Manager at Statoil Tjeldbergodden (methanol) and HSE Manager for Midstream and Downstream Activities. Has been in Petoro management since 2014, primarily with responsibility for licence follow-up.



Jonny Mæland

CFO & EVP Finance and Market

Education: MBA from the University of Agder and specialisation in business analytics from the Norwegian School of Economics (NHH) in Bergen

Career: 20 years of experience from various management positions in finance, both in Norway and abroad. Previous employers include ConocoPhillips, Noreco and EY.



Kjersti Bergsåker-Aspøy

EVP Legal, Commercial and Compliance

Education: Law degree from the University of Bergen and Oslo, specialising in EU competition law.

Career: Bergsåker-Aspøy has close to 20 years of experience from the oil industry and came to Petoro from the position of legal director in DEA Norge AS, a position she had held since January 2017. During the period from 2011 to 2016, she was the legal director of Engie. She has also worked as an attorney at the Statoil legal department, where she worked on the StatoilHydro merger, among other things. Before joining Statoil in 2005, she was both an attorney and deputy judge. Bergsåker-Aspøy has also been the head of the Legal Committee in Norwegian Oil and Gas (now Offshore Norge).



Heidi Iren Nes

EVP Organisation, Strategy and Digitalisation

Education: MSc in business economics, Norwegian School of Economics, Bergen.

Career: Started in Petoro's finance department in 2008 after a few years in Subsea 7 Norway. Then transitioned into a new role in Petoro's marketing department from 2013 to 2019. Was also an employee representative on the Petoro board from 2016 to 2018.

Corporate governance

The State's Direct Financial Interest in petroleum activities on the Norwegian continental shelf (SDFI) represents one-third of Norway's oil and gas reserves. Petoro acts as steward for substantial assets on behalf of the Norwegian state. This requires good governance that safeguards expectations from the owner, our peers and society at large.

The Board emphasises good corporate governance in order to ensure that the SDFI is managed in a way which maximises financial value creation, and creates a basis for confidence in the company by the owner, the employees, the petroleum industry and other stakeholders, as well as society at large. Requirements for governance in the public sector are specified in "Regulations on Financial Management in Central Government" and in standards for good corporate governance. The Board observes the Norwegian state's principles for sound corporate governance as expressed in Storting Report No. 6 (2022-2023) "A greener and more active state ownership - The Norwegian state's direct ownership in companies" and those sections of the "Norwegian Code of Practice for Corporate Governance" regarded as relevant to the company's activities and the frameworks established by its form of organisation and ownership. A report is provided below on the main topics with relevance for Petoro AS.

Corporate governance in Petoro is based on balanced management by objectives with established objectives that are stipulated on an annual basis, and which support the company's strategy. The company's management system is tailored to the enterprise and contains governing documentation that shall contribute to ensure that Petoro carries out its primary tasks in an

efficient and systematic manner within the given framework and an acceptable risk profile. The Board is responsible for stipulating the general framework for internal control, and then following up that this is adhered to, thereby ensuring that the risk is satisfactorily managed at all times.

Petoro's values base is integrated in its business activities. Petoro's values - dynamic, responsible, inclusive and bold - are the foundation that will define how the employees work and thereby support the company's goals and strategy.

Guidelines for exercising CSR are stipulated by the company's Board and are an integrated part of Petoro's activities, strategy and values. Petoro reports on the follow-up of its CSR in a separate chapter of this annual report, and provides extensive details in the company's separate sustainability report in.

Share capital and dividends

Petoro has a share capital of NOK 10 million and is wholly owned by the Norwegian state. The state guarantees the company's liabilities. The limited company's own operating costs are covered by annual appropriations over the fiscal budget. The operating contribution is presented as operating revenue in the limited company's accounts. The company receives

appropriations to meet its costs and does not pay dividends. Shares in the company cannot be traded or transferred.

Equal treatment of shareholders

Shares in Petoro AS are owned by the state and the company has no personal shareholders.

Annual general meeting

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. A notice of general meetings is issued in accordance with the provisions of the (Norwegian) Limited Liability Companies Act relating to state-owned companies. The annual general meeting is held before the end of June each year. Guidelines for issues to be considered by the company's general meeting are laid down in the Petroleum Act. Owner decisions and resolutions are adopted at the general meeting, which also elects the company's external auditor.

Election of directors

The company is subject to the state's procedures for selecting directors. Directors are elected by the general meeting, which also determines the remuneration of all directors. Employee-elected board members serve terms of two years.

Composition and independence of the Board

Petoro's Board comprises seven directors, five of whom are elected by the general meeting. Two are elected by and from among the company's employees. Four of the directors are women. Directors are elected for two-year terms and have no commercial agreements or other financial relationships with the company apart from the directors' fees established by the general meeting and contracts of employment for the directors elected by the employees. All shareholder-elected directors are independent of the owner.

The Board considers its composition in terms of expertise, capacity and diversity to be appropriate for following up the company's goals and assignments.

The Board's work

The Board has overall responsibility for the management of Petoro, including ensuring that appropriate management and control systems are in place, and for exercising supervision of the day-to-day conduct of the company's business. The Board's work is based on instructions that describe the Board's responsibilities and administrative process, which includes the Board's emphasis on ensuring that CSR is integrated in the activities and the Board's decisions. Six ordinary board meetings were held in 2024.

The Board has chosen to organise its work related to remuneration through a sub-committee comprising two of the shareholder-elected directors.

The Board also has a sub-committee linked to audit and risk management. This committee consists of two shareholder-elected directors.

Risk management and internal control

Risk management in Petoro is a continuous process where management and the Board identify and prioritise relevant risks for Petoro's goal attainment. The Board undertakes an annual review of the company's most important risk areas and internal control. Risk management is integrated in Petoro's performance management system.

The company's internal control shall ensure that its activities are carried out in accordance with the company's governance model and compliance with regulatory requirements. Internal control is an integrated part of Petoro's management processes.

Guidelines have been adopted by Petoro to facilitate internal reporting of improprieties in its activities.

Remuneration of the Board and senior employees

The general meeting determines the remuneration of directors. The Board determines the remuneration of the CEO. The CEO determines the remuneration of other members of the company's senior management. The Ministry of Trade, Industry and Fisheries stipulated new guidelines for senior executive pay in companies with state ownership on 30 April 2021. The wage report pursuant to Section 6-16b of the (Norwegian) Public Limited Liability Companies Act and associated Regulation was presented for approval at the ordinary general meeting in 2024.

Auditor

The Office of the Auditor General (OAG) is the external auditor for the SDFI portfolio pursuant to the OAG Act. The OAG verifies that the company's management of the portfolio accords with the decisions and assumptions of

the Storting (parliament), and audits the annual accounts for the SDFI portfolio. Based on this review, the OAG issues an auditor's report in accordance with international standards.

The Board has also appointed PwC to conduct a financial audit of the SDFI accounts as part of Petoro's internal audit process. PwC conducts a financial audit of the portfolio's accounts and submits a statement detailing whether the annual accounts pursuant to the accounting principles and on a cash basis were rendered pursuant to the rules of the Accounting Act, generally accepted accounting practices in Norway, as well as statutes, regulations and rules for state accountancy on a cash basis. The contract with the external auditor company covers both financial auditing of the SDFI and Petoro's internal auditor function. In this role, the company audits the internal control systems in accordance with the instructions and an annual plan approved by the Board. The internal auditor handles the company's function for receiving notices.

The general meeting chose KPMG AS as the external auditor for Petoro AS.

Guidelines for diversity, inclusion and equality

The company emphasises diversity, inclusion and equality and pursues this in a goal-oriented manner both as regards the composition of the management team and elsewhere. Petoro has had at least 40 per cent women on its board since its inception. The rules for electing employees to the Board require one representative for each gender. External directors are designated by the responsible ministry.

Corporate social responsibility

Petoro's corporate social responsibility report is based on the company's guidelines for exercising corporate social responsibility and procedure for due diligence for the supplier chain and business partners pursuant to the (Norwegian) Transparency Act. The mentioned guidelines have been adapted to the company's activities as a licensee on the NCS. CSR comprises the responsibilities companies are expected to fulfil for people, society, climate and the environment affected by their activities. The work on corporate social responsibility is an integral part of the board's efforts. Petoro's funding for performing its management duties and for running the company is provided through appropriations from the government. Pursuant to its mandate, Petoro will not provide monetary support for public welfare purposes.

The owner's expectations as regards corporate social responsibility are expressed in the report to the Storting on state ownership, Report No. 6 to the Storting, 2022-2023 "A greener and more active state ownership – The state's direct ownership in companies". The Board's presentation below, tailored to Petoro's role and mandate, is based on the owner's expectations and the company's guidelines for CSR.

Petoro undertakes to pursue its business activities in an ethically prudent, sustainable and responsible manner. The Board emphasises that the company's CSR forms an integral part of its activities and strategies, and is reflected through its values. These include being dynamic, responsible, inclusive and bold. The company's

guidelines on business ethics support these values.

Petoro exercises its activities in accordance with good corporate governance. This applies to its participation in the individual production licences and as a partner in the joint ventures. The joint venture agreements for the production licences include governance requirements for the operators. Petoro exercises its role through active participation in management committees and sub-committees on the basis of a prioritisation of available resources and where it can make a difference. Follow-up of the state's equity interests in all joint ventures is incorporated in Petoro's management system.

The HSE regulations establish requirements for Petoro as a licensee on the shelf and participant in the individual onshore plants on behalf of the state as owner. The key elements are the requirement to have one's own management system and the supervisory duty. By exercising its supervisory duty, Petoro contributes to continuous improvement of HSE results for fields and facilities where Petoro is a licensee. Petoro manages a large and diverse portfolio, and prioritises its level of follow-up on the various licences/ fields/onshore facilities based on commercial criteria, including activities and results related to HSE. The portfolio is subject to an HSE assessment as part of the company's annual planning process. The assessment is conducted based on the historical development in HSE results, developments in the installation's technical condition (TIMP,

uptime), changes in operator situation, as well as activities as described in the work programme for the upcoming years which affect the risk picture. Annual major accident workshops are an important part of the joint ventures' safety work. Petoro also participates every year in HSE management visits on selected fields and installations.

Petoro exercises its activities in a sustainable manner which minimises negative impact on nature and the environment. Petoro recognises that climate challenges make it necessary to restrict anthropogenic climate impact. The company wants to contribute to ensuring that the oil and gas industry on the NCS leads the way in addressing climate challenges. Climate is an integrated part of Petoro's governance. Petoro will work to ensure that a broad spectrum of effective climate solutions and new technology are considered in selected licences. The climate-related market risk that follows from changes in climate policy, customer needs and customer preferences must, to an increasing extent, be taken into consideration in the company's measures and decisions. In climate-related decisions, we preserve optionality, which secures or increases the value of the portfolio in the event of changes in market needs (reducing risk). The decisions are made in a value chain perspective to secure a potential added value for the products over the longer term.

The climate risk for the SDFI has become clearer over the last few years; this particularly applies for gas sold to countries in Europe with high

ambitions to reduce their greenhouse gas emissions. Over the past few years, Petoro has assessed which challenges and opportunities the transition to a low-emission society may bring for the SDFI values over the longer term. Along with its partners and operators, the company has identified measures that will be carried out in the upcoming years. Important measures include electrification projects, which will reduce emissions from the SDFI portfolio over time. This is addressed in more detail in Petoro's sustainability report.

Petoro reports emissions to air and water from the portfolio in the company's sustainability report based on figures obtained from the operators.

Petoro does not tolerate any form of corruption or other improprieties, and employees are not permitted to accept remuneration from others in their work for the company. Guidelines on business ethics define what is regarded as corruption, and the consequences of breaching these guidelines are addressed specifically. No breaches of these guidelines have been recorded.

Petoro's employees shall not accept or offer unlawful monetary gifts or other benefits to secure an advantage for themselves, for Petoro or for others. Employee directorships and secondary employment must be approved by the CEO in order to avoid possible conflicts of interest. Guidelines on business ethics detail the consequences of breaches. No breaches of the guidelines have so far been recorded.

Petoro's employees comply with the company's Code of Conduct. The company's Code of Conduct is available to the public. The purpose is to clarify principles which will govern the company's commercial operations and employee conduct. This Code sets requirements for the individual to

exercise conduct that does not raise questions, based on the requirement to maintain high ethical standards. The individual has a shared responsibility to ensure a good environment in terms of health and safety. The guidelines also address matters such as the duty of confidentiality, potential conflicts of interest and questions linked to accepting gifts and services. Senior employees (CEO and employees who report directly to the CEO) are prohibited from owning shares in licensee companies. Petoro has established requirements for information and ICT security in its activities.

Petoro's employees discharge their duties with a high level of integrity and honesty, and show respect for other people, public authorities and business contacts, as well as health, safety and the environment. Petoro aims to maintain a sound psychosocial and physical working environment for all employees. The company shall have a corporate structure that promotes good results within health, safety and the environment. Petoro shall actively encourage continuous HSE improvement and believes that all incidents can be prevented. The PetoroAktiv employee association organises a number of social, cultural and athletic activities for employees. The various events are well-attended.

Petoro does not discriminate on the basis of gender, religion, national or ethnic affiliation, social group or political views. Petoro emphasises equal opportunities for professional and personal development, pay and promotion. The company facilitates a flexible customising of working hours. When determining wages and in wage negotiations, Petoro is conscious that men and women must be treated equally. No systematic or significant differences exist between male and female pay in the company. The

company has a number of employees from diverse cultural and ethnic backgrounds. Working conditions at Petoro are customised to allow employment of people with disabilities. Additional details and a statement on diversity, inclusion and equality will be provided in the company's sustainability report.

The company has routines for reporting improprieties. The Board encourages the company's employees to raise ethical issues and to report any breaches of the regulations they encounter. The internal audit function is an independent whistleblowing channel with the right and duty to report to the Board. The right to report improprieties in the enterprise also comprises consultants who carry out assignments on behalf of Petoro.

Petoro expects its partners and contractors/ suppliers to maintain the same ethical standards set for its own business operations. Petoro's standard contractual terms incorporate requirements that contractors/suppliers must execute the assignment with a high level of professionalism and in accordance with high ethical standards. An extract from the company's guidelines on business ethics is incorporated into all Petoro's standard contracts as a normative standard. The management committee in each joint venture is responsible for considering and deciding issues related to the procurement and contract strategy.

Statement on human rights due diligence pursuant to the Transparency Act

The Transparency Act entered into force on 1 July 2022. Through stricter requirements for transparency and due diligence, the Transparency Act aims to help prevent human rights violations and improper employment practices at the enterprises' business associates and in the supplier chain. For Petoro, this means that the company will provide information to anyone who requests it regarding how the company handles actual and potential negative impact on fundamental human rights and decent employment. Petoro received no such inquiries in 2024.

Nature of the enterprise

Petoro AS is a state-owned limited liability company which safeguards the state's participating interests in joint ventures on Norwegian continental shelf. The majority of the company's activities therefore take place as a licensee in such joint ventures established under the Joint Operating Agreement. In accordance with Offshore Norge Guideline No. 148, the operator is primarily responsible for undertaking risk-based human rights due diligence in connection with the joint venture's activities. As a result of the Guideline assigning responsibility for human rights due diligence to the licensee company, Petoro generally uses the operator's human rights due diligence as a basis for its own due diligence under the Transparency Act.

Petoro conducts its own human rights due diligence for suppliers and business partners outside the mentioned joint ventures.

Human rights due diligence as a partner in joint ventures

According to the industry guideline referenced above, Petoro can use the operator's human rights due diligence as a basis for its own due diligence. As an obligated party pursuant to the statute, Petoro also conducts its own assessments. This takes place by Petoro assessing whether the information the operator in the joint venture has provided is sufficient for the company to fulfil its obligations under the Transparency Act.

Petoro has availed itself of existing arrangements in the Joint Operating Agreement to address human rights due diligence associated with the joint venture's activities in the following manner in 2024:

- Petoro has ensured in multiple Partner Forums, and alongside the other licensees, that the operator has explained its efforts on human rights due diligence. This has included pointing out incomplete or lacking explanations.
- Through active participation in the joint venture's Management Committee, Petoro has focused

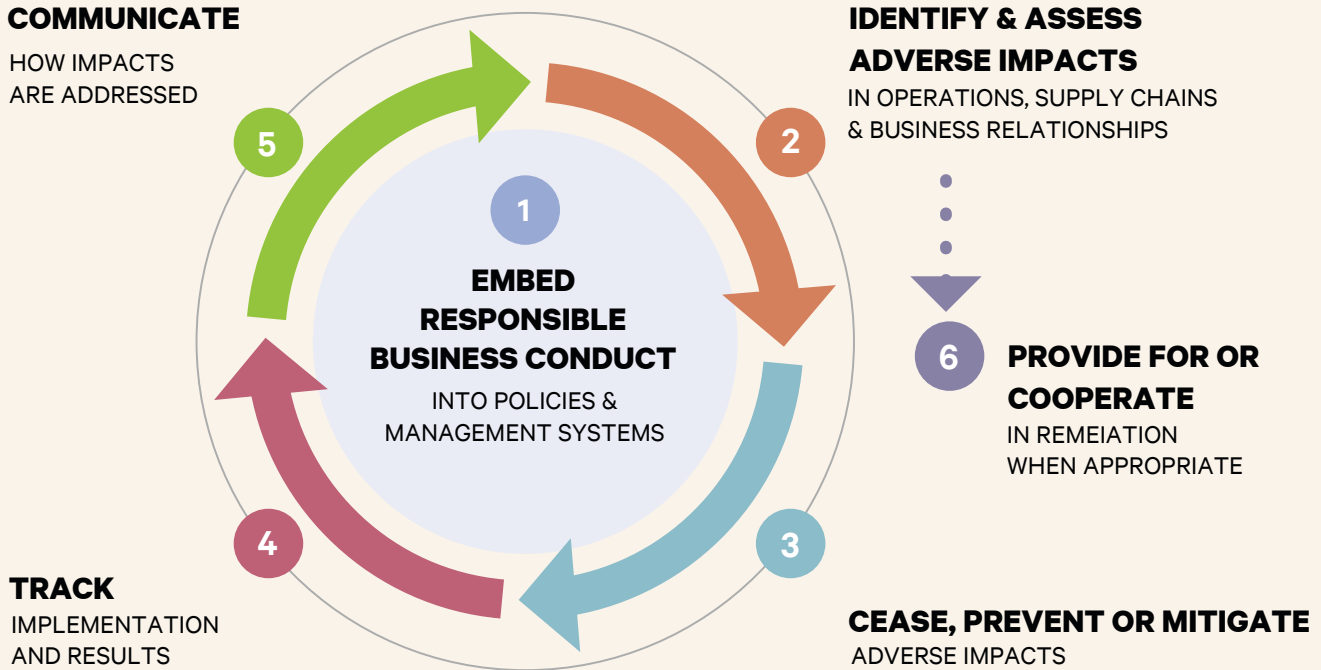
on ensuring that the operator's efforts to identify and manage risk have included sharing information about any actual negative impact and substantial risk of negative impact associated with the joint venture's activities. This also covers compliance with the Transparency Act.

No circumstances have come to light in 2024 which gave grounds for action from Petoro

Human rights due diligence in Petoro AS

Separate human rights due diligence is undertaken for the company's suppliers outside the mentioned joint ventures. Work on human rights due diligence is codified in an internal guideline in accordance with a framework based on the UN Guiding Principles on Business and Human Rights (UNGPR) and the OECD Due Diligence Guidance for Responsible Business Conduct, and ownership is assigned to the company's management and Board.

Petoro has conducted human rights due diligence based on the nature and degree of risk, as well as the company's connection to relevant risks in 2024. All suppliers have been subject to due diligence based on Petoro's ability to influence them and the defined risk, including type of activity and the



organisation’s geographical location. Suppliers have furthermore been split into different categories to ensure that the most serious risks are prioritised first. Measures are implemented to follow up the supplier based on their category.

The mapping has not revealed actual negative impact from the company’s activities, either at Petoro or at the company’s suppliers or business partners.

Measures and expectations for suppliers

Petoro has worked on corporate social responsibility as an integrated part of the company’s governance for several years, and will continue this work in 2025. The focus will be on internal

training and awareness campaigns in an effort to ensure good compliance and continuous improvement in the organisation.

Petoro expects its partners and contractors/ suppliers to maintain the same ethical standards set for its own business operations. Petoro’s standard contractual terms incorporate requirements that contractors/suppliers must execute the assignment with a high level of professionalism and in accordance with high ethical standards. An extract from the company’s guidelines on business ethics is incorporated into all Petoro’s standard contracts as a normative standard. The management committee in each joint venture is responsible for considering and deciding issues related to the procurement and contract strategy.

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Outlook

Outlook is described in the Directors' report, Chapter 1.2.



Johan Sverdrup.
Photo: Ole Jørgen Bratland, Equinor