



# Annual Report and Accounts

An aerial photograph of a coastal landscape. On the left, the dark green sea meets a sandy beach. To the right of the beach is a steep, eroded cliff face with a warm orange-brown hue. Further inland, a road winds through a forested area with autumn-colored trees.

2024





## Introduction

BlueNord is providing Europe with the energy it needs today, tomorrow, and in the net zero future

BlueNord is a strategically important European oil and gas company, specialising in the production and development of resources that support the energy transition towards net zero.

While creating value for stakeholders, BlueNord helps to deliver the energy security that millions of people depend on in today's changing world.

# 2nd largest

Oil and gas producer in Denmark

## Financial highlights

Revenue

**\$702m**

Net cash flow from operating activities

**\$309m**

EBITDA

**\$354m**

Total liquidity (cash and undrawn facilities)

**\$521m**



## Operational Highlights

- > Restart and ramp up of Tyra II, more than doubling production from 2025.

[Read more on page 13](#)



- > Contributing to Europe's energy transition, with piped gas and investment in the CCS value chain.

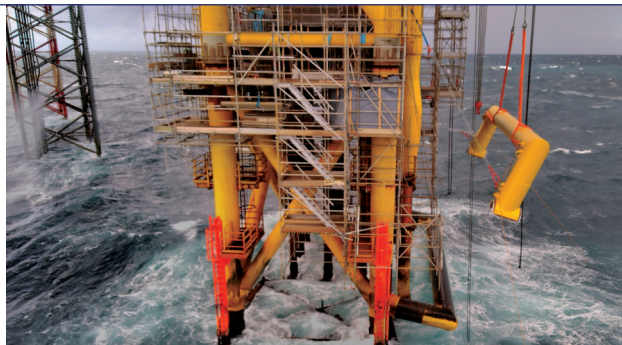
[Read more on pages 6 to 8](#)

- > Strong results from well optimisation activities which continue to mitigate production decline in the DUC fields.

[Read more on page 12](#)

- > Excellent results from drilling of the Harald East Middle Jurassic (HEMJ) well, extending plateau production from Tyra II by 10+ months.

[Read more on page 16](#)



- > Reserves replacement of 189 percent at year end 2024.

[Read more on page 18](#)

- > Successful reset of capital structure enabling distributions to shareholders.

[Read more on page 79](#)

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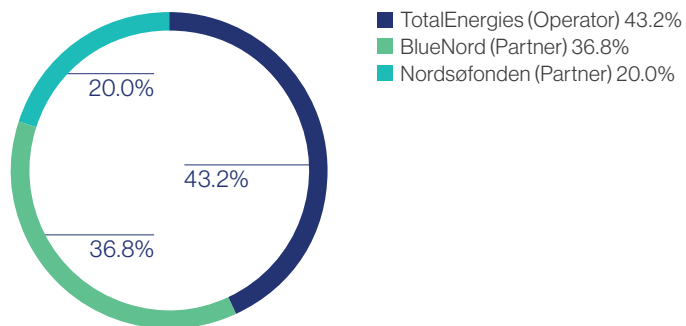
# BlueNord is active in the Danish North Sea with a 36.8 percent non-operated working interest in the DUC

The Danish Underground Consortium (DUC) comprises fifteen fields, three export pipelines (owned by Ørsted) and significant infrastructure.

Oil and gas are produced from four operational hubs, and overall the DUC accounts for nearly 90 percent of the oil and gas produced in Denmark. The three pipelines secure exports from the hubs to the Danish mainland and international markets.

Find out more about the DUC at [bluenord.com/ourassets](https://bluenord.com/ourassets)

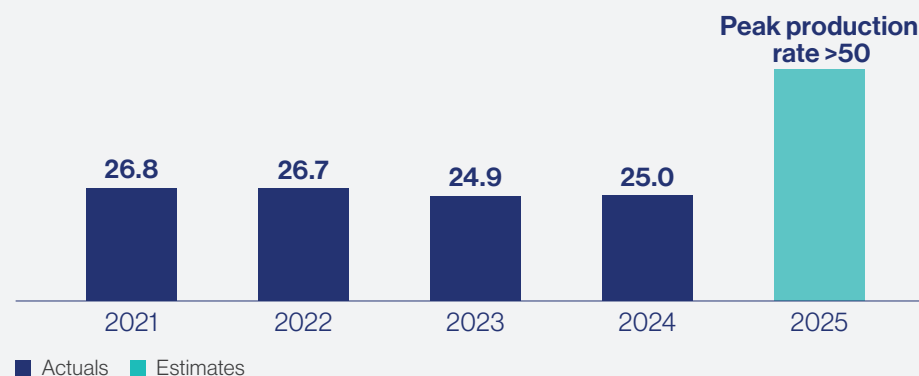
## DUC ownership





- > The DUC represents around 90 percent of Danish oil and gas production, with a low decline rate on base production and significant near-term growth.

Net production mboepd



2P development from YE23 to YE24, mmboe net



Proven and probable (2P) reserves, net (mboepd)

194

2024 production rate, net (mboepd)

25

2025 peak production rate, net (mboepd)

>50

Proven and probable (2P) reserves and best estimate of contingent (2C) resources, net (mmboe)

221

2024 reserves replacement

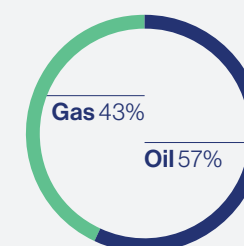
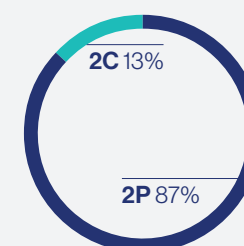
189%

2021-24 annual decline (excl. Tyra)

<4%

2023-25 growth

>100%







“

We focus on reducing flaring on producing facilities. With Tyra onstream, the hub's emissions will reduce by 30 percent compared to old facilities.”



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# Strategic Report

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> The successful restart of the Tyra II signifies a new era of high production potential.

[Read more on page 13](#)



> Near term developments include both infill drilling and projects to maximise reservoir potential.

[Read more on page 15](#)





# Delivering from a position of strength



BlueNord is well placed to continue to deliver on its commitments to its shareholders and all stakeholders.”

**Glen Ole Rødland**  
Chairman



Dear Shareholders and Stakeholders

This is my first statement as Chairman of BlueNord and I would like to reflect on what has been achieved by the Company so far, and where BlueNord is heading in the next few years. Without doubt, BlueNord has come a long way in only a few years, and is today well-placed to continue to deliver for our shareholders and stakeholders.

Over the last year much of the hard work from the previous six years, since the Company acquired its interest in the Danish Underground Consortium (DUC) assets, has come together. This is testament to the strategy put in place and the unwavering commitment of the team to delivering results. When BlueNord acquired its 36.8 percent interest in the DUC in 2019 the challenge was enormous. Replacing the Tyra facilities represented the largest project ever undertaken on the Danish continental shelf. Delivering that has been no easy task, with inevitable pitfalls along the way, requiring careful management throughout.

The company and our partners in the DUC, have successfully navigated these challenges, BlueNord is in a strikingly different position today. The production capacity of oil and gas has more than doubled over the last 12 months and a step change in cashflow is expected in 2025. This position is now enabling the Company to reward shareholders for their patience and confidence in our work. It is also enabling BlueNord to play a meaningful role in delivering energy security and in supporting the energy transition in Denmark and Europe with a reliable, low-cost and low emission, local source of piped gas. Future projects like Ruby aim to further reduce emissions

through CCS. The pivot to gas production through Tyra is timely. The local European market has become increasingly reliant on imported LNG, which is costly and carries a much higher environmental footprint. That position is reflected in recent pricing and gas storage levels in Europe during the colder winter months.

The Company is well-placed to continue to deliver, with a strong forward production profile based on our current assets. That affords us optionality to maintain and potentially grow production, organically and/or by M&A, while maintaining the high bar for investment and distribution that has been set. Delivering on the Company's long-term potential requires it to continue to balance its distribution, investments, and liquidity. Key to the company's capital efficiency and capital return requirement is the continued access to financial markets, as was demonstrated during the year by the success of our refinancing of our RBL and bond issue.

The strategy of BlueNord going forward is to maximise the cashflow from the existing assets in the DUC. The strategy is not to leave any profitable barrels behind on the Danish sector and this aim can only be achieved in close collaboration with our partners in the DUC and the Danish authorities. In addition, we would be evaluating other growth opportunities in the North Sea, both CCS and geographical expansion of our production.

In addition to the milestones of Tyra completion and the refinancing of the company, the Board of Directors also changed during 2024. I joined the Board as Chairman, replacing Riulf Rustad, along with Kristin Faerovik and João Saraiva e Silva,

who joined as Non-Executive Directors. I would like to thank Riulf Rustad for the tremendous contribution he has made to the Company during his time as Chairman. I would also like to take this opportunity to thank shareholders and bondholders for their commitment and continued confidence in the BlueNord journey. Due to the delayed restart of Tyra the start of dividend distribution has been deferred to 2025. BlueNord will distribute 50-70 percent of free operating cashflow quarterly to our shareholders in 2025 and 2026. And finally a big thank you to the BlueNord team, for their outstanding commitment and hard work, without which the Company would not be where it is today. It is through their experience and good judgement, with the support of the Board, that BlueNord has successfully navigated the last few years. In the year ahead I look forward to maintaining an open dialogue with shareholders and bondholders and to supporting the team, as BlueNord continues its journey of progress and growth.

**Glen Ole Rødland**  
Chairman

# Looking ahead with confidence



This year has been another demonstration of our strong underlying fundamentals, with 2025 set to see us deliver against our ambitious objectives and start distributions”

**Euan Shirlaw**  
Chief Executive Officer



2024 was characterised by a strong performance from the Company's underlying asset base, continued progress on Tyra, maximising the long-term potential of the DUC assets, and positioning the Company to make returns to investors.

The strength of the Company's base assets is reflected in the ongoing production performance, with four consecutive quarters at or above guidance. Through an active programme of maintenance we have seen consistent production over the year, supported by high levels of efficiency.

Tyra is strategically important to the Company, Denmark and the wider European region. It is also in line with our purpose to provide Europe with the energy it needs. Tyra has been ten years in the making and, while there has been some unavoidable delays, the value of the project remains evident.

With the Tyra completion test soon to be fulfilled, the Company will shortly make its first distribution to shareholders of \$215 million for 2024. During 2024 work was undertaken to reset the Company's capital structure to support the planned distribution policy.

## Production and operations Base assets

The Company delivered a consistent production performance through the year, with low levels of natural decline due to an active and ongoing programme of well maintenance and infill drilling. Since 2021, the producing hubs in the DUC have experienced an annual decline below 4 percent on average, a testament to the quality of the assets and the importance of continuous investment.

2024 saw an average daily production net to the Company of 25.0 mboepd, in line with guidance. Production was supported by 20 completed optimisation interventions on Halfdan, the success of the Skjold gas acceleration pilot, which added to production from August, and the success of the Halfdan Tor NE infill well, which came into production at the end of March at 3 mboepd.

The Company also benefitted from Tyra production in November and December. This peaked at 11 mboepd in November, before weather conditions impacted access to the satellite fields. Work to optimise the offshore systems and ramp up continued, with net production at the end of the year reaching 15 mboepd.

Following the successful drilling of the Harald East Middle Jurassic (HEMJ) well it was put on production in December.

Preliminary results from the well were positive and above the pre-drill P50 estimate, with 48 metres of good quality sandstone encountered. The potential of this well is expected to significantly extend the plateau production period for the Tyra hub.

On Halfdan the well optimisation programme continued into the first quarter of 2025 as planned. Two workovers were completed on Halfdan to protect production of 0.7 mboed from two wells at risk.

Production in 2025 (and beyond) will also benefit from the planned installation of gas lift on Halfdan North East in the second half of the year. The gas lift will extend the production from the Halfdan HCA wells and hence extend the life of the Halfdan C platform. (Gas lift involves injecting gas into a producing well to help lift liquids from the well and support ongoing production rates that otherwise would be constrained.)

## Tyra II

The reinstatement of Tyra will more than double the Company's production to over 50 mboepd. It will reduce opex to around USD 13/boe and emissions per barrel by around 30 percent. This supports a step change in our financial position, enabling distributions and the optimisation of our capital structure.

Gas produced from Tyra will add to energy security for Denmark and Europe, turning Denmark into a net exporter of gas, and support the process of energy transition. Tyra provides a source of locally-produced gas that is cheaper and delivers a much lower environmental footprint than alternatives such as liquefied natural gas (LNG).





With the safe restart of Tyra production in March 2024, focus is now on bringing the Tyra West and East fields as well as satellites Valdemar, Roar, Harald and Lulita on production to maximise the utilisation of one of the most advanced and efficient offshore gas installations in the world.”

The end of the year saw the ramp up of production from Tyra, as expected, reaching full technical capacity on 10 November. The year end exit rate for Tyra production was 15 mboepd, with plateau production expected to be reached early in Q2 2025.

Although some delays have been encountered in reaching plateau production, they in no way diminish the overall value of the project for the Company, its shareholders and stakeholders. In a project of this scale such challenges are to be expected and should be viewed in the broader context of the project's long-term value.

First gas was successfully achieved in Q1 2024 from Dan, with first export of Tyra gas from Harald in April. During ramp up technical problems were encountered with the transformers for the intermediate pressure (IP) and low pressure (LP) compressors. The transformers were duly repaired and technical capacity was subsequently achieved.

Commissioning and hook up activities, alongside the repair of the transformers, progressed smoothly, enabling an accelerated production ramp up after reaching technical capacity. This included the unplugging of wells from Tyra West and East and the reinstatement of Tyra satellites, including Tyra South-East, Roar and Valdemar.

#### Maximising the value of the Company's assets

In order to maximise the long-term value of our assets, the Company has three developments in the planning stage. These are Adda, Halfdan North and Valdemar Bo South. Adda is in the process of being renamed Tyra North, as it will be a tie-back to the Tyra facilities.

Each of these developments offers a highly attractive rate of return (IRR) based on a relatively low unit technical cost (opex and capex) of less than USD 20/boe.

Tyra North and Valdemar Bo South are gas weighted, while Halfdan North is oil weighted. There are potential synergies to be gained between Tyra North and Halfdan North. These developments will add to daily production, and backfill the Tyra hub's processing capacity. Final investment decisions on the three developments are expected between 2025 and 2027.



By combining these developments with base production, optimisation, in-plan and out-of-plan projects, BlueNord has a clear path to maintaining a net production profile of between +40 mboed and +55 mboed between 2025 and 2030.

At these levels of production, from a portfolio of assets offering highly attractive returns and benefitting from the unique tax structure of the DUC region, the Company is well-positioned to remain highly cash-generative, ensuring a strong distribution profile now and in the future.

#### Carbon capture and storage (CCS)

Project Ruby, which operates under the auspices of BlueNord's fully-owned subsidiary CarbonCuts, was awarded an onshore licence during the year by the Danish Energy Agency (DEA) for the storage of up to 1.5 million tonnes of CO<sub>2</sub> per annum from 2030. Award of the licence represents a milestone for the project, offering a material emissions reduction solution without compromising energy security.

#### Reserves

BlueNord reported 2P reserves at the end of 2024 of 194 mmboe. This increase from 186 mmboe at the end of 2023 represents a reserves replacement ratio of 189 percent and is the second year in a row where we have delivered over 100 percent.

#### Net cash flow from operating activities

**\$309m**

#### Total liquidity (cash and undrawn facilities)

**\$521m**

This is a fantastic result for a mature asset base with a long production history like the DUC. It also recognises the strong contribution from the HEMJ well, which started production less than three months after the initial discovery was made and is expected to continue contributing to our portfolio for a long time to come.

#### Sustainability

2024 reflects progress in the Company's ambition to help provide energy security to Denmark and Europe whilst Europe navigates the energy transition. The restart of Tyra and the reweighting of the Company's production to gas

## Chief Executive Officer's Statement continued

is central to that, as is BlueNord's investment in the Ruby CCS project.

Gas from Tyra will displace alternative sources of energy which carry far higher CO<sub>2</sub> emissions. This includes coal and the import of LNG, which has grown rapidly post the restrictions placed on the import of gas from Russia. Tyra-produced gas will also reduce scope 1 emissions by 30 percent, when compared to 2018 levels, before the production of the field was temporarily shut-in, partly due to the improved efficiency of the new facilities.

Following the award of the onshore exploration licence for CO<sub>2</sub> storage, Project Ruby could make a material contribution towards Denmark's plans to achieve net zero by 2050. This project is expected to help offset our share of emissions from the DUC assets, supporting the Company's overall sustainability ambitions. Emissions from the DUC assets, supporting the Company's ambitions to minimise emissions.

Combined these projects are consistent with maintaining energy security and reducing emissions. They therefore contribute to maintaining a sustainable energy future that is fit-for-purpose, and in line with societal and industry needs.

### Financials

Revenue remained strong and consistent throughout the year. This was driven by consistent production performance and favourable commodity pricing, and also benefitted from the Company's hedging policy, particularly earlier in the year.

The Company actively hedges pricing risk and added to its hedging position in 2024 with 42 percent of 2025 oil production hedged at an average price of \$73/bbl and 39 percent of 2025 gas production at an average price of EUR 40/MWh. The Company aims to add to its hedging position when deemed attractive to do so, giving us visibility over future cash flows which support the balance sheet and distributions to shareholders.

Opex also remained consistent for most of the year at around USD 32 per barrel, dropping in the last quarter to USD 23 as the Company benefitted from the reclassification of WROM cost to Capex and the ramp up of Tyra production. This supported a strong and consistent EBITDA performance across the year, with the fourth quarter again benefitting from reduced production expenses.

The Company's liquidity position strengthened as the year progressed, reflecting a stronger cash position and benefitting from the changes made to the Company's capital structure. The stronger cash position reflected changes in trade receivables, trade payables, prepayments, and inventories. At the end of the year BlueNord had a total liquidity position of USD 521 million.

Changes to the capital structure better reflect the Company's forward credit profile and support the Company's distribution policy. These included a refinancing and increase in the reserves-based lending (RBL) facility to USD 1.4 billion, and the issue of BNOR16, a USD 300 million bond. The proceeds from BNOR16 were partially used to repay BNOR14.

The issue of BNOR16 and repayment of BNOR14 allowed the Company to remove the link between historic net profit and distributions in the capital structure until the end of 2026, paving the way for the Company to execute its planned distributions policy from 2025 onwards.

The capital structure put in place reflects the Company's strategy to maintain a level of diversity and its continued support from lenders. It is also in keeping with the Company's aim to maintain a target net debt to EBITDA ratio of 1.5 on a through-cycle basis.

### Distributions

During the year the Company outlined its planned distributions policy, which aims to distribute between 50 and 70 percent of net operating cash flow between 2024 and 2026. Thereafter the desire is to maintain a meaningful returns profile.

The first distribution is expected to be made shortly in Q2 2025, following the Tyra completion test being met, as required under BNOR16. The announced distribution for 2024 is USD 215 million representing 70 percent of net operating cashflow during the year.

Further to this initial distribution the Company plans to pay a quarterly distribution going forward, commensurate with performance in the period. The distribution policy is based on maintaining sufficient cash in the business at a level required for business purposes and above the USD 100 million of liquidity stipulated under the BNOR16 bond.

### Outlook

Looking at the year ahead, the focus remains on optimising the long-term contribution from our operational portfolio, allowing us to maximise near-term distributions, maintain a conservative balance sheet and support investment in organic growth opportunities that underpin the long-term positive outlook for value creation. It is an approach that will help us maintain our overall production profile to 2030 and beyond.

I therefore look forward to the year ahead with confidence and to keeping shareholders and bondholders updated on our continued progress.

### Euan Shirlaw

Chief Executive Officer



# A business model with purpose

Our purpose is to provide Europe with the energy it needs – for today, tomorrow and in the net zero future to come.

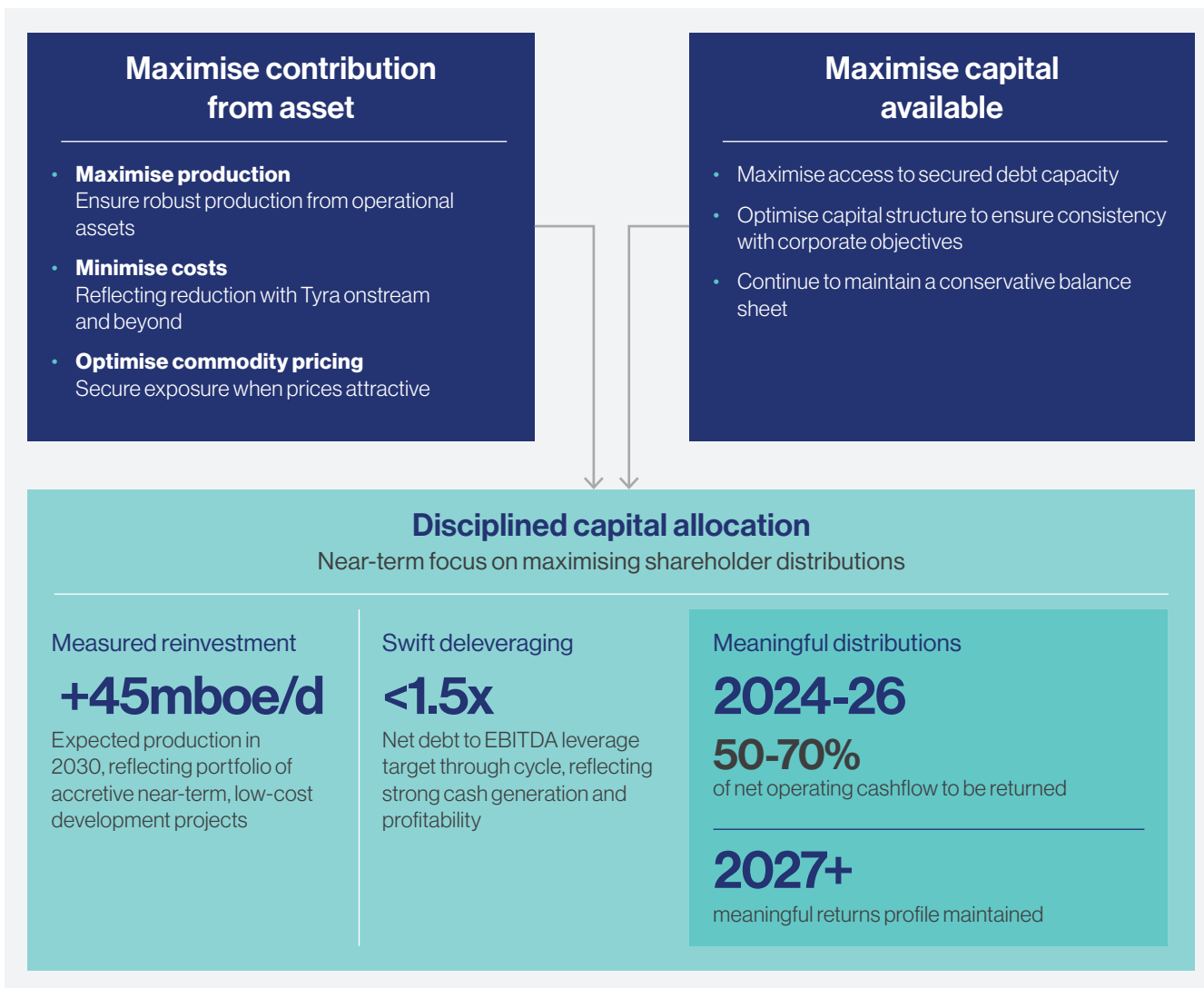
## What we do

Our business model is focused on maximising the long-term contribution of our operational portfolio. This in turn enables us to deliver on three key priorities: maximising distributions to shareholders, maintaining a conservative balance sheet and allocating capital to attractive organic growth opportunities.

## How we create value

Active operational engagement is fundamental to the successful implementation of the business model. This is backed by strong technical and commercial analysis to support decision-making, and by measured reinvestment where appropriate.

As a fully engaged DUC partner we play a significant role in direction setting, as well as operational activity, ensuring a well-managed portfolio that fully delivers on its potential.



## Our Strategy

Our core objective is to ensure that we maximise the long-term value we deliver for stakeholders. We achieve this by balancing the demands of energy security against the needs of the energy transition.

We will make measured investments where it is economically attractive to do so, which will in turn help to ensure energy prices are affordable for residential and business consumers.

We will seek to lower overall emissions by producing more gas in Europe, for Europe, which will offset carbon-intensive sources of energy such as coal and imported LNG. We will also invest in emissions reduction initiatives for existing producing assets, and in activities that support a net zero society.



### Strategic Pillar 1 Deliver operationally

Strong production performance, driven by an active approach to asset management, will see BlueNord continue to enhance near-term volumes.

#### Delivery in 2024

- Strong production in upper end of annual guidance.
- Mitigation of natural decline and delivery at or above guidance throughout the year.
- Active management by the Operator, including delivery of the well and reservoir optimisation management (WROM) programme.
- Progress in attractive short cycle investments, including putting the successful discovery of the Harald East Middle Jurassic (HEMJ) well, and the Halfdan Tor North-East infill well on production.

#### Focus for 2025

- WROM to continue with activities planned for 2025 and beyond.
- Focus on identifying further opportunities for enhancement in fields that have not been subject to WROM thus far.
- Further maturation of infill opportunities.



### Strategic Pillar 2 Deliver Tyra II

Tyra secures energy supplies by producing 2.8 billion cubic metres of gas per year for Denmark and Europe, while reducing emissions by 30 percent compared to old facilities.

#### Delivery in 2024

- Field reached maximum technical capacity 10 November 2024.
- Ramp up of production volumes continued through Q4, exiting 2024 at a rate of 15 mboepd.

#### Focus for 2025

- Plateau production, supporting BlueNord peak production expectation of over 50 mboepd, and substantial free cash flow generation.
- Maximise plateau duration based on optimal management of production potential and positive contribution from HEMJ.
- Mature Tyra infill opportunities.



### Strategic Pillar 3 Deliver our potential

We will maximise the value of BlueNord, with near-term shareholder returns and maintaining a conservative balance sheet prioritised, while reinvesting where attractive.

#### Delivery in 2024

- First distribution announced, distribution plan for 2025 and 2026 developed.
- Capital structure reset completed, with enhanced USD 1.4 billion reserves based lending facility (RBL) in place, maturity extended, new BNOR16 bond issued, and repayment of BNOR14.
- Progress made on project portfolio, with maturation reflected in (> 189 percent) 2P reserves replacement for year end 2024.

#### Focus for 2025

- Deliver distribution profile, with 50-70 percent of net operating cash flow distributed to shareholders from 2024 to 2026.
- Maintain conservative capital structure throughout.
- Progress opportunities to invest where accretive to long-term distribution profile.
- Continue to assess opportunities for short and long-term emissions reduction.





## Strategic Pillar 1

Deliver operationally

# Adding to 2P reserves and production through well and reservoir optimisation

The well and reservoir optimisation management (WROM) campaign has been ongoing since mid-2022, with the rig Noble Reacher being used for well optimisation on the Dan and Halfdan fields. A total of 50 well interventions were conducted on the Dan field in 2022 and 2023. In 2024, 20 optimisations were successfully completed on Halfdan wells.

The value of WROM is clearly seen in the Halfdan re-stimulations, in which seven gas producing wells on the Halfdan NE field were re-stimulated in July 2022. When conducting re-stimulations acid is pumped into the wells to improve the production potential. The Operator had identified Halfdan re-stimulation candidates based on 4D seismic surveys, which indicated that reservoir depletion in parts of the wells was not optimal. An immediate response from the re-stimulations was seen, with increased production rates of around 11 mmscfd net BlueNord.

Usually effects from re-stimulations are temporary and decline over time, after which production returns to the initial trend. By analogy with similar wells, the Halfdan wells were expected to benefit from the re-stimulation for a period of around 30 months. However, after having followed the anticipated decline for the first 18 months, decline deviated from the forecast and a new trend, significantly higher than the initial trend, is now established. This implies that the re-stimulations have opened a previously undrained reservoir up to production, thereby adding to reserves rather than simply accelerating production.

## Well & Reservoir Optimisation Management

Maximise production and reserves recovery from current well inventory  
(Flowing and CINA<sup>V</sup>\* wells)

WROM intervention types:\*\*

- > CT clean outs
- > Straddle installations
- > GLV optimisation
- > PLT and zone shifting
- > Perforations
- > Acid stimulations
- > Conformance treatments



WROM plays an important role in maintaining a robust Base Assets production with an annual decline of less than 4 percent year-on-year since 2021."

\* CINA<sup>V</sup>: Closed In Not Available

\*\* CT: Coiled Tubing

GLV: Gas Lift Valve

PLT: Production Logging Tool

## Strategy in Action continued



## Strategic Pillar 2

### Deliver Tyra II

# Maximising Tyra following a successful redevelopment campaign

The Tyra hub was successfully restarted on 10 November 2024 following a shutdown of over five years during the Tyra redevelopment project. Restart followed the repair of two transformers that were both short-circuited in connection with the start up of Tyra. The initial focus of the restart has been to validate the facility's fluid handling capacity through a field-sequential start up. Harald was the first field to come online, followed by Tyra East, and subsequently the Tyra SE wells. The recent exploration discovery well, Harald East Middle Jurassic (HEMJ), followed by Valdemar B, were brought online once stable processing operations were confirmed.

By end December 2024 around half of the wells were brought on production, and the Tyra hub reached its highest production rate since the restart in November. The remaining fields,

including Valdemar A, Roar and Tyra West, will come online in early 2025, after which the Tyra hub is anticipated to reach its production capacity limits and maintain a steady production plateau for a period, contingent upon well performance and facility uptime.

Promising pressure data from the various fields has indicated a significant pressure buildup during the five-year shut in period. Combined with production predictions from dynamic models, BlueNord expects a period of high gas production, securing strong production potential throughout 2025. A key factor in achieving this will be to identify any potential production constraints and investigate opportunities as a result of the reservoir dynamics taking place during the extended shut in period.







### Strategic Pillar 3

Deliver our potential

# Our distributions policy is set to deliver material near-term capital returns to shareholders

With Tyra now onstream we have the ability to return capital. This is supported by substantial free cash flow generation which enables the prioritisation of near-term returns to shareholders, while also allowing measured reinvestment and the maintenance of a conservative balance sheet.

#### First distribution

First distribution for financial year 2024/25 of USD 215 million has been proposed: which is 70 percent of net operating cash flow for 2024. This is the first step in delivering on our business model and stated objective to maximise returns for shareholders.

#### Cash flow generation to support all stakeholders

- Prioritise shareholder returns in the near-term.
- Measured reinvestment to maintain strong operational portfolio.
- Preservation of strong balance sheet through-cycle.

#### Shareholder returns policy for 2024-26 and beyond

- 2024 to 2026 – distribution policy of 50-70 percent of net operating cash flow.
- 2027 and beyond – maintain meaningful returns profile as a percentage of net operating cash flow.
- Shareholder distributions based on net operating cash flow.

# \$215m

distribution proposed for 2024





Strategy in Action continued



**Strategic Pillar 3** continued  
Deliver our potential

# Growth through development projects and infill drilling

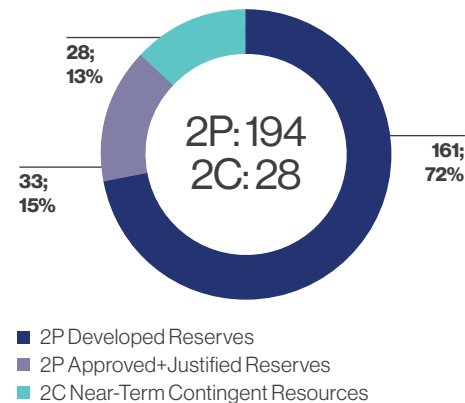
Our long-term plan covers development activities up to 2030, including both development projects and infill well drilling, based on the current technical and economic landscape of the DUC. Projects will be revised and optimised in the light of findings from production, technical studies and changes to macroeconomic conditions.

While subject to continuous optimisation, the plan currently includes the drilling of four infill wells between 2025 and 2028. Of these, two infill wells will be drilled from Halfdan. The 4D seismic survey data acquired in 2023 in the Dan and Halfdan areas is key to identifying pockets of undepleted reservoir in the Halfdan field. Interpretation of this data is ongoing and will guide the infill programme.

In addition, subject to FID, one infill well is planned to be drilled into the Valdemar Upper Cretaceous reservoir, and one infill well into the Dan B block. Following delivery of these infill wells, three further development projects will be executed: seven wells on Tyra North (previously named Adda), nine Halfdan North wells, and five wells on Valdemar Bo South.

We are also, subject to FID, working to mature additional infill wells in the Tyra area. Work is ongoing to unlock significant volumes from the Tyra field and the Tyra satellite fields to fill the new modern facilities at Tyra for longer.

## Reserves and Resources Split (mmboe, net BN)







### Strategic Pillar 3 continued Deliver our potential

## Unlocking the potential of the Middle Jurassic

Production was initiated from the Harald East Middle Jurassic (HEMJ-1X) exploration well on 6 December 2024 after successful drilling and completion in the second half of 2024. The prospect was designed as a one-well development, drilled from the existing Harald platform and processed through the Tyra facilities. It was handed over to production just prior to the commencement of the Tyra redevelopment production start up.

A thorough pre-well engineering study was performed outlining the use of particular drilling technologies, notably managed pressure drilling and advanced mud systems. These were both required to ensure a safe drilling window through an overlying depleted chalk reservoir, enabling the final targeted sandstone reservoirs within the Lulu and Bryne formations to be reached. This approach marked a first for the DUC.

The well's hydrocarbon column and associated reservoir properties exceeded pre-drill expectations. Correlation of well data and sedimentological analysis confirmed the connectivity within the sands, further validating the reserve estimates. The discovery not only added substantial 2P reserves to the BlueNord portfolio but will also extend and secure the Tyra production plateau for several additional months. The initial gas production rate surpassed 50 mmscfd.

In addition, the exploration well was notable for its low incremental emissions footprint, contributing to reduced GHG emissions intensity and supporting the continued operation of the Harald platform, thereby extending its operational lifespan.



The HEMJ well is expected to increase gas production from the Harald field, extend the life of the Harald hub and contribute to the security of energy supply in Denmark and Europe.”





Strategy in Action continued



**Strategic Pillar 3** continued  
Deliver our potential

**Looking ahead**  
**Projects for 2025-30**

## Halfdan infills

The Halfdan infill wells are planned as a continuation of the Halfdan field development. Two infill wells were planned to be drilled in the Halfdan Tor formation and were sanctioned in 2022. The first well commenced production in April 2024. The first of two Ekofisk infill wells was sanctioned in 2024. If supported by positive indications from the 4D seismic study further infill drilling is planned for both the Halfdan Ekofisk and Tor formations.

## HCA gas lift

The HCA gas lift project is planned for the second half of 2025 and is currently being executed. The gas lift is required to support well production and thereby increase production potential. Project scope comprises modifications to Halfdan B topside facilities, as well as a gas lift manifold to be installed at Halfdan C. Construction of the main module is already complete.

## Valdemar UC infill

One upper cretaceous infill well is planned to target an undrained area in the Valdemar field. The well is planned to use a vacant slot of the VAB wellhead platform.

## Halfdan North

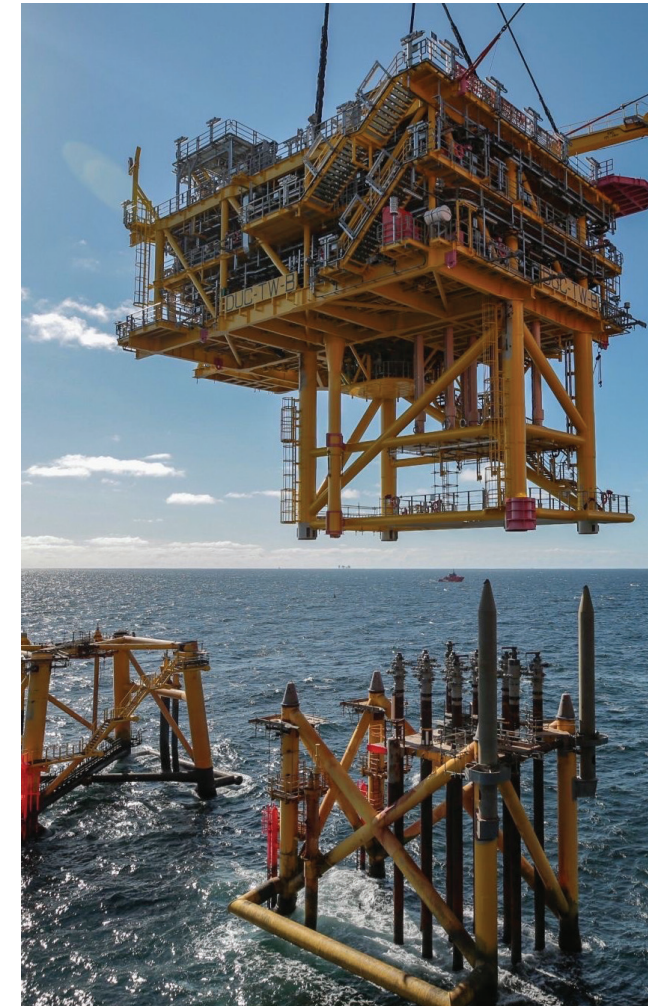
The Halfdan North Upper Cretaceous discovery is a northern extension of the producing Halfdan field. Halfdan North was confirmed by the well HDN-2X and later in 2016 by the Tyra South-East, TSB-3A well. The discovery will be tied back to the Halfdan B (HBD) processing platform with a 7-kilometre pipeline from a new wellhead platform with nine horizontal wells, five producers and four water injectors. A field development plan was submitted to the Danish Energy Agency (DEA) in 2020. An update to this plan will be submitted in 2025.

## Tyra North

The Tyra North discovery, previously known as the Adda discovery, is located ~12 km northeast of the Tyra East facility. Following the discovery, four successful vertical wells and one horizontal appraisal well were drilled across the Tyra North area. Tyra North is planned to be tied back to the Tyra East platform with an 11-kilometre pipeline from a new wellhead platform with seven horizontal wells. A field development plan was submitted to the DEA in 2024.

## Valdemar Bo South

This discovery is a southern extension of the producing Valdemar field. Valdemar Bo South has been confirmed by the Bo-3X and Jude-1X exploration well and further by the VBA-6E horizontal well drilled in 2012. The discovery will be tied back to Tyra East via the Valdemar BA platform with a 2.5-kilometre pipeline from a new wellhead platform with five horizontal wells. The field development plan submitted to DEA in 2020 is currently under review.



# “BlueNord achieved excellent 2024 performance with a promising 2025 outlook.”

**Miriam Jager Lykke**  
Chief Operating Officer



BlueNord achieved remarkable success in 2024, laying the groundwork for a significant production increase in early 2025. This achievement is attributed to several key factors, including Tyra II reaching full technical capacity in November 2024 and the successful delivery of two new wells.

Achieving full technical capacity at Tyra II in November 2024 was a major accomplishment, made possible by the successful repair of the two transformers and the installation of protective measures in the electrical system. Furthermore, the campaign to secure two gas export routes was completed, allowing for the export of gas to both Denmark and the Netherlands. The subsequent Tyra ramp-up was impacted by adverse weather conditions and minor operational occurrences, however, after Tyra II reached stable production during the second half of December 2024, the ramp up continued and a 2024 exit rate of 15 mboepd, net was achieved. Ramp-up to plateau production will continue into early Q2 2025.

The first infill well (HBA-27B) since 2019 was stimulated and put on production in March 2024, and the exploration well Harald East Middle Jurassic (HEMJ) was successfully drilled, completed and put on production in December 2024.

The plan for long-term production potential was set in motion by initiating the tender process for the two development projects, Tyra North (Adda) and Halfdan North, in October 2024.

We can also look back on a year with a high activity level, with the Well and Reservoir Optimisation Management (WROM) completing the campaign on Dan and continuing on Halfdan. Additionally, a continued focus on operational performance of the base assets resulted in an impressive average operational efficiency of 91 percent.

Another significant accomplishment was the drilling and completion of the HEMJ well, where the encountered hydrocarbon column and associated reservoir properties exceeded pre-drill expectations. This discovery not only added 12 mmboe, net 2P reserves to the BlueNord portfolio but is also expected to prolong the lifetime of the Harald hub and extend the Tyra production plateau for at least 10 months. The HEMJ well has a low incremental emissions footprint and contributes to gas supply to Denmark and Europe.

BlueNord delivered base production well within guidance while commencing delivery of Tyra production. This was achieved with a full focus on safe operations and Tyra II commissioning, resulting in improved safety for the year. Furthermore, the Operator is performing well on integrity KPIs, and maintenance levels are showing improving trends.

The outlook for 2025 is extremely strong, with BlueNord production expected to nearly double early in the year.

Net cash flow from operating activities

## \$309m

2024 production (mboepd)

## 25.0

### Reserves

BlueNord achieved an impressive reserves replacement ratio of 189 percent at the end of 2024, marking the second consecutive year it has surpassed 100 percent. This is particularly remarkable for a mature asset base with a long production history like the DUC. This success is attributed to the strong underlying performance, which led to upward technical revisions of future production forecasts from its base assets. The HEMJ well, which began production less than three months after its initial discovery, made a significant contribution to our portfolio. This achievement was further supported by ongoing initiatives to maintain high operational efficiency and enhanced production potential through well optimisation (WROM), workovers, and restimulation activities. Additionally, the maturation of the Valdemar Upper



## Operational Review continued

Cretaceous infill well (VUC) contributed to the increase in reserves within the portfolio.

### 2024 Performance

In 2024, the base assets (Dan, Gorm and Halfdan hubs) delivered strong production, operating within annual guidance and exceeding quarterly guidance in the first three quarters.

Production from the Tyra II facilities commenced in the first quarter of 2024, marked by first gas from Tyra received at the Danish Nybro facility on 28 March. Transformer incidents on the IP and LP compressor impacted the planned ramp up and production of hydrocarbons from Tyra and the associated satellites, limiting production to only the Harald field until November 2024. Following the successful installation of the repaired transformers in November, the operator announced the availability of full technical capacity on the Tyra II facilities in a REMIT notification on 10 November 2024. Production ramp-up then resumed. By the end of 2024, the Tyra satellites (Tyra East, Tyra South-East, Harald, HEMJ, and Valdemar B) were on production, with approximately half of the Tyra hub wells opened. The remaining wells and satellites (Tyra West, Roar, Valdemar A, and Lulita) will be brought on production sequentially, with plateau production from Tyra expected in early Q2 2025.

Two recently drilled production wells were brought on stream in 2024. The first well was the Halfdan Tor NE infill well (HBA-27B), which commenced production in March 2024. Since production start, the well has had stable production with rates within the expected range. The second well was the Harald East Middle Jurassic (HEMJ) exploration well. This well was drilled in the second half of the year, and due to positive well results, was hooked up to the Harald facilities and began production in early December.

The excellent production performance from the base assets is attributed to an average annual operating efficiency of 91 percent, in line with BlueNord's expectations for the year. To further maximise production potential and minimise natural decline, the Operator undertook several projects and activities during the year, such as the Gas Acceleration Pilot on Skjold.

The Gas Acceleration Pilot on the Skjold field (SGPAP) in which water injection was gradually reduced in part of the field to increase the gas and oil production by shifting from water injection to depletion drive was another highlight of the year. The project was fully implemented in March, and a positive production response has been observed since May. In addition to the increased production, a benefit of the Acceleration Pilot is reduced fuel gas consumption as the reduced water injection allows for one of the water injection trains on the Gorm platform to be closed in.

The production potential and integrity of the individual wells is addressed in the well and reservoir optimisation campaign (WROM) which has been ongoing since mid-2022 by use of the rig Noble Reacher. 50 interventions on Dan wells were carried out in 2022 and 2023. Early 2024 the rig moved to the Halfdan reservoir where a total of 20 well interventions have been successfully completed during the year. In Q1 of 2025 Noble Reacher will move to Halfdan NorthEast to install gas lift on the HCA wells which will enable stable production for longer from the Halfdan NE gas field, thereby increasing the 2P reserves by 2.9 mmboe, net. The project will make gas lift available for 9 gas wells to help produce the liquids in the wells thereby enabling continued steady production.

### 2025 Outlook

In 2025, we will maintain focus on well activities and keeping operational efficiency high, despite production deferrals due to a higher level of planned integrity work and the installation of a flare recovery system on Gorm. Focus is also on Tyra ramp-up to plateau production, and maintaining stable production.

**Miriam Jager Lykke**  
Chief Operating Officer



BlueNord's 2024 achievements set a strong foundation for 2025, with production expected to nearly double by early 2025. The successful completion of Tyra II and the HEMJ well exceeded expectations, ensuring a promising outlook for BlueNord."



## Our assets and 2024 production

[Read more about our assets on our website](#)

### Dan Hub

**82%**  
Oil share of 2P reserves

**7.3**  
Net production mboepd

**25.3**  
Net 2P reserves mmboe

**89%**  
Operational efficiency

#### Production performance 2024

Production performance was high in 2024, mainly based on:

- High operating efficiency of 89 percent for the year, with several months exceeding 97 percent

#### Production outlook 2025

To keep production high in 2025, the plan is to:

- Carry out several reactive and proactive workovers by rig Shelf Drilling Winner
- Maintain the high operational efficiency

### Gorm Hub

**97%**  
Oil share of 2P reserves

**4.7**  
Net production mboepd

**10.4**  
Net 2P reserves mmboe

**86%**  
Operational efficiency

#### Production performance 2024

Production performance was high in 2024, mainly based on:

- Start-up of Skjold gas depletion pilot

#### Production outlook 2025

To keep production high in 2025, the plan is to:

- Continue the Skjold gas depletion pilot
- Perform well optimisation campaign (WROM) on the Gorm field, in which it is expected that wells currently closed in due to integrity issues will be re-opened

### Halfdan Hub

**69%**  
Oil share of 2P reserves

**12.1**  
Net production mboepd

**52.8**  
Net 2P reserves mmboe

**93%**  
Operational efficiency

#### Production performance 2024

Production performance was high in 2024, mainly based on:

- Exceptionally high operating efficiency of 92.8 percent
- Production start of Halfdan Tor NE infill well (HBA-27B)
- Continued high gas production, as a result of better-than-expected long-term response of the restimulation of eight HCA wells in 2022
- Successful completion of 20 well interventions with the rig Noble Reacher, including conformance treatments, zone shifting of the wells for optimisation of the water flood efficiency and re-stimulation of production and injection wells

#### Production outlook 2025

To keep production high in 2025, the plan is to:

- Install gas lift on the HCA wells
- Maintain the high operational efficiency
- Perform two pro-active workovers to protect the integrity of production wells

### Tyra Hub

**42%**  
Oil share of 2P reserves

**Reaching plateau of 30 mboe/d**  
Expected Q4 2025 net production rate mboe/d

**105.2**  
Net 2P reserves mmboe

**30%**  
Less emissions compared to the previous facilities

#### Production performance 2024

Operational issues during facility start-up dominated Tyra's production performance in 2024

#### Production outlook 2025

To deliver high production in 2025, the plan is to:

- Finalise the production ramp-up by bringing the remaining wells on stream
- Analyse pressure build-up during shut-in to understand more about the potential of each reservoir
- Commence studies for identification of well optimisation opportunities



## Financial Review

# Strong operational performance in a challenging price environment



We delivered robust financial results in 2024 and successfully optimised the capital structure in a year with continued uncertainty and volatility in the macro environment. This result was underpinned by strong base asset performance.”

**Jacqueline Lindmark Boye**  
Chief Financial Officer



Revenues of USD 702 million and EBITDA of USD 354 million for the full year, has resulted in significant cash generation from operating activities of USD 309 million. We ended the year with total liquidity of USD 521 million, comprising cash on balance sheet of USD 251 million and undrawn RBL capacity of USD 270 million.

Our capital structure remains robust and strengthened, supported by our solid liquidity position and net debt. The RBL facility has been successfully amended, increased to USD 1.4 billion and extended to 2029, with an enhanced maximum cash drawing capacity of USD 1.15 billion. In mid-2024 we strengthened our financial position further through the placement of a new five-year senior unsecured bond issue, BNOR16, of USD 300 million, along with full redemption of BNOR14 bonds of USD 175 million.

We also continue to maintain a hedging policy that provides visibility over future cash flow, adding volumes where it makes sense to do so, thereby supporting our balance sheet and capital structure in this continued uncertain price environment.

### Performance

The Company had revenues of USD 702.0 million in 2024 (2023: USD 795.0 million) mainly related to oil and gas sales from the DUC fields. This decline in revenue reflects substantially lower gas prices (down 86.1 percent after hedging) and reduced oil volumes (down 4.9 percent). These negative factors were partially mitigated by increased gas volumes (up 17.7 percent) as the Tyra hub restarted in late 2024, and higher oil prices (up 9.8 percent after hedging).

**Production expenses** decreased to USD 274.1 million in 2024 from USD 295.9 million in 2023, representing the direct costs of oil and gas production. On a per-barrel basis this equated to USD 29.9/boe in 2024, down from USD 32.5/boe in 2023.

After adjusting for insurance and inventory changes total production expenses were USD 310.4 million in 2024, compared to USD 340.1 million in 2023. A key factor in the 2024 costs was the capitalisation of USD 29.8 million for the well and reservoir optimisation management (WROM) programme which was previously expensed.

Effective oil price

**\$74.4**

USD/bbl

Net cash flow from operating activities

**\$309m**

Effective gas price

**€40.4**

EUR/MWh

Cost/boe

**\$29.9**

Total revenue

**\$702m**

EBITDA

**\$354m**

Total liquidity

**\$521m**



**Personnel expenses** increased to USD 19.7 million in 2024 from USD 18.0 million in 2023. This 9.4 percent rise was primarily driven by two factors: higher social security taxes related to share options exercised and restructuring costs. These increases were partially offset by lower costs related to the share-based Long-Term Incentive (LTI) programme, which was adjusted for employees who left the Company. The LTI is valued and accounted for according to IFRS. For more information see the Remuneration Committee Report.

Other operating expenses decreased to USD 12.4 million in 2024 from USD 14.1 million in 2023, representing a 12.1 percent reduction. This decline was primarily attributable to reduced spending on consultant and legal fees during the year.

**Operating result (EBITDA)** decreased to USD 353.9 million in 2024 from USD 421.4 million in 2023, a decline of 16.0 percent. This reduction was primarily driven by lower revenues due to significantly lower gas prices, partially offset by reduced production expenses.

Net financial items increased to an expense of USD 230.6 million in 2024 from USD 75.2 million in 2023. The USD 155.0 million increase was primarily due to the absence of USD 78.0 million in capitalised borrowing costs (present in 2023 for assets under construction), reduced interest rate swap gains (USD 25.1 million impact) and higher amortised cost, including fair value adjustment amortised cost RBL (USD 16.9 million) due to debt restructuring.

Additional factors included increased negative fair value adjustments on the BNOR15 embedded derivative (USD 18.0 million) due to share price movements, higher accretion expenses (USD 5.0 million) following updated asset retirement obligation estimates at year end 2023, and a one-time BNOR14 bond loan extinguishment impact (USD 22.3 million). These increases were partially offset by USD 12.6 million due to change from net foreign exchange gains in 2024, compared to losses in 2023.

Income tax for the Group amounted to a current income tax USD 5.4 million offset by an adjustment (income) related to prior years of USD 68.1 million. The prior year current income tax is offset by a prior year deferred tax movement (cost) of USD 68.1 million. Additionally, there is a deferred tax movement (cost) of USD 53.2 million primarily impacted by the currency adjustment on tax losses which must be revalued using the year end exchange rate.

This corresponds to a statutory tax rate of 64 percent on result before tax on hydrocarbon income, adjusted for investment uplift and interest restriction as well as currency adjustment of tax losses carried forward in DKK. Effective zero percent tax on result before tax in Norway and UK and effective 22 percent tax on result before tax on ordinary income in Denmark.

(Please see note 14 in the Consolidated Financial Statements for further details relating to tax in this period.)

The Group's net result for the year was a loss of USD 70.8 million (2023: profit of USD 109.8 million).



## Financial Review continued

### Balance sheet

Total non-current assets decreased to USD 2,947.5 million at year end 2024, from USD 3,031.0 million year end 2023, a reduction of USD 83.5 million. This decline was primarily driven by reduced deferred tax assets due to currency adjustments of DKK-denominated tax losses carried forward, reclassification of restricted cash (TotalEnergies security for DUC cash calls) to current assets, and lower derivative instrument values as a part of oil hedges outstanding shifted from asset to liability position due to strengthening oil prices. These decreases were partially offset by increases in property, plant and equipment, reflecting DUC investments, the reclassification of WROM costs from operating expenses to capital expenditure, and revaluation of abandonment assets.

Total non-current assets comprised property, plant and equipment of USD 2.6 billion, intangible assets of USD 147.0 million, deferred tax asset of USD 159.8 million, derivatives related to the oil hedges of USD 4.8 million and USD 61.5 million in restricted cash as security against Nini/Cecilie abandonment costs.

Total current assets increased to USD 514.3 million at the end of 2024, from USD 381.9 million at year end 2023, representing a USD 132.4 million increase. This growth was primarily driven by higher cash balances and the reclassification of restricted cash (TotalEnergies security for DUC cash calls) from non-current assets. These increases were partially offset by reductions in trade receivables, and derivative instrument values as part of the oil hedges moved to a liability position due to strengthening oil prices.

The current assets comprised cash and cash equivalents of USD 250.6 million, restricted cash of USD 157.3 million for TotalEnergies security for DUC cash calls, stock and oil inventory of USD 55.8 million, trade receivables of USD 27.9 million mainly from oil and gas revenue, oil and gas hedge derivatives of USD 9.5 million, prepayments of USD 9.5 million primarily for insurance, tax receivables of USD 2.2 million, and other receivables of USD 1.6 million.

Equity decreased to USD 695.6 million at the end of 2024 from USD 813.6 million at year end 2023, a reduction of USD 118.0 million. This decline was primarily driven by the negative result for the year and negative fair value adjustments of hedges.

Interest-bearing debt rose to USD 1.4 billion by end 2024, up from USD 1.2 billion in 2023. This increase primarily resulted from a USD 300 million issuance of BNOR16 which was partially offset by the full redemption of BNOR14, book value USD 169.1 million.

The BNOR15 convertible bond loan, valued at USD 233.1 million at end 2024, was at year end 2024 classified as a current liability due to its mandatory conversion requirement by end 2025. These bonds are recorded at amortised cost, with their embedded derivatives treated as derivative liabilities at fair value through profit and loss.

The Company's RBL facility has a total capacity of USD 1.4 billion, with USD 880.0 million drawn as of 31 December 2024. The maximum available cash drawing capacity is USD 1.15 billion and the facility's book value stood at USD 834.3 million at year end. The BNOR16 senior unsecured bond loan had a book value of USD 303.5 million. Both the RBL facility and unsecured bond loan are valued at amortised cost.

Asset retirement obligations were USD 1,122.1 million at end 2024, an increase from USD 1,049.0 million in 2023. This increase primarily resulted from provision accretion during 2024 and estimate adjustments due to updated discount rates, exchange rates and minor modifications to cut-off years and phasing.

The obligations are distributed across several assets: DUC assets at USD 1,057.2 million, Nini/Cecilie at USD 61.5 million (secured through a cash escrow account), Lulita at USD 1.3 million, and the Tyra F-3 pipeline at USD 2.1 million.

Net cash flow from operating activities was USD 308.5 million at the end of 2024, compared to USD 249.9 million in 2023. This increase was primarily due to reduced tax payments in 2024 and decreased operating expenditure resulting from the WROM project being reclassified to property, plant and equipment and thus being treated as investing cash flow. These positive factors were partially counterbalanced by lower EBITDA, mainly due to reduced gas commodity prices after hedging, and negative changes in working capital, particularly concerning payables and prepayments. Cash flow from operating activities before tax decreased from USD 479.7 million in 2023 to USD 383.3 million in 2024.

Cash flow used in investing activities amounted to USD 250.3 million in 2024, down from USD 347.6 million in 2023. DUC investments of USD 236.3 million included Tyra redevelopment at USD 139.6 million, HEMJ well drilling at USD 36.4 million, WROM capitalisation at USD 29.8 million, and other projects (Gorm lifetime extension, gas acceleration project, Tyra North (Adda) studies, 4D seismic survey, etc.) at USD 30.2 million. Additional expenditures comprised decommissioning payments of USD 15.5 million and subsidiary acquisition inflow of USD 1.5 million.

Cash flow from financing activities resulted in an inflow of USD 25.6 million at the end of 2024, contrasting with an outflow of USD 3.9 million in 2023. This positive cash inflow primarily came from debt restructuring that generated net proceeds of USD 137.5 million, along with USD 4.2 million from new share issuance. These inflows were partially offset by USD 117.0 million in interest expenses, fees and transaction costs associated with external loans.

Net change in cash and cash equivalents showed a positive cash flow of USD 83.8 million in 2024, compared with the negative cash flow of USD 101.6 million in 2023. At year end 2024 total cash and cash equivalents amounted to USD 250.6 million.

**Jacqueline Lindmark Boye**  
Chief Financial Officer

# Risk management framework

Effective risk management is essential to the successful delivery of our strategy. The risk management process determines the nature and extent of the risk to which BlueNord is exposed, the extent to which mitigation is required, and thus the level of risk that is acceptable.

## Board of Directors

The Board is responsible for the Company's risk framework.

[Meet the Board on page 67](#)



Our internal control framework supports the management and mitigation of risk. This framework is designed to manage, mitigate and communicate (rather than eliminate) the risk of failure to achieve strategic priorities.

Risk management and internal control are given high priority by the Board of Directors. The Board is responsible for identifying principal risks, and determining the nature and extent of the risk that BlueNord is willing to take. The impact of climate-related risks is also taken into account.

The Board is also responsible for monitoring our risk management framework and reviewing its effectiveness. The Audit Committee assists the Board of Directors on an ongoing basis in monitoring our system for risk management and internal control.

## Risk management process

BlueNord faces various risks which may impact our business. Not all of these risks are necessarily within our control, and for this reason we have established a risk management process to identify and assess how to respond to risks.

Responses can include: acceptance, an action plan with mitigating factors to reduce the risk, transfer to third parties or termination of the risk by ceasing certain activities.

The Executive Team sets the tone and is responsible for monitoring and managing the most significant risks. Identified risk owners are responsible for ensuring that risks within their area are being appropriately managed.

## Internal control

Management is responsible for establishing and maintaining internal control over financial reporting. Specific policies, standards and accounting principles have been developed for the annual and quarterly financial reporting of the Group.

The Chief Executive Officer and Chief Financial Officer supervise and oversee internal and external reporting processes. This includes assessing financial reporting risks and internal controls over financial reporting within the Group.

Consolidated external financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the EU.

## Strategic objectives and risk appetite set the context at Board level

### Oversight

The risk assessment process includes risk identification through review meetings held with key personnel in the business on a quarterly basis. This includes an evaluation of likelihood and impact, considering both quantitative and qualitative factors. The collated risks are maintained in the Company risk register.

### Risk monitoring

Risk monitoring occurs on a quarterly basis through an Executive Team evaluation, monitoring, and review of the risk register and matrix, which are presented to the Audit Committee along with quarterly financial statements.

### Risk mitigation

Risk mitigation requires an assessment of mitigation plans and controls based on risk appetite. Risk mitigation plans are developed between risk owners and with feedback from the Executive Team, considering the risk appetite and context set at Board level.

### Risk assessment

Status of the risk assessment is presented annually, reviewed with the Board and updated as required based on the current risk appetite and context, both internal and external.





## Principal Risks and Uncertainties

The risks and uncertainties described in this section are the material known risks and uncertainties faced by BlueNord at the time of publication.

KEY  Increasing  Unchanged  Decreasing

### > Oil and gas production and reserves

Risk	Impact	Mitigation	Movement
<b>Geographical concentration and field interdependency</b>	<p>Production of oil and gas is concentrated in a limited number of offshore fields in a limited geographical area of the Danish continental shelf.</p> <p>Consequently the concentration of fields and infrastructure may result in incidents or events in one location affecting a significant part of BlueNord's business.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>Four producing hubs that are interconnected and utilise the same infrastructure.</li> <li>The fields within one hub are interconnected and one field can depend on another to extract hydrocarbons.</li> <li>All gas produced at the different hubs is processed and transported to shore via the Tyra hub or the Northern Offshore Gas Transport (NOGAT) pipeline.</li> <li>The Gorm hub receives liquids from all the other hubs and sends to shore via pipeline from Gorm E.</li> </ul>	<p>The Operator has ongoing inspection and maintenance plans in place to proactively maintain assets and minimise the risk of incidents.</p> <p>Where events occur, activities are adjusted to respond to specific issues as they arise, and isolated where possible to minimise impact.</p>	
<b>Actual reserves may differ from reported reserves estimates</b>	<p>Reported reserves and resources represent significant estimates based on several factors and assumptions made as of the reporting date, all of which may vary considerably from actual results.</p> <p>Further, oil and gas production could also vary significantly from reported reserves and resources. Should the actual results of the Company deviate from the estimated reserves and resources, this may have a significant impact on the value of the Group's assets and net cash flow from operating activities.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>Assumptions on which the reserves estimates are determined include geological and engineering estimates (which have inherent uncertainties), historical production, the assumed effects of regulation by governmental agencies and estimates of future commodity prices and operating costs including the cost of CO<sub>2</sub>. Regulation and CO<sub>2</sub> costs are considered climate-related risks on reserves estimates.</li> <li>The Company is a non-operated partner in the DUC and as such has less control of future decline mitigating investments in the producing assets that impact oil and gas production.</li> </ul>	<p>Reported reserves are based on independent technical expert reports which are carried out at least annually.</p> <p>BlueNord has a subsurface team with appropriate technical expertise that monitors and reviews production and reserves in addition to external reserves reporting.</p> <p>This provides oversight of performance and expectations throughout the year to enable response and follow up on a timely basis should concerns arise.</p>	

## &gt; Oil and gas production and reserves continued


Risk	Impact	Mitigation	Movement
<b>Ongoing investment in developments</b>	<p>The Company makes and expects to continue to make substantial investments in its business for the development and production of oil and natural gas reserves.</p> <p>Such projects require substantial investments to bring into production, which come with several inherent risks.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>Development projects have inherent execution risks, including cost overruns and delays, in addition to the impact of commodity prices on the economics of a project.</li> <li>The Company may also be unable to obtain needed capital or financing on satisfactory terms, which could lead to a decline in its oil and gas reserves.</li> </ul>	<p>The Company intends to finance future investments with net cash flow from operating activities and borrowings under its RBL facility and other equity and debt facilities.</p> <p>The Company regularly monitors liquidity, borrowing base and other financial ratios.</p> <p>Projects are screened for technical and non-technical risks with economics reviewed at multiple price scenarios.</p>	
<b>Tyra redevelopment project</b>	<p>The Tyra redevelopment project is, to date, the largest project carried out on the Danish continental shelf. The project has now moved into operation and production is ramping up to plateau.</p> <p>The risk of performance uncertainty once wells are unplugged continues to be monitored and is reducing as further actual production occurs and knowledge of the reservoir performance can be assessed.</p> <p>Such risks may have an adverse effect on our financial position.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>The scope of the project includes removal of old facilities, modification of existing ones and installation of new features; there are inherent risks with such significant projects, including risks of cost overruns and delays.</li> <li>The project has been delayed twice to date; first in November 2020 due to the COVID-19 pandemic, and again in August 2022 due to global supply chain challenges.</li> </ul>	<p>BlueNord maintains a regular dialogue with the Operator's key personnel on the project in addition to a review of weekly and monthly progress reporting.</p> <p>BlueNord technical experts are closely involved with this review and have an established feedback process with the Operator.</p>	



## Principal Risks and Uncertainties continued

KEY  Increasing  Unchanged  Decreasing

### > Oil and gas production and reserves continued

Risk	Impact	Mitigation	Movement
<b>Decommissioning estimates</b>	<p>There are significant uncertainties and significant estimation risks relating to the cost and timing for the decommissioning of offshore installations and infrastructure.</p> <p>Deviation from such estimates may have a material adverse effect on the Company's operational results, tax position, cash flow, and financial condition. This includes the timing of when security may need to be put in place.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>• Within the DUC the partners are primarily liable to each other on a pro-rata basis and, secondarily, jointly and severally liable for all decommissioning obligations.</li> <li>• There is an obligation for participants to provide security for their respective share of any decommissioning liabilities ahead of actual decommissioning based on calculations as set out in the joint operating agreement.</li> <li>• Timing of decommissioning of a hub will depend on the economic cut off of reserves and links with the risk regarding actual reserves compared with reported estimates. A change in those estimates can impact the timing of decommissioning and will be reflected in an update in decommissioning estimates.</li> </ul>	<p>Decommissioning estimates are reviewed at least on an annual basis including macro assumptions and timing, and updated every five years in detail based on technological, regulatory and any other relevant information at the time.</p> <p>The need for decommissioning security is assessed annually.</p> <p>Read more on page 113.</p>	

## &gt; Market risks


Risk	Impact	Mitigation	Movement
<b>Commodity prices</b>	<p>The Company's main business is to produce and sell oil and gas, therefore future revenues, cash flow, profitability, financing, and rate of growth depend substantially on prevailing prices of oil and gas.</p> <p>Because oil and gas are globally traded the Company is unable to control or predict the prices it receives for the oil and gas it produces.</p> <p>Commodity price fluctuations could reduce the Company's ability to refinance its outstanding credit facilities and could result in a reduced borrowing base under credit facilities available to the Company, including the RBL facility.</p> <p>Fluctuations in commodity prices could also lead to impairment of the Company's assets.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>While volatility and uncertainty remain in the commodity market, global supply risks have been managed through 2024. Geopolitical risk continues to have an impact but markets have tended to adapt to this situation over the short-term.</li> <li>Hydrocarbons produced from specific fields may also have a premium or discount in relation to benchmark prices, such as Brent, which may vary over time.</li> <li>The majority of the natural gas produced by the Company is sold at Trading Hub Europe (THE) prices. THE closely follows the Dutch Title Transfer Facility (TTF) price. The Company is more exposed to additional price volatility deriving from proposed responses by the European Commission, as seen with the proposed Market Correcting Mechanism, however, this has not recurred in 2024.</li> </ul>	<p>The Company actively seeks to reduce this risk through the establishment of hedging arrangements.</p> <p>BlueNord has to date executed this policy in the market through forward contracts.</p> <p>BlueNord enters hedging contracts on both oil and gas that mitigate the short-term impact of price volatility.</p> <p>Further detail on BlueNord hedging policy can be found in note 2 to the Financial Statements and note 19 to the Financial Instruments.</p>	




## Principal Risks and Uncertainties continued

KEY  Increasing  Unchanged  Decreasing

### > Market risks continued

Risk	Impact	Mitigation	Movement
<b>Foreign currency exposure</b>	<p>The Group is exposed to market fluctuations in foreign exchange rates. Significant fluctuations in exchange rates between euros and Danish kroner to US dollars may materially adversely affect the reported results.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>Revenues are in US dollars for oil and in euros for gas, while operational costs, taxes and investments are primarily in US dollars, euros and Danish kroner. With Tyra coming onstream, delivering a more balanced portfolio of oil to gas, this means more revenue will be euro-denominated, thus reducing currency exposure on costs in euros and Danish kroner.</li> <li>The Company's financing is primarily in US dollars.</li> </ul>	<p>The Company considers currency risk to be low.</p> <p>The main financial items (held in a currency other than the functional currency of the respective components) are offset by positions in other components of the Group, and/or are hedged.</p>	

### > Cyber security

Risk	Impact	Mitigation	Movement
<b>Key infrastructure, networks or core systems are compromised or are otherwise rendered unavailable</b>	<p>A compromised network or infrastructure would seriously impair the Company's ability to maintain regular operations, including the ability to continue reporting, and to meet regulatory and financial obligations, if required information were not available.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>As in 2023, ongoing global tensions continue to raise IT security risks around cyber crime and similar threats.</li> <li>Protection and monitoring of critical infrastructure continues to be a high priority in the Danish energy sector.</li> </ul>	<p>The Company has in place IT controls and processes, including preventative security routines, disaster recovery and business continuity plans.</p> <p>The Company has enhanced its IT security systems and protocols to protect against cyber criminality and similar threats.</p>	

## &gt; Financial liabilities


Risk	Impact	Mitigation	Movement
<b>Available funding to meet the Company's financial liabilities</b>	<p>The Company has several debt instruments which expose it to interest rate risk and obligations to meet certain covenants. The Company's material hedging programme provides significant visibility over its ability to meet these requirements. However, if the Company is unable to do so, then actions to rectify this position may be required.</p> <p>There can be no assurance that such actions will be available, or sufficient, to allow BlueNord to ultimately fulfil its obligations. The availability of funding and the nature and diversity of lenders involved could pose a third-party liquidity risk.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>• Exposure to floating interest rates through the Company's USD 1.4 billion RBL.</li> <li>• Exposure to fixed interest rates through a USD 208 million convertible bond and a USD 300 million senior unsecured note.</li> <li>• Under these financing instruments the Company is subject to several covenants, including maximum leverage relative to earnings and demonstration of a minimum level of liquidity.</li> </ul>	<p>The Group monitors its liquidity and covenant coverage continuously to ensure it will be able to meet its financial obligations as they fall due.</p> <p>As of the date of this report, the Company continues to review and optimise its capital structure.</p>	
<b>Future capital requirements</b>	<p>BlueNord future capital requirements will be determined based on several factors, including production levels, commodity prices, future expenditures that require funding, and the development of the Company's capital structure.</p> <p>To the extent the Company's operating cash flow is insufficient to fund the business plan at any time, additional external capital may be required.</p> <p>BlueNord currently has a strong financial base, supported by existing liquidity and hedging positions. However, any unexpected changes that result in lower revenues or increased costs may necessitate the raising of additional external capital.</p> <p>There can be no guarantee that, if required, BlueNord would be able to access the debt or equity markets on favourable terms, or if necessary be able to adequately restructure or refinance its debt.</p>	<p>BlueNord maintains a strong relationship with its banking syndicate through continual engagement to underpin its borrowing position and has an active investor relations strategy to support access to the capital markets.</p>	



## Principal Risks and Uncertainties continued


KEY  Increasing  Unchanged  Decreasing

### > Financial liabilities continued

Risk	Impact	Mitigation	Movement
<b>Insurance risk</b>	<p>The Company maintains liability insurance in an amount that it considers adequate and consistent with industry standards.</p> <p>However, the nature of the risks inherent in the oil and gas industry generally, and on the Danish continental shelf specifically, are such that liabilities could materially exceed policy limits, or not be insured at all.</p> <p>In this situation the Company could incur significant costs that could have an adverse effect on its financial condition, operational results and cash flow.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>• Due to the ongoing geopolitical situation there may be an increased risk of the Group's assets becoming the target of acts of war and/or sabotage, as seen with the Nord Stream pipeline in 2022. No such events were noted during 2023 or 2024, but action may be directed towards infrastructure in future.</li> <li>• Any such acts of war and/or sabotage directed towards the Group's assets may have a material adverse effect on the Group's assets and financial position. Whether an incident is classified as an act of war or sabotage under the Group's insurances may have consequences for the Group's right to claim insurance proceeds under the relevant insurances.</li> </ul>	The Company reviews the adequacy of its insurance coverage annually.	

KEY  Increasing  Unchanged  Decreasing

## &gt; Third-party risk

Risk	Impact	Mitigation	Movement
<b>Third-party risk</b>	<p>The Company does not have a majority interest in its oil and gas licences and consequently cannot solely control such assets. The Company has operatorship and an 80 percent interest in one exploration licence related to investigating the potential for onshore CO<sub>2</sub> storage in Denmark. This new licence in 2024 has changed the profile of the company in this risk aspect as there are now more direct engagements with suppliers, albeit on a relatively small scale for the current exploration programme.</p> <p>The Company has limited control over management of the oil and gas assets. Mismanagement by the Operator, or disagreements with the Operator as to the most appropriate course of action, may result in significant delays, losses or increased costs.</p> <p>Regarding the CO<sub>2</sub> storage exploration licence, the company engages with a number of selected contractors and maintains a detailed diligence approach as well as engaging regularly with the other joint venture partner. This venture is governed by a joint operating agreement.</p> <p>Jointly-owned licences (as is the case for the Company's licences) also result in possible joint liability under certain terms and conditions. Other participants in licences may default on their obligations to fund capital or other funding obligations in relation to the assets.</p> <p>In such circumstances the Company may be required under the terms of the relevant operating agreement, or otherwise, to contribute all or part of any funding shortfall. The Company may not have the resources to meet these obligations.</p>	<p>The Company has consultation rights, or the right to withhold consent, in relation to significant operational and development matters, depending on: the importance of the matter, the level of its interest in the licence or to which licence the contractual arrangements for the licence apply.</p> <p>The structure of engagement with the Operator is contractually set out in the joint operating agreement.</p>	



## Principal Risks and Uncertainties continued

KEY  Increasing  Unchanged  Decreasing

### > Politics, regulation and compliance

Risk	Impact	Mitigation	Movement
<b>Changes in obligations arising from operating in markets that are subject to a high degree of regulatory, legislative and political intervention and uncertainty</b>	Exploration and development activities in Denmark are dependent on receipt of government approvals and permits to develop assets.	The Company maintains a regular dialogue with the Danish Energy Agency (DEA) and relevant government ministries.	
	There is no assurance that future political conditions in Denmark will not result in the government adopting new or different policies and regulations relating to exploration, development, operation, and ownership of oil and gas, environmental protection, or labour relations.	This ensures an up-to-date understanding is in place, enabling us to act and respond on a timely basis to any impact on the business.	
	Any of the above factors may have a material adverse effect on the Company's business, results of operations, cash flow and financial condition.		
	<b>Material influencing factors</b> <ul style="list-style-type: none"> <li>• Future political conditions in Denmark could result in the government adopting new or different policies, meaning that the Company may be unable to obtain, maintain or renew required drilling rights, licences and permits, resulting in work being halted.</li> <li>• Due to the conflict in Ukraine new regulations have been imposed by the EU, United States, United Kingdom and other governments, which affect the export and import of oil and gas to and from the Russian market.</li> <li>• Trade restrictions on the Russian market could increase the importance of oil and gas fields in Europe, including in Denmark. Such an increase in importance could result in governments adopting new regulations that could affect the assets and the operations of the Group.</li> </ul>		


## &gt; Politics, regulation and compliance continued

Risk	Impact	Mitigation	Movement
<b>Danish taxation and regulations</b>	<p>All BlueNord petroleum assets are located in Denmark and the petroleum industry is subject to higher taxation than other businesses.</p> <p>There is no assurance that future political conditions in Denmark will not result in the relevant government adopting different policies for petroleum taxation than those currently in place.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>Proposed legislation around the Solidarity Contribution was enacted in 2023 and its impact on the Company is known and accounted for. No new exposures have been identified during 2024.</li> <li>As taxation has a major impact on the Company's results, such amendments may significantly impact the Group's cash flow and financial condition.</li> <li>In 2024 a tax was adopted regarding additional CO<sub>2</sub> duties. This will be implemented from 2025 and its impact has been incorporated into the Company assessment of forward-looking performance and exposures.</li> </ul>	<p>Dialogue is maintained with industry bodies and the relevant government ministries to understand proposed legislation before it is enacted, and provide a full impact analysis.</p> <p>There is a compensation agreement between the Danish state and the DUC such that the companies participating in the DUC are entitled to compensation for tax increases. Under this agreement any alterations in present legislation to the disadvantage of DUC licensees can be challenged for compensation.</p> <p>Any compensation would be determined based upon the impact of the changes on the DUC. However, this cannot exceed the net advantage deemed to have been obtained by the state.</p>	
<b>Financial reporting risk</b>	<p>BlueNord has internal controls in place covering the Company's financial reporting function. However, any material error or omission could significantly impact the accuracy of reported financial performance and expose the Company to a risk of regulatory or other stakeholder action.</p>	<p>Internal controls over financial reporting are designed and in operation.</p>	
<b>Reputational risks</b>	<p>BlueNord may be negatively affected by adverse market perception as it depends on a high level of integrity to maintain the trust and confidence of investors, DUC participants, public authorities, and counterparties.</p> <p>Any mismanagement, fraud or failure to satisfy fiduciary or regulatory responsibilities, or negative publicity resulting from other activities, could materially affect the Company's reputation, as well as its business, access to capital markets and commercial flexibility.</p>	<p>A clear Code of Conduct, ethics guidelines and whistleblower procedures are all in place.</p>	



## Principal Risks and Uncertainties continued

### > Climate risk

Risk	Impact	Mitigation	Movement
<b>Changes to and impacts of environmental regulations</b>	<p>All phases of the oil and gas industry present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations.</p> <p>Compliance with such legislation can require significant expenditures and any breach may result in the imposition of fines and penalties, some of which may be material, in addition to loss of reputation.</p> <p><b>Material influencing factors</b></p> <ul style="list-style-type: none"> <li>Environmental legislation provides for, amongst other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and gas operations.</li> <li>Legislation also requires that wells and facility sites are operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities.</li> <li>The Company is subject to legislation in relation to the emission of carbon dioxide, methane, nitrous oxide, and other greenhouse gases (GHGs).</li> <li>Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability, and potentially increased investments and operating costs.</li> <li>With all its assets being on the Danish continental shelf the Company is highly exposed to changes in Danish law.</li> <li>CO<sub>2</sub> costs and the Danish CO<sub>2</sub> duty are an ongoing exposure and incorporated in the Company future forecasts and estimates. Active management of emissions and cost of allowances is required to manage this exposure as any increases can have an impact on the Company's financial performance and future outlook.</li> </ul>	<p>The Company maintains a regular dialogue with the DEA and relevant government ministries.</p> <p>This ensures an up-to-date understanding is in place, enabling us to act and respond on a timely basis to any impact on the business.</p> <p>The Operator has a framework and controls in place for managing the business within regulatory requirements.</p> <p>BlueNord maintains an overview of the requirements and dialogue with the Operator through the appropriate joint committees.</p> <p>BlueNord has the option to and actively manages its own CO<sub>2</sub> cost exposure for purchasing of allowances to the extent possible in the market.</p>	





“

BlueNord maintains a consistent focus on sustainability, balancing the need for energy security with lowering emissions.”





02

# Sustainability Statements

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## > Emissions reduction

With the completion of facilities at Tyra II, production has commenced, expecting to deliver a 30 percent reduction in scope 1 emissions compared to 2018 once the hub is ramped to plateau. In addition, BlueNord has initiated an exploration programme for Project Ruby, with the goal of starting CO<sub>2</sub> storage by 2029, using carbon captured from third-party sites.

## > Emissions reporting

BlueNord has published its scope 3 emissions for the first time, demonstrating transparency and commitment to sustainability. This marks a step toward continuous assessment and improvement in reducing its environmental impact.





# Corporate Sustainability Reporting Amid Regulatory Uncertainty

Following the release of the EU Omnibus dated 26 February 2025, we are currently reviewing its implications for our Corporate Sustainability Reporting Directive (CSRD) commitments. The Omnibus introduced several important revisions, including a reduced scope of CSRD application to larger companies with significant impact, a voluntary sustainability reporting option, postponed implementation of certain provisions, simplification of reporting rules, and a focus on balancing sustainability goals with economic competitiveness. As a result, the CSRD process to achieve compliance next year is on hold until the EU finalises and legislates the updated regulatory requirements.

BlueNord remains committed to ESG transparency and will adapt its reporting strategy based on final regulatory interpretations.

Given the uncertainty of the Omnibus proposal, BlueNord will continue its alignment with ESRS guidelines rather than fully pausing CSRD preparation during 2025. As such BlueNord shall prioritise continual materiality assessments based on business relevance and reporting key ESG metrics which are readily available and valuable for stakeholders, such as emissions. BlueNord shall maintain flexibility in assurance requirements until clearer guidance emerges.



“BlueNord remains committed to ESG transparency and will adapt its reporting strategy based on final regulatory interpretations of the CSRD.”

## Our ESG reporting timeline



**2019**

Noreco completes the acquisition of Shell's upstream assets in Denmark.



**2020**

Noreco establishes ESG Committee to execute long-term sustainability strategy and oversee reporting. Tyra redevelopment recycles 95 percent of existing infrastructure.



**2021**

Noreco continues focus on reducing routine-flaring and efficiency improvements.



**2022**

Noreco renames as BlueNord to reflect the Company's commitment to energy security in Europe. BlueNord conducts an ESG materiality assessment, established TCFD-aligned reporting, created a risk register, and started collecting monthly emissions data. Sustainability reporting established to follow GRI and TCFD standards.



**2023**

BlueNord supports the IPCC's climate science, the UNFCCC's goals and the Paris Agreement. The Company aligns its actions with the UN SDGs, invests in carbon storage (CarbonCuts, targeting 1MtCO<sub>2</sub>pa by 2030), and is preparing to comply with CSRD in 2025 by initiating a double materiality assessment. Routine flaring was eliminated in DUC operations.



**2024**

BlueNord acquires CarbonCuts as a wholly-owned subsidiary, and CarbonCuts is awarded the exploration licence for Project Ruby on 20 June 2024. BlueNord's sustainability report is based upon the ESRS reporting framework.

ESG committee responsibilities absorbed between Audit Committee, for alignment with financial reporting compliance and assurance standards, and the newly established Technical Committee, for integration of emissions reduction activities within operations.

BlueNord established Corporate Governance framework to meet legal requirements and uphold ethical standards that define BlueNord's business conduct.

## Reporting Practices

### > Basis of preparation

BlueNord's 2024 Sustainability Report is structured in line with the draft oil and gas sector specific European Sustainability Reporting Standards (ESRS). BlueNord has reviewed and prioritised material topics based on actual and potential impact on: the United Nations Sustainable Development Goals (UN SDGs), risks identified through the enterprise risk management process, and impacts and opportunities across the primary DUC value chain. The DUC's primary business being the exploration and production of oil and gas from the Danish sector of the North Sea.

The report also complies with the Norwegian Transparency Act. It has been reviewed by internal review committees and senior management.

This is a consolidated report for BlueNord ASA and its 100 percent-owned subsidiary CarbonCuts. The reporting perimeter is aligned with the financial consolidated statements.

This report covers BlueNord's non-operated working interest in the DUC, focusing on environmental aspects. It also includes information about our BlueNord and CarbonCuts employees as part of our workforce.

Additionally, the environmental impact of CarbonCuts' activities is incorporated into the reporting.

This report focuses on the following material topics: Climate Change, GHG emissions, Biodiversity and Ecosystems, Health and Safety, Own workforce, and our Code of Conduct.

### Emissions

Emission metrics across scope 1 and 2 use direct data from the Operator where available along with BlueNord's own emissions outside of the DUC. Where primary data is not available, generic factors in GHG emissions calculations are used. Scope 3 emissions have been mapped and are being reported for the first time.

### Value chain

The value chain assessment focuses on Tier 1 suppliers and customers, i.e. the direct contractual relationship. Stakeholder mapping and an assessment of impacts, risks and opportunities across our value chain is planned to be conducted in 2025, however the full extent will be reassessed depending on the outcome of the EU Commission's Omnibus proposal.

### Disclosure based on EU laws and ESRS reporting framework

BlueNord's 2024 Sustainability Report is disclosed based on EU laws and the ESRS reporting framework.

### > Corporate sustainability reporting directive (CSRD)

In 2022, the EU Council and the European Parliament officially approved the Corporate Sustainability Reporting Directive (CSRD). This reporting standard requires a double materiality approach, which means that companies must evaluate sustainability issues from both financial and impact materiality. Companies under compliance must assess how environmental and social factors influence their financial performance, whilst evaluating how their own operations affect the environment and society. BlueNord has begun assessing the impacts, risks and opportunities related to its non-operated working interest in the DUC operations and activities associated with the CarbonCuts Project Ruby. BlueNord plans to engage with stakeholders,

including employees, customers, suppliers, investors, and communities, to validate the findings and gather additional insights.

Following the release of the EU Omnibus dated 26 February 2025, we are currently reviewing its implications for our CSRD commitments.

### > EU Taxonomy and European Green Deal

The EU Taxonomy Regulation was enacted in Norway in late 2021 and came into force in early 2023. The EU Taxonomy is a classification system that defines a list of environmentally sustainable economic activities. It is part of the EU's strategy to enhance sustainable investment and implement the European Green Deal. The EU taxonomy provides a framework for reporting on taxonomy-aligned activities, which includes the proportion of taxonomy-aligned activities in turnover capex and opex, together with a plan that offers a perspective on activities which may achieve taxonomy alignment in the future.

The European Green Deal is a comprehensive plan by the EU to achieve climate neutrality by 2050. Key points, amongst others, include:

- **Climate Neutrality:** EU aims to be climate-neutral by 2050.
- **Emissions Reduction:** Reduce greenhouse gas emissions by at least 55 percent by 2030.
- **Clean Energy Transition:** Promote renewable energy and increase energy efficiency.
- **Circular Economy:** Encourage sustainable resource use and waste reduction.
- **Biodiversity and Ecosystems:** Protect and restore biodiversity.

The Green Deal aims to transform the EU into a modern, resource-efficient economy while tackling climate change and environmental degradation.

Disclosure requirements by the EU Taxonomy regulation are to be included in the sustainability statement as defined in the ESRS disclosure requirements according to CSRD. Following the release of the EU Omnibus dated 26 February 2025, we are currently reviewing its implications for disclosure requirements. CCS activities pursued by BlueNord may be aligned with the EU Taxonomy, making them an important consideration for future access to financing.

### > Norwegian Transparency Act

BlueNord complies with the Norwegian Transparency Act. In 2024, the Company produced individual reports for each committee (ESG, Audit, Remuneration, and Nomination), conducted a materiality assessment, and initiated reporting in line with the Task Force on Climate-related Financial Disclosures (TCFD). Additionally, BlueNord established an Enterprise Risk Management (ERM) assessment and corporate risk register, and requested monthly emissions data from the Operator.

### > Strategic interactions to sustainability, business model and value chain

BlueNord integrates sustainability across its strategy. Key elements include:

**Strategic vision:** Aiming to provide affordable, sustainable and reliable energy with lower GHG intensity than imported LNG supplies.



## Sustainability Strategy

**Strategic priorities:** Four priorities explicitly addressing sustainability:

- Operating safely and effectively.
- Reducing GHG emissions intensity.
- Investing in the CCS value chain.
- Sharing profits with shareholders and society at large through the taxes we pay, which can be redeployed in support of green industries and the energy transition.

### > Interests and views of stakeholders

As part of our commitment to transparent Sustainability Reporting, we have diligently mapped and identified our key stakeholders, including government entities, partners, suppliers, non-governmental organisations (NGOs), employees, and shareholders. We recognise the importance of addressing stakeholder interests and views to enhance our sustainability efforts. This year, we are in the process of arranging interviews with these key stakeholders to gather their insights and perspectives.

### > Sustainability framework

BlueNord's strategy aligns with the United Nations Sustainable Development Goals (SDGs) and incorporates a comprehensive sustainability framework. This framework covers key ESG (environment, social responsibility, and governance) areas such as climate change, GHG emissions, biodiversity and ecosystems, health and safety, and own workforce. Each ESG area addresses specific SDGs, embedding sustainability into all aspects of the BlueNord's strategy.

See the UN SDG's table in Appendix 1, page 138.

#### Sustainability commitments

**As a responsible partner in the DUC, BlueNord is committed along with the Operator to:**

- Ensuring people's safety and upholding Human Rights in our operations and those of our suppliers.
- Reducing scope 1 and scope 2 emissions by 40 percent from DUC assets by 2030 compared to 2015 levels, and in so doing taking an active role in Denmark's target to reduce its emissions by 70 percent by 2030 compared to 1990 levels, as part of Denmark's commitment to the Paris Agreement.
- Helping the EU reduce emissions by at least 55 percent by 2030 compared to 1990 levels, as part of the European Green Deal.
- Reducing methane emissions by using state-of-the-art technology to detect leaks and subsequently repair them.
- Being a player in the circular economy.
- Preserving biodiversity.
- Sharing the economic value we create.

#### We will do this by:

- Reducing DUC GHG emissions intensity by bringing Tyra II on stream and to production plateau.
- Investing in methane detection and reduction, and flare reduction initiatives.
- Evaluating and executing further Carbon Footprint Reduction (CFR) opportunities.
- Continuing to evaluate the viability of electrifying DUC operations.
- Supporting the DUC to locally recycle obsolete infrastructure, such as Tyra old facilities, and plan for further recycling during future decommissioning activities.
- Investing in the CCS value chain with CarbonCuts.
- Conducting transparent Environmental Impact Assessments on operated assets

and supporting the operator for delivery of rigorous assessment on non-operated assets.

- Supporting the DUC operator for the Biodiversity Action Plan execution.
- Complying with EU reporting standards and regulatory requirements.
- Maintaining our social licence to operate by engaging with stakeholders, including local communities, regulatory authorities and industry partners.
- Returning value through taxation and CO<sub>2</sub> duty to the Danish government to enable further state investment in the Energy Transition.

#### The impacts of which will drive:

- Secure access to EU-produced energy with lower emissions compared to LNG transported from overseas.
- Economic growth and job opportunities for Denmark.
- Delivery of environmental, social and governance (ESG) considerations into financial decision-making for new projects sanctioning.
- Continuous improvement of the DUC environmental footprint.





## Environment

# Environment

BlueNord strives to create long-term value by managing resources responsibly and investing in emission-reducing activities, including the CCS value chain. BlueNord is an important energy supplier to the EU and recognises that its activities have both actual and potential environmental impacts.

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## > Climate change

### Paris Agreement

BlueNord acknowledges the scientific findings of the United Nations Intergovernmental Panel on Climate Change (IPCC) and supports the climate goals set forth in the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, which aim to limit global temperature rise to 1.5°C above pre-industrial levels. BlueNord is committed to taking an active role in Denmark's national goal of reducing GHG emissions.

The DUC's operator has set its ambition to reduce scope 1 and 2 emissions by 40 percent in 2030 compared to 2015 levels, which BlueNord, as partner, fully supports. BlueNord is committed to operating within the regulatory frameworks of the regions where we do business. For our non-operated oil and gas assets in Denmark, this includes alignment with the Danish North Sea Agreement (NSA) target of net-zero emissions by 2050. In effect, this means that Denmark has committed to a complete phase-out of oil and gas production by 2050. Existing operators will continue producing under their current licences until they expire. DUC licence expiry is currently 2042. The DUC's decarbonisation pathway will be shaped by evolving regulations, market dynamics, and technological advancements, ensuring compliance with the policy landscape in which we operate. BlueNord is aligned with this phase-out.

Recognising that hydrocarbons will remain a part of the energy mix for the foreseeable future, BlueNord is dedicated to playing an active role in the energy transition. BlueNord's strategy focuses on producing affordable and reliable energy for Denmark and the wider EU, while managing climate-related risks and opportunities. This involves assessing and implementing operational emissions reduction activities in partnership with the Operator and other stakeholders.

We acknowledge that achieving the Paris Agreement goals requires accelerated investment and technological advancements in clean energy, energy efficiency and low-carbon solutions across both supply and end-user segments.

Piped oil and gas, with lower emissions intensity than LNG volumes imported from overseas, supports an orderly energy transition. By supplying hydrocarbons with approximately one-third of the carbon footprint of imported LNG, we can displace higher-emissions imported hydrocarbons, contributing to a more sustainable energy future.

BlueNord's investment in CarbonCuts further demonstrates BlueNord's commitment to the energy transition. This initiative supports Denmark and the EU's ambitions for carbon storage deployment and contributes to the Paris Agreement's goal of mitigating global warming.





### Carbon market and regulatory framework

EU countries have legally committed to fight climate change and achieve climate neutrality by 2050. This goal was made into a legal obligation in the European Climate law within the European Green Deal by the European Commission.

The EU has set a number of intermediary targets and tools to achieve this ambition, which impact BlueNord's activities. These include the EU Emission Trading Scheme (EU ETS), the EU Regulation on methane emissions reduction in the energy sector, the Net Zero Industry Act (NZIA), the NSA (Danish North Sea Agreement), the Corporate Sustainability Reporting Directive (CSRD) and the EU Green Taxonomy. In addition, the Danish State has implemented additional measures, such as the Green Tax Reform, to further accelerate the fight against climate change.

BlueNord is continuously monitoring the evolving regulatory landscape to ensure compliance.

### GHG emissions

Greenhouse gases (GHGs) are a component of atmospheric emissions, alongside other non-GHG gases and pollutants. Their release into the atmosphere occurs through processes such as fuel combustion, flaring, venting, and fugitive emissions.



The commissioning of Tyra II facilities are forecasted to reduce scope 1 emissions by 30 percent compared to 2018 levels.”

BlueNord works to protect the environment where possible, both in its own operations and through the Company's partnership with the DUC. We work on reducing the carbon footprint of our operations, for example, by improving energy efficiency, reducing venting, and eliminating routine flaring of gas.

We are committed to provide transparency on GHG emissions across scopes 1, 2, and 3. In 2023 we initiated a double materiality assessment of impacts, risks and opportunities in line with European Financial Reporting Advisory Group (EFRAG) guidelines. As a non-operating partner, BlueNord does not directly control emissions reduction initiatives at the assets in which it participates. However, we engage with our operating partners to encourage the adoption of best practices in emissions management and sustainability reporting. Where possible, we advocate for alignment with EU and Danish climate goals, particularly in areas such as energy efficiency, flaring reduction, and CCS opportunities.

The key framework which guides our reporting is the TCFD (Task Force on Climate-related Financial Disclosures, now IFRS S2).

### Scope 1

BlueNord scope 1 emissions arise from its partnership in the DUC, mostly linked to fuel combustion for powering its offshore installations. Flaring of natural gas occurs on all DUC hubs to allow for safe operations during production upsets and non-routine activities. Routine flaring was eliminated in 2023 following the re-route of Halfdan production.

Fugitive emissions can occur due to partial combustion or leaks and are surveyed regularly, notably via Leak Detection And Repair (LDAR). Venting emissions may occur for safety reasons.



## Environment continued



**BlueNord is committed to provide transparency on GHG emissions across scope 1 and 2 and has, for the first time, begun assessing its scope 3 emissions.”**

A number of Carbon Footprint Reduction (CFR) activities were added in 2024 to those performed in previous years. To implement the Skjold Gas Acceleration Project (SGPAP), gas exported from Gorm was reinstated in February 2024. The project resulted in lower flaring with GHG emissions reduction. In 2024, another CFR project was launched on Gorm, with completion anticipated in 2025. The Gorm (Low Pressure) gas ejector facilitates the recovery of LP flare gas and is projected to reduce GHG emissions starting in 2025.

The 2024 CFR projects also encompassed vent purge optimisation for Gorm, Dan, and Harald, additional suction cooler pressure reduction on Halfdan, and the replacement of air filters for Halfdan's power generators. These efforts collectively achieved a total reduction of 30 kton CO<sub>2</sub>e in 2024.

The largest reduction was achieved with Gorm water injection operations, where one train was shut-in as part of the SGPAP leading to fuel consumption savings. The project was initiated in March 2024 and is expected to realise a 20 kton CO<sub>2</sub>e/year reduction in emissions. Since the project was approved for reservoir management purposes, it is not classified as a CFR project. However, emissions reductions are an additional benefit that enhance its overall value. CFR opportunities are continuously assessed in the DUC partnership and ranked according to complexity, impact on simultaneous operations and carbon abatement scope and cost.

BlueNord's share of DUC scope 1 emissions in 2024 is 0.36 MT of CO<sub>2</sub> equivalent, an increase of 11.5 percent compared to 2023. This increase is driven by the Tyra hub restart but is partially offset by CFR activities, primarily conducted at the Gorm hub. Tyra commissioning led to a 39 percent increase in methane emissions in 2024 compared to 2023, in addition to higher fuel consumption and higher flaring as expected with the ramp-up in production. Methane emissions are closely monitored and reported, in line with the new 'EU Regulation on methane emissions reduction in the energy sector' that entered into force in 2024. This includes using drones to survey methane emissions from the installations, with annual monitoring campaigns.

The DUC's GHG scope 1 intensity increased by 13 percent from 2023 to 2024, up to 36.4 kg CO<sub>2</sub>eq/boe as a result of increased emissions (+11.5 percent) alongside stable production (+0.2 percent).



2024 GHG scope 1 emissions intensity has been largely impacted by commissioning activities at the Tyra hub, which are not representative of the GHG emissions intensity to be expected during normal operations once the hub production is ramped up to plateau.

### Scope 2

Scope 2 emissions are linked to energy consumption at BlueNord's offices, encompassing GHG emissions from both electricity and district heating consumption.

In 2024, scope 2 emissions were less than 0.01 MT.

### Scope 3











BlueNord has started assessing its scope 3 emissions across all scope 3 categories and assessed that more than 99 percent fall under category 11 (Use of sold products). Category 9 (Downstream transportation and distribution) and 10 (Processing of sold products) are assumed nil as per IPIECA guidance to avoid double counting.



Category 11 emissions, assuming that the oil and gas sold are used as fuel, amounted to 3.53 MT CO<sub>2</sub>e in 2024, which is 2 percent lower than in 2023. This decrease is attributed to stable export volumes (-0.9 percent) and a higher proportion of gas in the mix.



KEY:  Higher  Unchanged  Lower

## > Performance status 2024: Atmospheric emissions

Ospar reporting perimeter (includes drilling and logistics) <sup>1</sup>			
Topic	2023 Performance	2024 Performance <sup>3</sup>	Change
CO <sub>2</sub> emissions	Total CO <sub>2</sub> emissions <b>303 kt</b>	Total CO <sub>2</sub> emissions <b>338 kt</b>	
CH <sub>4</sub> emissions	Total CH <sub>4</sub> emissions <b>434 tonnes</b>	Total CH <sub>4</sub> emissions <b>603 tonnes</b>	
nmVOC	<b>215 tonnes</b>	<b>261 tonnes</b>	
NOx and SOx emissions	NOx <b>1,156 tonnes</b>	NOx <b>1,231 tonnes</b>	
	SOx <b>31 tonnes</b>	SOx <b>27 tonnes</b>	
Contribution to total GHG emissions	Fuel consumption – Fuel Gas <b>75%</b>	Fuel consumption – Fuel Gas <b>74%</b>	
	Fuel consumption – Diesel <b>14%</b>	Fuel consumption – Diesel <b>14%</b>	
	Flare <b>9%</b>	Flare <b>9%</b>	
	Fugitive emissions <b>2%</b>	Fugitive emissions <b>4%</b>	
GHG intensity (CO <sub>2</sub> eq/boe)	<b>32.2</b>	<b>36.4</b>	

ETS reporting perimeter <sup>2</sup>			
Topic	2023 Performance	2024 Performance	Change
CO <sub>2</sub> emissions*	Total CO <sub>2</sub> emissions <b>244 kt</b>	Total CO <sub>2</sub> emissions <b>316 kt</b>	
EU ETS CO <sub>2</sub> intensity (CO <sub>2</sub> /boe)	<b>24.6</b>	<b>31.7</b>	

1. Numbers have been verified and submitted by the DUC operator to DEA for OSPAR reporting. Awaiting Approval from OSPAR.








2. Numbers have been submitted by the DUC operator to External Auditors for verification.

3. Numbers are net to BlueNord unless stated otherwise.

\* 2023 emissions have been revised following AR23.

## Environment continued











KEY:  Higher  Unchanged  Lower> Performance status 2024: Discharge to sea<sup>3</sup>Ospar reporting perimeter<sup>1</sup>

Topic	2023 Performance	2024 Performance	Change
Discharge to sea	Discharged produced water <b>6.8 mm m<sup>3</sup></b>	Discharged produced water <b>6.7 mm m<sup>3</sup></b>	
	Volume of oil discharged <b>48.0 tonnes</b>	Volume of oil discharged <b>45.9 tonnes</b>	
	Oil concentration in water <b>7.0 mg/L</b>	Oil concentration in water <b>6.8 mg/L</b>	
Spills	Number of oil and diesel spills <sup>2</sup> <b>15</b>	Number of oil and diesel spills <sup>2</sup> <b>14</b>	
	Oil and diesel spills <b>0.02 tonnes</b>	Oil and diesel spills <b>0.14 tonnes</b>	
	Number of chemical spills <sup>2</sup> <b>20</b>	Number of chemical spills <sup>2</sup> <b>23</b>	
	Chemical spills <b>0.05 tonnes</b>	Chemical spills <b>0.02 tonnes</b>	

1. Numbers have been verified and submitted by the DUC operator to DEA for OSPAR reporting. Awaiting Approval from OSPAR.

2. Number of spills is 100% DUC.

3. Numbers are net to BlueNord unless stated otherwise.

Topic	2023 Performance	2024 Performance	Change
Chemical usage	Green chemicals <b>1,904 tonnes</b>	Green chemicals <b>2,583 tonnes</b>	
	Yellow chemicals <b>3,082 tonnes</b>	Yellow chemicals <b>2,969 tonnes</b>	
	Red chemicals <b>27 tonnes</b>	Red chemicals <b>24 tonnes</b>	
	Black chemicals <b>0 tonnes</b>	Black chemicals <b>0 tonnes</b>	
	Total chemicals <b>5,014 tonnes</b>	Total chemicals <b>5,576 tonnes</b>	
Chemical discharge	Green chemicals <b>1,119 tonnes</b>	Green chemicals <b>1,761 tonnes</b>	
	Yellow chemicals <b>1,848 tonnes</b>	Yellow chemicals <b>1,728 tonnes</b>	
	Red chemicals <b>6 tonnes</b>	Red chemicals <b>4 tonnes</b>	
	Black chemicals <b>0 tonnes</b>	Black chemicals <b>0 tonnes</b>	
	Total chemicals <b>2,973 tonnes</b>	Total chemicals <b>3,494 tonnes</b>	



At BlueNord we recognise that CCS is key to meeting Denmark's ambitious climate commitments. A critical part of our CCS value chain is Project Ruby, which we continue to advance with a clear objective of delivering a sustainable and economically viable project.

Looking ahead, CarbonCuts has taken another decisive step by applying for a second licence in a near-shore area in Denmark, further expanding our potential for safe and effective CO<sub>2</sub> storage. We anticipate the outcome of this application in the third quarter of 2025.”

**Euan Shirlaw**

Chief Executive Officer, BlueNord

**Climate scenarios and management of climate change risk**

Climate change risks are continuously reviewed as part of the Impact Risks and Opportunities (IRO) assessment. BlueNord is in the process of reviewing the IROs and their materiality.

The financial impact of climate change on BlueNord's activities are summarised in the TCFD. Analysis of various climate scenarios from the International Energy Agency, such as STEPS (Stated Policies), APS (Announced Pledges) and NZE (Net Zero Emissions by 2050), are regularly updated by assessing the impact of oil, gas and carbon price projections associated with each scenario on the portfolio valuation.

**Emissions reduction plan**

In 2021 BlueNord initiated an inventory of its scope 1 emissions linked to its working interest in the DUC. BlueNord is working alongside the DUC Operator to set out an emissions reduction roadmap with GHG emissions reduction targets founded upon cost-effective CFR initiatives on an asset-by-asset basis.

BlueNord acknowledges that it has indirect emissions related to upstream and downstream activities. Under scope 3, Category 11 of the GHG Protocol (Use of sold product) constitutes the bulk of BlueNord scope 3 emissions. We are working on expanding scope 3 emissions reporting and to collect the necessary data.

**Decarbonisation actions**

**Carbon capture and storage (CCS)**

BlueNord has made a strategic investment in CarbonCuts A/S, intending to establish an onshore CO<sub>2</sub> storage location in Denmark and address Denmark's ambitions for onshore storage of CO<sub>2</sub>.

CCS is a key element of our business. Under the EU's Net-Zero Industry Act (NZIA), oil and gas producers are required to contribute to the Union-wide goal of achieving an annual CO<sub>2</sub> injection capacity of 50 million tonnes by 2030. This obligation is allocated based on each producer's share of EU crude oil and natural gas production between 1 January 2020 and 31 December 2023.

CarbonCuts plans to inject up to 1.5MT CO<sub>2</sub> by 2030.

CarbonCuts A/S was registered as a legal entity in August 2022, specifically to explore the opportunity of CO<sub>2</sub> storage in the Rødby area, the Ruby Project. CarbonCuts A/S is a wholly-owned subsidiary of the BlueNord Group, which has funded its activities since October 2022.

The Company will contribute to the Paris Agreement's goal of arresting global warming, with its core business to build, own and operate permanent geological sites for CO<sub>2</sub> storage. In June 2024 CarbonCuts achieved a major

milestone by being awarded an exploration license for its first project in Rødby.

BlueNord has committed to an exploration work programme and is allocating financial and personnel resources to deliver it. At the end of 2024, the CarbonCuts organisation was 10 employees and scaling up.

In March 2025, CarbonCuts has taken the strategic decision to apply for a second licence area located in near-shore Denmark to assess the potential for CO<sub>2</sub> storage. The outcome of this application is expected in the third quarter 2025.

CarbonCuts' first project in the Rødby area has received local support and has attracted national and international interest politically as well as from emitters.

CarbonCuts and the municipality of Lolland have collaborated since early 2022 to mature the CO<sub>2</sub> storage site.





## Environment continued

The Ruby project covers CO<sub>2</sub> receiving facilities, intermediate storage, pumping and injection facilities as well as a number of wells for injection and observation. Several CO<sub>2</sub> import options are being investigated to allow flexibility and optionality in terms of pace, customer requirements and volume. A phased development approach is being considered with CO<sub>2</sub> injection anticipated to commence by 2029.

CarbonCuts has gained solid political support via frequent contact with the municipality, the local business association, Business Lolland-Falster, as well as other major stakeholders. Securing and sustaining public acceptance is of utmost importance. To achieve this, the Company created a range of brochures, videos and other materials, and organised three information meetings with citizens following the acquisition of the license. CarbonCuts continues to actively engage with stakeholders, including local communities, regulatory authorities and industry partners, seeking input and feedback to inform our strategic decisions, and to ensure our social license to operate.

After being awarded the exploration license CarbonCuts has been preparing for the next phases of Project Ruby, including seismic surveys to be conducted early 2025, as well as preparing exploration drilling and maturing the project in general. The focus remains firmly on the goal: to launch an economically sustainable storage solution with accompanying infrastructure that can contribute to fulfilling Denmark's CO<sub>2</sub> goals and serve as an inspiration for CO<sub>2</sub> storage globally.

As a subsidiary of BlueNord, CarbonCuts has access to extensive knowledge of the energy sector and the Danish subsurface, which has proven beneficial in building up the organisation. Further, BlueNord's insights and capital strengthen CarbonCuts' position as a CO<sub>2</sub> storage operator.

### Timeframe until the beginning of operations for the Ruby project



### Energy efficiency

For DUC operations, which consume the majority of BlueNord's energy, potential energy efficiency gains are regularly assessed. Most of the DUC production system, apart from the Tyra facilities, relies on equipment installed up to 50 years ago. At the time of their installation, the primary design criteria focused on safety, robustness and reliability, rather than energy consumption efficiency and minimising the environmental footprint.

While modifications are being implemented to reduce environmental impact and/or fuel consumption, the scope of these changes is limited by the equipment itself, such as gas turbines, gas compressors and water pumps. Over the past two years, activities such as air filter replacements on turbines and optimisation of compressor cooling have been carried out to enhance fuel consumption and improve energy efficiency.

The refurbishment of Tyra has provided an excellent opportunity to enhance the facility's energy efficiency and reduce greenhouse gas emissions compared to the old Tyra facilities. The energy efficiency gain is anticipated to be around 30 percent for the same production throughput at restart. As a result, Tyra-produced gas will reduce scope 1 emissions by 30 percent, when compared to 2018 levels, before the production of the field was temporarily shut-in. Additionally, the new Tyra facility will be able to further reduce fuel consumption as production declines, thanks to the implementation of variable speed drive compressors. This will enable further emissions reductions from the hub over time.

### Electrification

Electrification of DUC operations is continuously evaluated in light of technological advancements, equipment costs and access to renewable power sources. The location of the DUC assets, approximately 200 km from the coast, poses significant challenges for electrification, especially considering the grid is not fully decarbonised. The DUC partnership remains committed to exploring options and reviewing new concepts as they emerge.

### LDAR/MMV

Leak Detection And Repair (LDAR) surveys are designed to identify, monitor and mitigate fugitive emissions and leaks of volatile organic compounds and methane.

LDAR is one of the essential tools in our Measuring, Monitoring and Verification (MMV) plan. LDAR surveys have been conducted on DUC installations using Optical Gas Imaging (OGI) cameras, followed by maintenance to address identified leaks. Since 2022, the DUC has implemented annual drone survey campaigns using Ultralight Spectrometers to measure methane and carbon dioxide levels

above our production hubs. The EU Regulation on the reduction of methane emissions in the energy sector (2024/1787), enforced in 2024, mandates offshore installations to perform Type 1 LDAR surveys annually. Drone surveys since 2022 have allowed the DUC partnership to better assess equipment performance, such as flare destruction rates, and to stay ahead of EU Regulation requirements.

### Decarbonisation pathway

The decarbonisation pathway for DUC operations is continuously re-evaluated, considering CFR opportunities, the feasibility of electrification and the cessation dates of asset production. In addition to its working interest in the DUC partnership, BlueNord actively supports CCS initiatives. We also acknowledge that the DUC licence currently expires in 2042 and the framework conditions in Denmark under the North Sea Agreement is such that oil and gas production is planned to cease in 2050.

## > Task Force on Climate-related Financial Disclosures ('TCFD')

In line with TCFD recommendations, a report in accordance with TCFD is, as of 2022, an integral part of BlueNord's annual financial reporting. The report is reviewed annually by our Audit Committee, Technical Advisory Committee and the Board.

TCFD encourages a standardised reporting structure for financially material climate-related risks and opportunities to give investors, lenders and insurers enhanced comparability when assessing and pricing pertinent companies.

The TCFD framework is made up of eleven recommended disclosures divided into four pillars that represent core elements of how organisations operate. The four pillars are: governance, strategy, risk management, and metrics and targets.

Moreover, the framework separates into three main categories: risks related to the physical impacts of climate change, risks related to the transition to a lower-carbon economy and climate-related opportunities. TCFD has also incorporated financial impact as an integral part of its disclosure recommendations.



At BlueNord we have identified the most significant climate-related risks and opportunities we face.”

GOVERNANCE	RECOMMENDED DISCLOSURES		
<b>Disclose the organisation's governance around climate-related risks and opportunities.</b>	a) Describe the Board's oversight of climate-related risks and opportunities.	b) Describe the management's role in assessing and managing climate-related risks and opportunities.	
STRATEGY	RECOMMENDED DISCLOSURES		
<b>Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material.</b>	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.
RISK MANAGEMENT	RECOMMENDED DISCLOSURES		
<b>Disclose how the organisation identifies, assesses and manages climate-related risks.</b>	a) Describe the organisation's processes for identifying and assessing climate-related risks.	b) Describe the organisation's processes for managing climate-related risks.	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.
METRICS & TARGETS	RECOMMENDED DISCLOSURES		
<b>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</b>	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	b) Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

**Environment** continued**Task Force on Climate-related Financial Disclosures ('TCFD')****1. Governance****a. Board-level oversight**

The Board fully supports the recommendations of the TCFD. The Board Chair has overall responsibility for the management of climate-related issues at BlueNord, and the Board is responsible for ensuring that climate-related targets are defined and addressed as part of Company strategy.

The Board receives regular updates from management, and will ensure that our risk management and internal control systems are adequate in relation to the regulations governing the business.

The Board reviews the Group's main risk areas and internal control systems annually. This includes the Group's values, Code of Conduct and corporate responsibility policy. The Board reports annually on climate impacts and any risks that the Company faces.

**b. Management-level oversight**

Executive management is responsible for identifying risks and opportunities, and for implementing effective processes and mitigation efforts. This includes climate-related issues, risks and opportunities within the managers' respective areas of responsibility.

The Chief Corporate Affairs Officer has responsibility for ESG strategy, and reports directly to the CEO. In 2020, an ESG Committee was established to support BlueNord's commitment to ESG and to evolve our contribution to the energy transition. In late 2024 it was decided to integrate the controls, risks and processes associated with sustainability into the responsibilities of the Audit Committee to align with the responsibilities the Audit Committee already takes regarding the internal control framework. ESG strategy is integrated into the overall strategy of the Company with responsibility at the Board level.

Climate risks are also assessed as part of BlueNord's risk management process. For more information on BlueNord's risk management processes, including the assessment of climate-related risks, see the relevant sections of this report.

See Governance Operating Model on page 69.

**2. Strategy****a. and b. Identified climate-related risks and opportunities**

In line with the recommendations laid out in the TCFD framework, BlueNord has conducted a process to assess how, and to what extent, the Company is exposed to climate risk. Management representatives for Finance and Corporate Affairs identified significant physical risk, transition risk, and opportunities created by climate change.

Risks and opportunities were assessed in a strategic and financial context, against three different time horizons and four different climate scenarios. This assessment was reviewed again in January 2025.

The following time horizons were used:

- Short term – 2024–2025.
- Medium term – 2025–2030.
- Long term – 2030–2050.

These four International Energy Agency ('IEA') climate scenarios were used:

- Net Zero Emissions by 2050 scenario ('NZE').
- Stated Policies scenario ('STEPS').
- Sustainable Development scenario ('SDS').
- Announced Pledges scenario ('APS').

For BlueNord it is important to identify the most significant climate-related risks and opportunities we face, as this can help us to make informed decisions about how to mitigate, or take advantage of, these factors.

To identify the most critical risk factors, the management representatives assessed factors that could potentially impact the operations negatively and the probability of occurrence.

To identify the opportunities with the highest potential, the management representatives assessed how the factors could potentially impact the Company positively, and the degree of difficulty posed by taking advantage of any opportunity.

**Risk factor defined as most critical:**

1. High/increased CO<sub>2</sub> tax.

**Opportunities defined with greatest potential:**

1. Resource efficiency.
2. Evolution of financial markets.
3. Relatively flexible BlueNord investments.
4. Sector already strictly regulated and well-prepared for harsh weather conditions.



## Task Force on Climate-related Financial Disclosures ('TCFD') continued

### Acute physical risk

Through our acute physical risk identification process, we identified extreme weather due to increased frequency and intensity of strong wind, storms, and hurricanes as most significant to BlueNord. Such events may impact BlueNord's direct operations, or cause disruptions in the supply chain. Any events delaying production have a financial implication.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Increased frequency and intensity of strong wind, storms, and hurricanes</b>	Climate change and temperature increases may lead to more extreme weather. The wind speed is expected to increase, and the air will contain more moisture. This will lead to increased occurrences of strong winds, storms, and hurricanes in the future.	<ul style="list-style-type: none"> <li>Inability to have people safely Offshore.</li> <li>Inability to transport people and equipment, as this is done by helicopter and supply ships.</li> <li>Weakened production capacities due to shortage of supplies, employees and possible damage to the equipment.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced revenue and increased costs associated with asset repair and additional labour. Potential impact on production.</li> </ul>	BlueNord sees the greatest consequences in STEPS, but the negative effects may be more relevant for the supply chain at an earlier stage.	Long term.	BlueNord is constantly working to strengthen our work on human rights and decent working conditions, by reviewing and revising our Corporate Social Responsibility Guidelines. This helps us establish governance documents, routines and instructions related to due diligence processes and our supply chain to ensure that we apply to the highest standards of professional and ethical standards in the conduct of our business affairs. In addition, TotalEnergies has in 2024 provided a letter of comfort related to their compliance programme, with this the main part of the companies supply chain has been assessed.

### Chronic physical risk

Chronic physical risks refer to longer-term shifts in climate patterns, such as sustained higher temperatures that may cause sea level rise or chronic heat waves.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Rising sea levels</b>	Sea levels may rise due to expanding ocean volumes from temperature increases and from melting glaciers and ice sheets.	<ul style="list-style-type: none"> <li>High waves which hit the infrastructure on the platform causing damage.</li> </ul>	<ul style="list-style-type: none"> <li>Increased cost due to adaption of platforms in order to handle rising sea level.</li> </ul>	Most relevant in STEPS.	Long term.	The platforms have already been reconstructed or assessed to meet the risk of sinking seabeds. This has prepared them more for extreme weather events and rising sea levels.

### Transition risk – Policy and Legal

Transitioning to a lower-carbon economy may entail extensive policy and legal changes to address mitigation and adaptation requirements related to climate change. We have identified the following policy actions and climate-related litigation claims as the most significant for BlueNord.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Uncertainty related to the EU Taxonomy and how this will impact BlueNord</b>	Increasing need to demonstrate that economic activities are environmentally sustainable.	<ul style="list-style-type: none"> <li>More difficult and more expensive to raise support from a capital market perspective and debts perspective.</li> </ul>	<ul style="list-style-type: none"> <li>Limited access to capital.</li> <li>Increased cost of capital.</li> </ul>	Most relevant in NZE/SDS.	Medium and long term.	<p>Focus on having a close dialogue with investors.</p> <p>Transparency is crucial when it comes to climate risk. BlueNord focuses on being as transparent as possible towards investors and other stakeholders.</p>

## Environment continued

## Task Force on Climate-related Financial Disclosures ('TCFD') continued

## Transition risk – Policy and Legal continued

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Increased carbon pricing and taxes</b>	Carbon tax is an instrument for cost-effective cuts in GHG emissions.  Other extraordinary taxes or measures to affect the operations of high-emission sectors could also be put in place as solidarity measures.	<ul style="list-style-type: none"> <li>Low emissions and being part of the energy transition will play a bigger part in the licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>Increase cost of the business and shorten life of assets, and increase likelihood of stranded assets.</li> </ul>	Most relevant in NZE/SDS.	Short, medium and long term.	Ongoing management, analysis and effective strategies to understand the size of CO <sub>2</sub> obligations and their cost.

## Transition risk – Technology

Technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system can have a significant impact on organisations.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Transition to lower emission technology</b>	Gas has a role and opportunity in the transition. In the long term, the need for oil and gas will change/decrease.  Technology also represents an opportunity in identifying, addressing, and reducing risks.	Changes in demand due to: <ul style="list-style-type: none"> <li>Declining cost on renewables.</li> <li>Electrification of industries and transportation.</li> <li>Advanced technology, which makes it possible to monitor and detect possible spills and reduce impact, and consequently, identify and reduce emissions.</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in revenue, due to reduced oil and gas demand</li> <li>Technology for monitoring will provide more precise measures, ability to respond immediately and potentially reduce financial impact.</li> </ul>	Most relevant in NZE.	Medium and long term.	Investing in projects in the CCS value chain, both onshore and offshore to support hard to abate emissions.

## Transition risk – Market

While the ways in which markets could be affected by climate change are varied and complex, one of the major ways is through shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly taken into account.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Changes in gas demand</b>	The transition to a zero-emissions society is expected to decrease the demand for gas in the long run. The speed of transition is uncertain.  The current geopolitical situation has increased the focus on energy security where gas plays a part, but also where the transition to renewables has increased in pace.	<ul style="list-style-type: none"> <li>Declining demand based on new technology. For instance, electric vehicles, heat pumps, an increasingly circular economy and less use of plastic.</li> </ul>	<ul style="list-style-type: none"> <li>Decreased revenues.</li> </ul>	Most relevant in NZE.	Medium and long term.	DUC gas production will decrease and stop in 2050 in line with Denmark's commitment to a complete phase out of oil and gas production by 2050.

## Task Force on Climate-related Financial Disclosures ('TCFD') continued

### Transition risk – Reputation

Climate change has been identified as a potential source of reputational risk tied to changing customer or community perceptions of an organisation's contribution to or detracting from the transition to a lower-carbon economy.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Reputation risk in the era of ESG</b>	<p>Fossil fuel is not a renewable energy source and leaves a large carbon footprint. Nonetheless, gas will play a role in the future energy mix.</p> <p>Abandonment of infrastructure needs to be done in a safe and sustainable manner thus contributing to circularity of these materials.</p>	<ul style="list-style-type: none"> <li>Oil and gas producers generally have a poor reputation in the field of ESG. BlueNord needs to demonstrate the required accountability and responsibility to maintain its social licence to operate.</li> <li>Increased requirements for sustainable abandonment.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced revenue from decreased demand for goods/services.</li> <li>Reduction in capital availability and higher cost of capital.</li> <li>Increased cost related to abandonment/recycling.</li> </ul>	Most relevant in NZE, SDS.	Medium and long term.	<p>Presenting a balanced view of both our production activities and energy transition initiatives and projects, for example Carbon Cuts CO<sub>2</sub> storage project.</p> <p>BlueNord is working diligently to recycle materials. The Company is also assessing sustainable decommissioning strategies which leave infrastructure on the seabed based on value to seafloor.</p>

### Resource efficiency

There is growing evidence that it is possible for organisations to reduce operating costs by improving efficiency across production and distribution processes, buildings, machinery/appliances, and transport/mobility.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Efforts to increase resource efficiency</b>	More efficient operations can lower cost and reduce emissions intensity. Good for both business and the environment.	<ul style="list-style-type: none"> <li>Increased operational productivity leads to increased revenue and reduced unit costs.</li> </ul>	<ul style="list-style-type: none"> <li>Increased interest from investors.</li> <li>Easier access to capital.</li> <li>Increased revenue.</li> </ul>	All.	Short, medium, and long term.	Reducing emissions from our facilities in collaboration with the Operator. We work actively to reduce flaring and to improve production optimisation to reduce emissions and energy (fuel) use.

### Energy sources

The trend toward decentralised clean energy sources, rapidly declining costs, improved storage capabilities, and subsequent global adoption of these technologies is significant. Organisations that shift their energy usage toward low-emission energy sources could potentially save on annual energy costs.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Use of alternative energy in operations</b>	<p>The world is switching to renewable energy and electrical operating solutions that reduce the emission of CO<sub>2</sub>.</p> <p>BlueNord's platforms are gas-fired or fired by diesel generators. There is a potential to develop the approach to alternative energy sources.</p>	<ul style="list-style-type: none"> <li>Emissions reduction.</li> </ul>	<ul style="list-style-type: none"> <li>Easier access to capital.</li> </ul>	Most relevant in NZE.	Medium and long term.	Dialogue with the Operator on alternative energy sources and potential electrification of facilities remains an opportunity if economic to do so.



## Environment continued

## Task Force on Climate-related Financial Disclosures ('TCFD') continued

**Products and services**

Organisations that innovate and develop new low-emission products and services may improve their competitive position and capitalise on shifting consumer and producer preferences.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>New products</b>	To reach the climate targets and reduce carbon emissions internationally, CCS technologies need to be deployed on a large scale and will be increasingly important.	<ul style="list-style-type: none"> <li>CCS represents a benefit for the climate which does not involve the sacrifice of crucial energy sources.</li> </ul>	<ul style="list-style-type: none"> <li>Increased interest from new investors and easier access to capital.</li> </ul>	Most relevant in NZE.	Medium and long term.	Project Ruby could store up to 1.5 MTPA by 2030 dependent on successful exploration phase, and help Denmark and Europe achieve their climate target. CarbonCuts applied for a new exploration license for a near-shore CO <sub>2</sub> storage site in Denmark, demonstrating a continued commitment to the development of the CCS value chain.

**Markets**

Organisations that proactively seek opportunities in new markets or types of assets may be able to diversify their activities and better position themselves for the transition to a lower-carbon economy. In particular, opportunities exist for organisations to access new markets through collaborating with governments, development banks, small-scale local entrepreneurs, and community groups in developed and developing countries as they work to shift to a lower-carbon economy. BlueNord has addressed the following opportunity.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Financial markets evolution</b>	ESG and climate risk is increasingly seen as an important risk in the financial markets.	<ul style="list-style-type: none"> <li>Shift from the typical funding sources to more targeted structures.</li> </ul>	<ul style="list-style-type: none"> <li>For those not addressing this – higher risk and costs.</li> <li>Changed interest rate market.</li> </ul>	Relevant in all scenarios.	Short, medium and long term.	Evaluate the opportunities that the energy transition can bring to retain existing financiers and access new debt and equity investors market.

**Resilience**

The concept of climate resilience involves organisations developing adaptive capacity to respond to climate change to better manage the associated risks and seize opportunities, including the ability to respond to transition risks and physical risks. Opportunities related to resilience may be especially relevant for organisations with long-lived fixed assets or extensive supply or distribution networks; those that depend critically on utility and infrastructure networks or natural resources in their value chain; and those that may require longer-term financing and investment.

Identified risk	Description of risk	Potential impacts	Potential financial impacts	The climate scenario in which the risk is most relevant	Time horizon	Mitigation strategy
<b>Strictly regulated sector</b>	The energy transition will result in stricter regulations.	<ul style="list-style-type: none"> <li>Changes in regulations, CO<sub>2</sub> taxes.</li> </ul>	<ul style="list-style-type: none"> <li>For those that are already in line with the regulations it can decrease the demand for mitigation and adjustment of strategy.</li> </ul>	Most relevant in STEPS.	Short, medium, and long term.	BlueNord is already part of a strictly regulated sector that operates in harsh weather conditions. Many precautions and adaptations are therefore already in place and could be a competitive advantage.
<b>Flexible future investments</b>	Future market developments will greatly affect the return on investments in fossil fuels.	<ul style="list-style-type: none"> <li>Increase in future profits by being dynamic and adjusting investment strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Less risk of being locked in outdated solutions and demand scenarios; flexibility to diversify and increase profitability.</li> </ul>	Most relevant in STEPS.	Short, medium, and long term.	BlueNord can choose to invest in more gas-weighted projects or CCS value chain projects depending on how the market is evolving. Currently, the market for gas remains attractive and continues to be a value fuel along with oil.

## Task Force on Climate-related Financial Disclosures ('TCFD') continued

### c. Scenario analysis

In line with the recommendations laid out by the TCFD, BlueNord conducted a qualitative scenario analysis in 2023 of all identified risks and opportunities as part of the climate risk assessment.

<b>The Net Zero Emissions by 2050 Scenario ('NZE')</b>	<p>Limiting the global temperature rise to 1.5°C without a temperature overshoot (with a 50 percent probability). The NZE is a normative scenario, meaning it starts with a defined goal to achieve net-zero CO<sub>2</sub> emissions by 2050, and shows an example of a pathway that could get the world to that target.</p> <p>In this scenario, demand for oil falls by more than 2 mbpd per year between 2020 and 2050. Demand for natural gas grows to 2025, drops after 2025 and falls well below 2020 levels by 2030.</p>
<b>The Sustainable Development Scenario ('SDS')</b>	<p>IEA's Sustainable Development Scenario ('SDS') is compatible with the Paris Agreement's less ambitious 'well-below 2°C' goal. It assumes all energy-related SDGs and all current net-zero pledges are achieved, with advanced economies reaching net-zero emissions by 2050, China by 2060 and all others by 2070 at the latest.</p> <p>It has a 50 percent probability of limiting global temperature rise to 1.65°C, assuming no extensive net negative emissions. With some net negative emissions after 2070, temperature rise could be reduced to 1.5°C by 2100.</p>
<b>The Announced Pledges Scenario ('APS')</b>	<p>This scenario appears for the first time in the World Economic Outlook 2021. It assumes that all climate commitments made by governments around the world, including Nationally Determined Contributions and longer-term net-zero targets as of mid-2021, will be met in full and on time.</p> <p>In the APS, global oil demand peaks soon after 2025 and then falls by around 1 mbpd per year to 2050. Demand for natural gas also reaches its maximum level soon after 2025 and then declines slowly.</p>
<b>The Stated Policies Scenario ('STEPS')</b>	<p>Rather than assuming that governments will reach all announced goals, this scenario reflects a sector-by-sector assessment of the specific policies that have been put in place, as well as those that have been announced by governments around the world.</p> <p>This scenario provides a more conservative benchmark for the future. In the STEPS, global oil demand exceeds 2019 levels by 2023 before peaking in the mid-2030s and then declining very gradually to 2050. Demand for natural gas continues to rise after 2025 and is around 15 percent higher in 2030 than in 2020.</p>

### 3. a., b., and c. Risk management

The identification, assessment and management of climate-related risks and opportunities is an integral part of BlueNord's multidisciplinary risk and opportunity management. The BlueNord Board and management will conduct regular reviews of the Group's activities for identifying, assessing, and responding to climate-related risks and opportunities. The risk management process will be reviewed on an annual basis.

2023 was the first year of implementation of the climate-risk management process recommended by TCFD. A material risk and opportunity matrix system developed by Tavler AS was used as a foundation for this process. The identification and assessment processes were conducted through a workshop with key executive management team members and

relevant ESG representatives from different organisational levels and functions, providing a balanced picture of the risks and opportunities faced by BlueNord.

In the matrix, the impact (large, relatively large, relatively easy, easy) and likelihood (high/low) of each risk and opportunity are determined. Based on each risk's categorisation, BlueNord will develop, review, and implement response plans to mitigate risks and maximise opportunities.

### 4. a., b., and c. Metrics and targets

BlueNord works to reduce our carbon footprint while contributing to energy security. In 2024, BlueNord has revised its commitment regarding DUC installation powering from renewables. While DUC electrification continues to be assessed, neither feasibility nor the timeline can

be ascertained. With the North Sea Energy Island Project on pause, an alternative renewable power source has to be identified. The GHG emissions intensity target which was encompassing the impact of renewable power also had to be revisited as a result.

In line with the DUC Operator's targets, our commitment is to reduce scope 1 and scope 2 emissions by 40 percent from DUC assets by 2030 compared to 2015 levels. BlueNord will also continue to invest in CarbonCuts CCS which includes Project Ruby and will review other strategic opportunities in the CCS value chain.

As a non-operator, BlueNord will work to protect the environment to the greatest possible extent, both in its own operations and through the Company's partnership in the DUC. The data

reported on climate and nature have been supplied by the Operator TotalEnergies for the DUC. BlueNord will monitor and report on performance year-on-year as part of our sustainability strategy.

BlueNord is committed to independently verifying its direct and indirect emissions. The following metrics are used to assess climate-related risks and opportunities: CO<sub>2</sub> emissions, fuel consumption, flaring, fugitive emissions, nitrogen oxides ('NOx') and sulphur oxides ('SOx') emissions, GHG emissions, and GHG intensity related to DUC operations.

## Environment continued

### > Pollution

Emissions, chemical usage and discharge to the sea are regulated with permits issued by the regulatory body. These are reported to the authorities following third-party verification of the Operator's report.

#### Number of sites and area

The DUC portfolio consists of eight sites that are covered by OSPAR measures. The sites are located offshore in the Danish North Sea, some 200 km off the West coast of Denmark. CarbonCuts' Ruby licence is located near the town of Rødby onshore Denmark.

#### Air

BlueNord recognises that air quality can affect public health and the environment. Traditional air pollutants in the oil and gas E&P industry can include ammonia, carbon monoxide, sulphur oxides, nitrous oxides, non-methane volatile organic compounds, and particulate matter. As part of our environmental management, we work alongside the Operator to continuously monitor our non-GHG air emissions and put measures in place to reduce the impact of our activities.

Air emissions are monitored and independently verified prior to being reported via OSPAR on a yearly basis. The air emissions reported include CO<sub>2</sub>, NO<sub>x</sub>, SO<sub>2</sub>, CH<sub>4</sub>, and nmVOCs.

Please refer to Appendix 2 on page 139 for 2024 emission figures.

#### Water and marine resources

Formation water is produced along with the hydrocarbons and a portion is discharged into the sea following treatment. Sea water is injected into some of the DUC fields for pressure support and enhanced reservoir sweeping. Formation water is re-injected in some fields.

Discharge of produced water to the sea can contain chemicals that were injected in the production process, and traces of hydrocarbons, water, oil and chemical discharges to the sea are measured and reported to the Competent Authorities. The total oil discharged to the sea along with the water is regulated by a discharge permit. The yearly volumes are independently verified and reported to the Danish Environmental Protection Agency (DEPA) and OSPAR.

In partnership with the DTU and DOTC, the DUC partnership has been devising ways to improve the treatment and disposal of the water produced alongside hydrocarbons. The current Produced Water Management Programme uses technology which purifies water to an exceptional standard, such that the water being let out to sea is of greater purity than that which legislation and discharge permits require.

#### Substances of concern

Chemical usage and discharge are regulated for the oil and gas industry.

The DUC partnership uses chemicals that are required in the oil and gas production process as well as in drilling and well intervention operations. Chemicals that pose little or no risk to the environment are prioritised (green chemicals). Use of yellow or red chemicals are limited to situations where no commercial alternative is available. Drilling and well intervention activities do not involve use of any red chemicals.

DUC operations do not use nor discharge chemicals that are listed in OSPAR's list of Substances for Priority Action (black chemicals).

Please refer to Appendix 3 on page 140 for 2024 discharge to sea figures.



#### Discharges of hydrocarbons, acids and muds

Discharge of dispersed hydrocarbons along with produced water discharge Oil-in-Water (OiW) is regulated by permits. DUC's installation OiW concentration is being closely monitored and performance outperforming the regulatory limit of 30 mg per litre. Please refer to Appendix 3 on page 140 for 2024 discharge figures.

#### Spills

Spills refer to accidental release of oil or chemicals to the environment. Please refer to Appendix 3 on page 140 for 2024 spill figures.

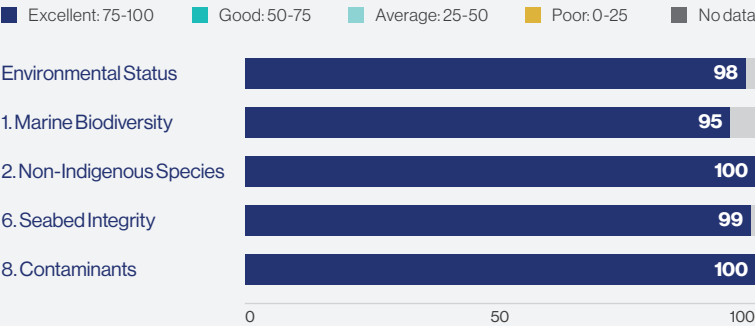




North Sea Environment Portal

The chart shows scores across 4 areas (Marine biodiversity, Non-Indigenous species, Seabed integrity and Contaminants) to calculate an overall **Environmental Status** using the EU 'Marine Strategy Framework Directive'. Tyra E platform is rated 'Excellent'.

Tyra E Platform



\* The platform scores are calculated as the mean of all platform stations.

> Biodiversity and ecosystems

Biodiversity action plan

As partners in the DUC, we align with the Operator in implementing a Biodiversity Action Plan (BAP) to monitor flora and fauna near offshore installations. While a third party manages this initiative, BlueNord values environmental stewardship and supports industry-wide efforts to advance biodiversity knowledge in offshore environments.

The BAP addresses the main concerns of key stakeholders such as the positive impact of leaving structures as reefs during decommissioning, requirement for baseline data on birds and fish, and the spread of invasive species through structures and vessel movement.

One of the key actions proposed in the BAP was to develop a data sharing platform on marine biodiversity and environment. As a result, the North Sea Environmental Portal was developed by TotalEnergies EP Denmark and Dansk Hydraulisk Institut A/S (DHI) on behalf of the Danish Underground Consortium (DUC) to fulfil the need for a data sharing platform on marine biodiversity and environment. The portal, launched in December 2024, provides decades of data on the marine environment, covering aspects such as seabed conditions, water quality, fish, mammals, benthic animals, and plants. It is accessible to researchers and the public.

The portal aims to provide a comprehensive view of environmental and biodiversity developments in the Danish North Sea, helping researchers identify trends, make predictions and base decisions on solid data. The initiative is the first of its kind in Denmark and aims to enhance the understanding and protection of the marine environment. The portal documents seabed chemistry, biodiversity and ecological indicators.

> Circular economy

Decommissioning

We support the DUC's ambition to locally recycle obsolete infrastructure. During the dismantling of the old platforms and structures from the Tyra field, 98.5 percent of the material was either directly reused or recycled at local Danish recycling yards. For example, suitable generators were repurposed elsewhere, while other parts were processed and traded internationally.

We will use the wealth of knowledge gained during Tyra redevelopment over the coming decades to reduce the impact upon the environment from decommissioning and abandonment of offshore installations and pipelines relating to DUC operations. In partnership with the DOTC, BlueNord is researching cost-effective abandonment options that will deliver robust environmental protection.

Drilling waste, muds and cuttings

Drilling waste, such as muds and cuttings, are addressed as follows:

- The oil content of the Water Based Mud (WBM) and drill cuttings returned from drilling the reservoir sections shall be monitored regularly so that it does not exceed 1 percent, on average.
- WBM is used for different drilled sections and for drilling other wells to maximise re-use and re-cycling.
- Discharges of WBM to sea is minimised to reduce impact.
- Drill cuttings returned from drilling the reservoir sections are taken to shore for disposal.
- No discharge of Oil Based Mud (OBM) is allowed into the sea, it is returned to shore for processing and disposal.

## Social

# Social

We value the unique contributions of every team member. As of the end of 2024, we proudly counted forty three employees and four in-house consultants across our three locations.

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Affected communities	61
Community engagement	61

### We are:



**Bold**



**Purposeful**



**Dependable**

## > Health, safety and environment

The Health, Safety and Environment (HSE) section in this Annual Report pertains exclusively to our company's own workforce. While these metrics and initiatives focus on our direct employees, we also maintain oversight across operations where we act as a non-operating partner. Our commitment to HSE standards extends to monitoring and influencing the safety practices of our partners to ensure the highest level of care and compliance throughout all collaborative efforts.

Our HSE vision of 'zero accidents, zero incidents, and zero impact to the environment' underpins our commitment to:

- Ensuring safe and efficient operations.
- Compliance with regulatory standards.
- Aiming to minimise climate and environmental impacts to the lowest feasible level.

BlueNord is ultimately accountable for the contribution of all our people to health, safety and environmental outcomes and continuous improvement in these areas.

By complying with applicable standards and regulations and continually improving our management system we make positive progress towards the key goal of zero fatalities and zero recordable work-related accidents.

As a partner in DUC, we are committed to Health, Safety, and Environment (HSE) by actively supporting the Operator's excellent HSE efforts and proactively participating in meetings and initiatives. Since our constructive dialogue regarding offshore working environment issues on TotalEnergies platforms in DUC began in 2022, we have

established strong relationships and trust, with our Lead Operations Engineer participating regularly in Tyra's Offshore Safety Committee through 2024.

For our CCS operations, our HSE goal is to have zero accidents, zero incidents and zero long term impact to the environment and the community where we operate.

We are committed to this vision through ensuring safe and efficient operations, to continually improving our performance and introduce and follow the Institution of Oil & Gas Producers (IOGP) lifesaving rules.

CarbonCuts is in the exploration phase with Project Ruby and is not yet storing CO<sub>2</sub>. If and when we establish a storage facility, we will use the most advanced monitoring technologies and geological analysis methods to ensure that storage takes place safely and under fully controlled conditions. We work with authorities and experts to guarantee that all safety standards are met and that our activities do not pose a risk to people or the environment. Planning of preventative safety and environmental work involves the participation of local health and safety representatives to maximise employee welfare and minimise our already low rates of sickness absence. In addition, all employees are offered annual ergonomic assessments.

Total sick leave in the BlueNord Group was reported to be 0.88 percent in 2024. No work-related accidents or injuries were reported in 2024.

### Human rights

BlueNord is dedicated to upholding fundamental human and labour rights in all our operations and interactions with business

partners. We are committed to complying with all applicable laws and regulations.

We conduct our business in a manner that respects the rights and dignity of all people. We support and acknowledge the fundamental principles of human and labour rights as defined in the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

Our human rights work is also guided by the OECD Guidelines for Multinational Enterprises. Our human rights commitments are set out in our Code of Conduct.

Read our Human and Working Rights and Diversity and Inclusion Policy at [www.bluenord.com](http://www.bluenord.com)

### Work-related accidents or injuries in 2024<sup>1</sup>

0

### Total sick leave<sup>1</sup>

0.88%

1. Excluding non-operational DUC interests

> Our people and values

BlueNord upholds the principles of freedom of association and collective bargaining. We fully respect our employees' right to form and join trade unions, as well as their right to remain non-unionised. Currently, there are no trade unions represented at BlueNord. Therefore, the Company is not bound by any collective bargaining agreements, except as required by local legislation, case law and legal practice.

At BlueNord, 33 percent of the team holds managerial roles, meaning they have one or more direct reports. Despite this, BlueNord maintains a

predominantly flat management structure below the Group's Executive Team.

As an organisation, BlueNord focuses on and prioritises the presence of the best-qualified person in every role, regardless of their gender. This applies to both the recruitment of new employees and the assessment of performance and capabilities for internal advancement.

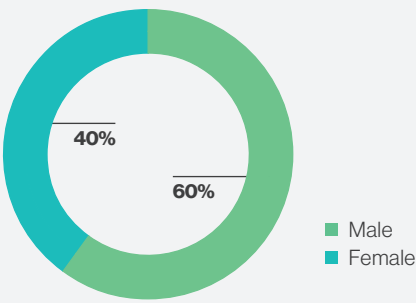
Building culture is a collective effort at BlueNord. We strive for an inclusive culture with full employee engagement, where everyone feels empowered, respected and has a strong sense of

belonging. With commitment from the Executive Team the entire organisation has participated in our culture journey 2024, through group-wide camps, team discussions and sessions.

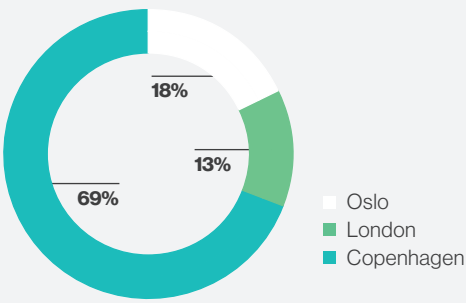
Our team represents eleven different nationalities and a wide range of ages, background, experiences, and ways of thinking. These are some of the reasons why many of our employees look forward to going to work every morning. Since January 2021 BlueNord has measured "employee engagement" and satisfaction with the physical "working environment" annually. Since January 2023, the survey has also included measurements on Diversity and Inclusion.

The key objective of the present survey is to follow up on progress based on the results from previous surveys to contribute to the future development of BlueNord as a good place to work. The employee engagement part of the survey consists of 10 overall themes related to psychological aspects of job engagement. In addition to this, one part of the survey relates to the physical aspects of the working environment in BlueNord. Data collected from the survey is processed to discover overall trends and nine semi-structured interviews were conducted to allow for deeper insights into the themes. The results of the survey are then fed back into the BlueNord culture plan and Working Environment Committee.

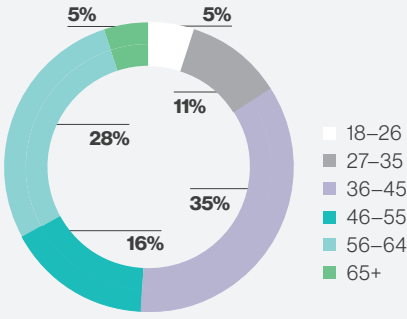
Gender split



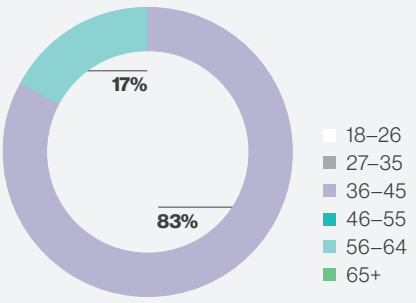
Full Time Equivalent 40.86



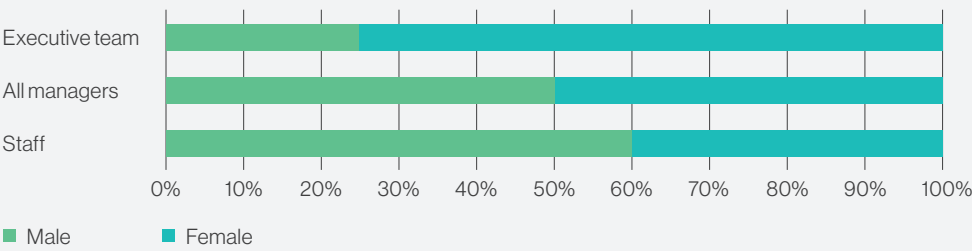
Age distribution



New employees



Leadership-gender distribution (M/F as %):



The BlueNord values

Our values mirror who we are as a company and as individuals. They guide us towards our daily actions and shape the future we aspire to. They form the foundation of our thoughts, behaviours and interactions. These values influence our operations, leadership and decision-making processes.

To foster both individual and team growth, as well as high performance, our 2024 cultural journey concentrated on the key elements necessary for creating a positive, strong safety culture and developing a learning organisation

Our initiatives focused on aligning our culture with our strategic priorities, leveraging process-driven performance to achieve our goals. This year, insights from elite sports, particularly the resilience and adaptability of an Olympic medallist, provided valuable lessons that deeply resonate with our corporate ethos.



## Social continued

### > Our people and values continued

#### Work-life balance

BlueNord advocates a hybrid working model, a good work-life balance and supporting our team at various life stages. We offer leave schemes for childcare and caregiving to close relatives, provide sick pay and have implemented gender-equal terms for the duration and payment of parental leave.

#### Diversity

BlueNord believes embracing diversity, equity and inclusion positively impacts recruitment and retention and drives performance across the Company.

BlueNord is an equal opportunity employer, committed to fostering diversity, equity and inclusion in the workplace. We welcome and embrace a variety of skillsets and perspectives, and we value differences between people of different cultural backgrounds, ethnicity, age, gender, gender identification, gender expression, sexual orientation, functional ability, religion, and philosophies of life. These principles apply to all employment practices at BlueNord, including recruitment, hiring, compensation and benefits, promotion, training and development, and leave of absence.

The Norwegian Equality and Anti-Discrimination Act stipulates that organisations must identify and address challenges regarding equality and diversity in the workplace before any incidents or discrimination take place. The Act's general activity duty applies to BlueNord; in addition, we are implementing the working method that the Act prescribes for specific activity duty: Investigate, Analyse, Implement, and Evaluate results.

According to the Norwegian Equality and Anti-Discrimination Act, organisations must proactively identify and address challenges related to workplace equality and diversity before any incidents or

#### BlueNord Employee Engagement Index 2023-2025

January 2023

79.1

January 2024

80.5

January 2025

75.6\*

\* includes CarbonCuts.

#### BlueNord DE&I Index 2023-2025

January 2023

79.1

January 2024

80.5

January 2025

75.3\*

\* includes CarbonCuts.

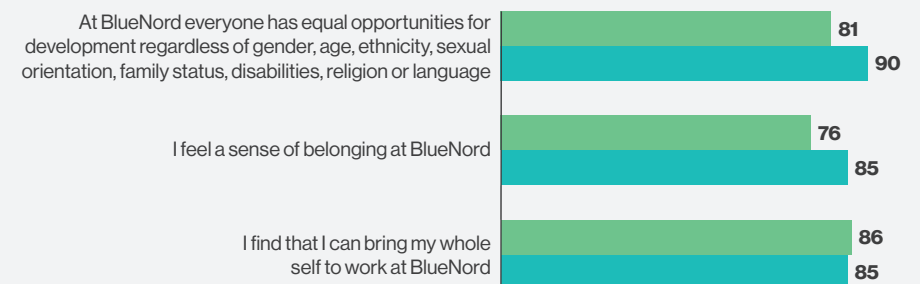
#### Extract from Employee Engagement Survey (2023 and 2024)



Extract of responses from BlueNord's annual Employee Engagement and Working Environment survey included in BlueNord DE&I index. Responses on a 7-point Likert scale converted into a 0–100 index scale.

2024  
2023

#### Extract from DEI survey (2023 and 2024)



Extract of responses from BlueNord's annual Employee Engagement and Working Environment survey included in BlueNord DE&I index. Responses on a 7-point Likert scale converted into a 0–100 index scale.

2024  
2023

## > Our people and values continued

discrimination occur. The Act's general activity duty applies to BlueNord. Additionally, we are following the Act's prescribed working method for specific activity duty: Investigate, Analyse, Implement, and Evaluate results. Gender-equalising terms for duration and payment of parental leave are implemented as part of BlueNord's leave policies.

In 2024 we supplemented our recruitment process by making normative psychometric assessment tools, including job profiles, a mandatory part of our recruitment process. The job profile reduces the risk of gender, age and job level biases in our recruitment process.

A set of questions to establish whether BlueNord is considered a safe, inclusive and healthy workplace with equal opportunities and zero tolerance for harassment, are included in our annual Employee Engagement and Working Environment survey. The engagement survey results indicate a slightly lower scoring overall, however continues to be in the upper range of the scale. Change and uncertainty influences employees and this is very relevant particularly working in the energy industry with ongoing external factors that challenge the direction and strategy of the business.

This year's Employee Engagement Index stands at 75.3, a testament to our employees' continued commitment and dedication. While this is slightly lower than last year's 80.5, it's important to recognise that we started from a high baseline and remain firmly in the upper quartile of industry benchmarks.

As part of our 2024 culture journey, we engaged all staff in sessions and activities aimed at

understanding, recognising and embracing diversity and its impact on our multinational teams and organisation. This initiative has fostered a sense of belonging and integration within the BlueNord team. Additionally, it has heightened our awareness of biases and blind spots, cultural differences and cross-cultural communication.

As part of the performance management process involving annual performance dialogue, mid-term review and personal development planning, performance evaluations were assessed and calibrated jointly by leaders to avoid the risk and impact of biases and discrimination.

Channels and procedures are in place for reporting concerns about harassment of any kind, whether experienced by or witnessed by a staff member.

The appropriate handling of any potential discrimination issue is outlined in the Company's harassment policy. This policy complements the grievance process and the existing whistleblowing procedure, along with its related integrity channel.

### Training and skills development

Learning is part of our Company's culture. Continuous improvement and sharing knowledge and ideas are vital for the business to thrive. Employees at all levels are encouraged to consider how they upgrade their knowledge and skills, and development activities are included in every personal development plan. As of 2025, all training activity is to be recorded, to enable KPIs to be set for competence management and people development.

Experience and on-the-job training are a primary source of learning. This is backed by competence development and coaching, both individually and in teams, together with mentoring, job-shadowing and formal training courses and sessions.

Participation in seminars and conferences is also supported, to keep abreast of industry trends and developments, update professional expertise and to build and manage networks.

People can pursue new projects and activities they are passionate about and through that find development. This not only enhances their personal growth but also drives innovation and productivity within the business, leading to overall success.

To ensure all employees adhere to governing documents and business conduct standards at BlueNord, our Code of Conduct is mandatory for all employees to read and understand. This training is a part of our onboarding process. In November 2024, we conducted a group-wide training session covering several topics within our Code of Conduct. In 2024 we launched a Direct Manager Network.

The network aims to empower all managers to fulfil their roles and meet organisational expectations. It aligns communication, expectations and policies on various leadership

matters. The first meeting included a session on handling whistleblowing and other warnings. Every year, all employees at BlueNord are required to attend a mandatory session on handling insider information, facilitated by our legal advisers. This is essential for protecting BlueNord as a listed company, especially since many of our permanent employees participate in our Long-Term Incentive (LTI) programme and have the opportunity to become shareholders. Additionally, in 2025, we will introduce a company-specific e-learning course on our Code of Conduct, which will be offered alongside our ongoing cyber security training campaigns that also include an e-learning component.

In 2024, BlueNord employed three interns. Two of these interns are working part-time in Operations until they complete their degrees in 2025 and 2026, respectively. A master's student is interning in Finance until their degree is completed in 2025. Additionally, at the end of 2024, a master's student in HR joined the People & Capability department as an intern and began their employment in January 2025.



## Social continued

## > Our people and values continued

### Remuneration

Remuneration for executives and employees at BlueNord follows a clear and transparent compensation policy. Our goal is to offer competitive salaries and equal pay to attract and retain individuals with the right capabilities to execute our business strategies and ensure the Company's sustainable development. Base salary, which rewards daily performance, represents a significant component of an individual's total remuneration package.

The base salary is determined by the role's accountabilities, impact on business performance and results, as well as the experience and expertise required. This salary is established based on internal, market and industry benchmarking. Employees are employed under local terms and conditions, with pensions and other benefits aligned with local market standards. Additionally, employees participate in short-term incentive programmes and any equity-based long-term incentive programmes applicable to their positions.

For further information on executive remuneration, please see the 2024 Executive Remuneration Report on [www.bluenord.com](http://www.bluenord.com)

### Gender pay gap

As part of our commitment to transparency and gender equality, we have calculated the ratio of basic salary of women to men within our organisation for full time employees. The average basic salary for women is 93 percent of the average basic salary for men.

### Ratio of highest to median annual total remuneration

As part of our commitment to transparency and equitable pay practices, we disclose the ratio of the average executive annual remuneration to the average employee annual remuneration within our organisation. For 2024 this ratio is 2.8, an increase of 26 percent compared to 2023 (see remuneration report for further details).

## > Workers in value chain

Beyond the DUC, our vendors are primarily located in the Nordic and North European regions. They offer consultancy, legal and financial services, which are considered to involve minor risk. However, when evaluating new investments or tendering for goods and services, we conduct due diligence and monitor both prospective and existing partners wherever applicable.

We also strive to ensure that our operations uphold fundamental human rights principles. During tender processes and contract conclusions, we verify that all parties adhere to human rights, maintain sound working conditions and employment terms, and comply with our Code of Conduct. For more information see the Governance section of this report from page 65.

## > Affected communities

Having obtained the license in mid-2024, CarbonCuts has been meticulously planning the exploration activities for Project Ruby. Although several of these activities are temporary, they involve the use of heavy equipment, which can impact local communities, nature and infrastructure. Significant efforts have been made to minimise environmental impact, such as avoiding sensitive areas, scheduling activities to respect breeding seasons, considering agricultural practices, reducing noise, and



planning traffic. CarbonCuts' activities also require land access for drill sites, facilities and equipment, affecting local landowners. Recognising potential conflicts, CarbonCuts aims to carry out these operations with the utmost respect for the affected people.

## > Community engagement

We are committed to respecting local values and norms, performing our business activities with integrity and in an ethical manner, in full compliance with the laws and regulations of all countries in which we operate.

Although BlueNord is not a large employer, our operations as a partner in the DUC significantly impact communities. The economic multiplier effect of our engagement with contractors, and the purchasing of services and equipment, fosters broader growth, employment and prosperity.

CarbonCuts is collaborating with various stakeholders at both local and national levels to maximise the value and implementation of the Ruby project. A key effort has been the meticulous planning of an extensive 3D seismic research programme scheduled for early 2025,



**The economic multiplier effect of our engagement with contractors, and the purchasing of services and equipment, fosters broader growth, employment and prosperity.”**

covering over 200 km<sup>2</sup> and requiring the consent of several hundred landowners. CarbonCuts has developed informative materials and conducted several meetings with key stakeholders, including three with citizens. Additionally, CarbonCuts is in continuous dialogue with multiple stakeholders to align activities and identify synergies that support sustainable business and infrastructure development in the local community.

This is particularly crucial due to potential interactions with the construction of the Femern Tunnel, which will connect Denmark with Germany, as well as the plans for industrialising a large area near the proposed location of Project Ruby's surface facilities.



# Governance

BlueNord is dedicated to conducting our business in a responsible, ethical and lawful manner. We strive to be a trusted partner for our customers, shareholders, colleagues, business partners, and neighbours.

## In this section:

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## > Code of Conduct

Our Code of Conduct is the foundation for the high standards of integrity within our business. It applies to all Directors, officers, employees, and subsidiaries in which BlueNord holds an ownership interest, whether directly or indirectly. Additionally, the Code of Conduct extends to those acting on behalf of BlueNord.

We also expect our business partners, including suppliers, subcontractors, joint venture partners, and other contracting parties, to adhere to standards consistent with this Code of Conduct.

Read our Code of Conduct at [www.bluenord.com](http://www.bluenord.com)

## > Systems and processes

BlueNord believes that effective corporate governance is critical for ensuring accountability, achieving strategic goals and generating value for stakeholders.

The Company sets high standards of performance and professionalism based on honesty, integrity and fairness in its business practices. BlueNord works together with partners and contractors based on the same principles of integrity and fairness, with zero tolerance for bribery and corruption.

Read our Corporate Governance policy at [www.bluenord.com](http://www.bluenord.com)

As of 2024, we have established our Corporate Governance framework to not only meet the relevant legal requirements but also to uphold the ethical standards that define our business conduct. This framework is essential in ensuring that we maintain the highest levels of integrity in all that we do.

A key component of this framework is our annual compliance programme, which includes awareness initiatives and training activities designed to support us in understanding, adhering to, and embodying our Code of Conduct. These activities are critical in fulfilling our commitments under the Code of Conduct as well as complying with legislative requirements. The BlueNord Code of Conduct sets forth the behavioural standards we expect from one another and that external parties can expect from us.

## > Committee structure and ESG responsibilities

In 2020, we established our ESG Committee to support BlueNord's commitment to ESG and enhance our role in the energy transition.

In October 2024, we restructured the Board committees, sharing ESG responsibilities between the Audit Committee and the newly-formed Technical Advisory Committee, while maintaining the overall responsibility for ESG strategy at the Board level.

The Chief Corporate Affairs Officer is accountable for the reports directly to the Chief Executive Officer, and is supported by executive management, who are responsible for risk and opportunity identification, and for ensuring effective processes and mitigation efforts, including ESG matters, within managers' respective areas of responsibility.

Read our latest ESG Committee Report at [www.bluenord.com](http://www.bluenord.com)

## > Anti-bribery and corruption

BlueNord has zero tolerance regarding bribery and corruption. The Company expects the local management of each Group subsidiary to promote a strong anti-corruption culture. Each company shall make active efforts to prevent undesirable conduct and ensure that their employees can deal with challenging situations.

Read our Anti-Corruption and Bribery policy at [www.bluenord.com](http://www.bluenord.com)

## > Cyber security

BlueNord maintains an in-house IT department with overall responsibility for IT operations, security, governance, and strategy. Day-to-day IT operations are outsourced to a provider with experience in the oil and gas industry, supplying infrastructure and general/industry-specific applications. BlueNord's IT environment also incorporates third-party SaaS applications.

Although situated in relatively safe and politically stable countries, BlueNord acknowledges that we are not immune to the rising risk of cyber attacks. To bolster our cyber security capabilities, BlueNord has partnered with a recognised firm of security experts, providing cyber security management, including risk assessments, endpoint security, round-the-clock monitoring of security events, and incident response. Procedures for handling cyber security incidents have been established and form part of the BlueNord Incident Management plan; zero serious incidents were reported in 2024.

## Governance

All staff are required to familiarise themselves with our Incident Management plan. This plan is in place to ensure personnel safety, environmental protection, safe recovery, and business continuity in the event of incidents, while also facilitating necessary communication with our stakeholders. Our focus on security covers both external threats and internal risks. Internal measures include restricting access to our offices, conducting background checks and requiring ID control for all new hires. IT security campaigns are run on a continuous basis. All staff and consultants working with our IT systems must confirm in writing that they have read and will adhere to BlueNord's end-user IT instruction.

This document encompasses both IT security requirements and acceptable-use policies. As new technology is integrated, our instructions and IT security policy will be updated accordingly. The latest version, effective as of January 2025, includes updates on the adoption of AI technology and the Company's stance on the use of public AI.

### > Business management system

In collaboration with DNV, BlueNord has developed and established a comprehensive business management system for its oil and gas operations. This system encompasses regulatory requirements, process descriptions, policies, and procedures. Additionally, a Corporate Governance Management System framework has been established and is set for further development.

### > Whistleblowing, harassment and grievance

The BlueNord whistleblowing procedure applies to all officers, Directors and employees of the Company, whether temporary or permanent, full-time or part-time, and regardless of their location. Anyone doing business for or on behalf of BlueNord must also comply with the whistleblowing procedure. See our procedure at [www.bluenord.com/whistleblowing](http://www.bluenord.com/whistleblowing).

The procedure is mandatory reading for all new employees during onboarding. We encourage employees, hire-ins and external parties to raise concerns and report suspected violations of applicable laws and regulations to the channels available, including our integrity channel. All reports made in good faith will be dealt with expeditiously, with persons reporting assured of no adverse consequences for themselves.

Employees and consultants are encouraged to speak up about all other issues of concern in the workplace and are supported to seek advice if they are in doubt. Our Harassment policy sets out protected channels for notification in the event that an individual has experienced behaviour that falls short of the exemplary standards we expect from all employees.

This policy also refers to the grievance process in our management system, which can be initiated if a concern or a complaint is seen as appropriate for raising on a more formal basis. Correspondingly, any appeal process, where applicable, will be carried out according to local legislation.

Our integrity channel, which is accessible on our corporate website and intranet, is managed by PricewaterhouseCoopers (PwC).



### > Remuneration

Remuneration for executives and employees is based on the following principles:

- A clear and transparent compensation policy.
- Compliance with regulatory requirements and principles of good business conduct.
- Fair treatment of all employees.
- Sustainable pay linking remuneration to performance, actual results and stakeholder value creation.

BlueNord's compensation policy includes Short-Term Incentives (STI) and Long-Term Incentives (LTI).

STI is a variable pay component, in the form of an annual bonus programme that rewards high performance based on the achievement of operational and financial targets. Targets are set

annually and are tied to the execution of business strategy, including environmental metrics which for 2024 was related to emissions intensity, CCS licence award, and reporting of scope 1, 2, and 3 emissions.

LTI includes our Performance Shares programme. This uses a set of weighted KPIs which measure share price performance on both an absolute and relative basis (70 percent), environmental objectives – such as emissions reductions (20 percent) and tenure (10 percent).

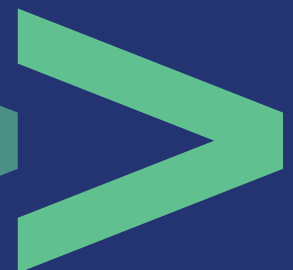
For more information about Executive Remuneration, see our Executive Remuneration Report 2024 at [www.bluenord.com](http://www.bluenord.com).





“

The BlueNord Board believes that good corporate governance is an essential building block for the development of a successful and sustainable business.”





03

# Governance Report

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> Maintaining a strong level of governance through oversight of the internal control framework and risk management, covering both financial and non-financial information.

[Read more about our Audit Committee on page 75](#)



# Good corporate governance is key for a successful, sustainable business



Sound governance structures, clear roles and responsibilities, and robust accountability mechanisms are instrumental in driving business success and resilience over the long term.”

**Glen Ole Rødland**  
Executive Chair



This section of the report demonstrates that BlueNord maintains robust systems and practices that support the Board, Company and the Executive Team in making good decisions for the future of the business, in the interest of all stakeholders.

The stakeholders of the Company include employees, contractors, suppliers, partners, regulators, end users, and others who interact with or are affected by the environment in the vicinity of the Company's assets and operational areas. The Board believes that good corporate governance is an essential building block for the development of a successful and sustainable business. This belief is rooted in the understanding that sound governance

structures, clear roles and responsibilities, and robust accountability mechanisms are instrumental in driving business success and resilience over the long term.

To support the Board and as a framework for the Company to adhere to, BlueNord seeks to comply with the Norwegian Code of Practice, which is available on the Norwegian Corporate Governance Committee website ([www.nues.no](http://www.nues.no)).

The Company's corporate values and Code of Conduct also provide a framework on which the Company acts and decisions are made. The Code of Conduct describes the Company's ethical commitments and requirements related to business practice and personal behaviour.

BlueNord has a diverse Board, with the relevant experience and skills to support the Company, its objectives and best practice. The composition of the Board is such that it can operate independently of any special interests. The Executive Team also has extensive and relevant experience, applicable to supporting best practice, including technical, operational, financial, financial market, and other wider corporate skills. The CEO and other members of the Executive Team report to the Board on Company activities on a monthly basis.

The Board shall hold at least five ordinary proceedings each year. During 2024 attendance at Board meetings is outlined on page 74. Board meetings are based around a formal agenda. The Board will annually seek to define and evaluate the Company's objectives, main strategies and risk profiles to ensure it continues to

create and deliver value. To ensure a more detailed assessment of key areas of the business, the Board was supported in 2024 by various committees, which included an audit, nomination, remuneration and ESG committee. As part of the Company's preparation for CSRD reporting, the controls and responsibilities of the ESG Committee were in Q4 2024 transferred to the Audit Committee and the responsibility for ESG strategy was transferred to the Board. With the exception of the Nomination Committee, the committees are made up of members of the Board. Designated representatives from the administration participate in the respective committee meetings as required, depending on their relevant position and skills. In addition to the established committees, an informal Technical Advisory Committee with key Board members and the CEO and COO takes place on a regular basis and is reported to the full Board.

Board committees meet regularly during the year, and the attendance during 2024 is outlined on pages 75-78. Committee meetings are held in person or online and are based around a formal agenda, with the salient points reported to the wider Board. The Board aims to ensure there is the opportunity for continuous and transparent dialogue with shareholders. This includes key decisions being put to shareholders on an annual basis through an Annual General Meeting (AGM). The meeting is held virtually to encourage attendance and participation, with the option to vote and ask questions.

**Glen Ole Rødland**  
Executive Chair

## Leadership

## Board of Directors

**Executive Chair**

Glen Ole Rødland is an experienced analyst and corporate finance professional with 13 years in a leading Scandinavian Investment Bank. He has managed investments for various entities across the last 18 years, focusing on energy, shipping, oil service, aquaculture, and commodities. He has served as Chair of the Board of Directors in BlueNord since 14 May 2024.

**Board member**

Marianne Lie is the owner of Fajoma Consulting AS and is the founder and Managing Director of Forum for Miljøteknologi (FFM). She holds/has held several Board positions both in listed and unlisted companies. Marianne has served as a member of the Board of Directors in BlueNord since 26 May 2016, and was re-elected at the AGM of 14 May 2024 for a period of two years.

**Board member**

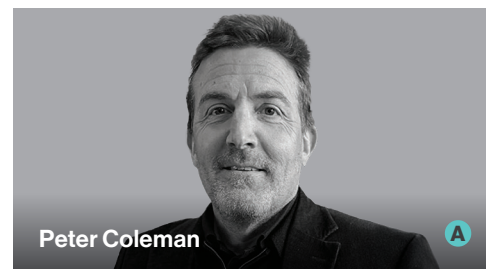
Tone Kristin Omsted holds a BA Hons in Finance from the University of Strathclyde. She has broad experience from corporate finance and capital markets, and currently serves as EVP IR and Corporate Finance in Public Property Invest ASA. She has previously served as Head of Investor Relations in Entra ASA and as an investment banking executive with SEB Enskilda. She has also served on the Board of Directors of Panoro Energy ASA. Tone has served as Member of the Board of Directors of BlueNord since 26 May 2016, and was re-elected at the AGM of 14 May 2024 for a period of two years.

**Board member**

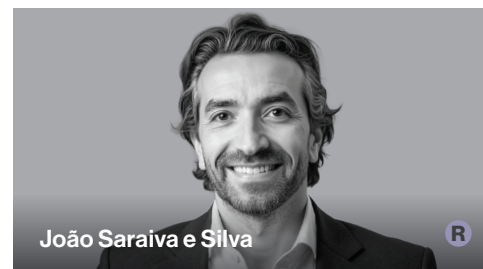
Kristin Færøvik holds an MSc in Petroleum Engineering from the Norwegian University of Science and Technology in Trondheim. A highly experienced energy executive, most recently serving as Managing Director of Lundin Energy Norway, she has held executive positions at Worley Rosenberg, Marathon Oil and BP Norway. She is currently on the Board of Kongsberg Group, Shearwater, Bunker Holding, and Edge Navigation. She has served as a Member of the Board of Directors in BlueNord since 16 September 2024.

**Board member**

Robert McGuire is the Executive Vice President and Head of the Business Services Group at GDI Integrated Facilities Services Group, a TSX-listed company. He has a 30-year global track record as an adviser, investor and business leader, has served on numerous Boards and has extensive experience in the energy sector, having led the European energy businesses at both Goldman Sachs and J.P.Morgan. He has a BA from Boston College and an MBA from Harvard Business School. He was elected as member of the Board of Directors of BlueNord at an Extraordinary General Meeting held on 2 March 2020, and was re-elected at the AGM of 14 May 2024 for a period of two years.

**Board member**

Peter Coleman joined Taconic, a shareholder in BlueNord, in April 2018 where he was a Director focusing on European credit, based in their London office. Prior to joining Taconic, Peter was a Managing Director on the European distressed debt team at SVP Global. Previously, he was an Investment Director in distressed debt at Sisu Capital and prior to this, he was a Director in the corporate finance group and tax group at PricewaterhouseCoopers. Peter earned a dual LL. B. and B.Com. from Victoria University in New Zealand in 1996. He has served as member of the Board of Directors of BlueNord since 19 May 2021, and was re-elected at the AGM of 25 April 2023 for a period of two years.

**Board member**

João Saraiva e Silva holds an Economics degree from Nova School of Business and Economics and has more than 25 years of experience in private equity and investment banking, with a special focus on the energy sector. He's currently a Partner with Pamplona Capital Management, following senior positions with investment firms such as Seatankers, Carlyle, L1, and Och-Ziff. He started his career with Goldman Sachs in London. He has served as a Member of the Board of Directors in BlueNord since 16 September 2024.

**Committee membership key**

- Chair
- Remuneration Committee member
- ESG Committee member
- Audit Committee



# Executive Team



Euan Shirlaw

**Chief Executive Officer**

Euan has served as the Chief Executive Officer of BlueNord since May 2022. He initially joined the Company as the Chief Financial Officer in 2019 and additionally held the role of Acting Managing Director from November 2021. He has a background of providing strategic advice to a wide range of oil and gas companies on acquisition, divestment and merger activity, as well as raising debt and equity capital. Prior to joining BlueNord, Euan was a senior member of the oil and gas advisory team at BMO Capital Markets, having also focused on the Energy space while working with Credit Suisse, RBC Capital Markets and Rothschild in London. He has an MSc in Business and Accountancy from the University of Edinburgh.



Jacqueline Lindmark Boye

**Chief Financial Officer**

Jacqueline joined BlueNord in 2019 and was appointed Chief Financial Officer in October 2023, after being a member of the Executive Team since November 2022. She has over 20 years' experience in finance and audit within the energy industry in Australia, the UK and Denmark. Prior to joining BlueNord, Jacqueline has held various roles, including leadership with Shell, AGL Energy, EY, and PwC. She holds a Bachelor in Commerce and Bachelor in Arts from Monash University in Australia and is a member of the Chartered Accountants Australia and New Zealand.



Miriam Jager Lykke

**Chief Operating Officer**

Miriam joined BlueNord in 2019 and was appointed COO from the Asset Manager role which she held from January 2022. She has nearly 30 years of experience in the upstream oil and gas industry, and prior to BlueNord she held senior technical and management positions within Shell and DONG Energy. Miriam has a MSc in Civil Engineering and a PhD in Rock Mechanics from the Technical University of Denmark (DTU).



Cathrine F. Torgersen

**Chief Corporate Affairs Officer**

Cathrine joined BlueNord in 2020 and holds the position of Chief Corporate Affairs Officer. She previously had the role as Senior Account Director in Hill+Knowlton, where she advised a wide range of oil and gas and shipping companies. During her seven years in Hill+Knowlton, she was a member of the Management Team and was also leading the Financial Communications practice. Prior to joining Hill+Knowlton, Cathrine worked with institutional high-yield sales at Pareto Securities Inc. in New York and Clarksons Platou Securities. She has a BSc in Business Administration and Finance from Bocconi University.



## Corporate Governance Report

BlueNord ASA (the Company) is strongly committed to maintaining trust and enhancing value creation for shareholders and society over time. The Company acts in a responsible and prudent manner, with efficient decision-making, and clear communication between Executive Management, the Board of Directors and shareholders of the Company as represented by the Annual General Meeting (AGM).

The Company's framework for corporate governance is intended to decrease business risk, maximise value and utilise the Company's resources in an efficient and sustainable manner, for the benefit of shareholders, employees and society at large. The Company seeks to comply with the Norwegian Code of Practice for Corporate Governance, which is available on the Norwegian Corporate Governance Committee website, [www.nues.no](http://www.nues.no).

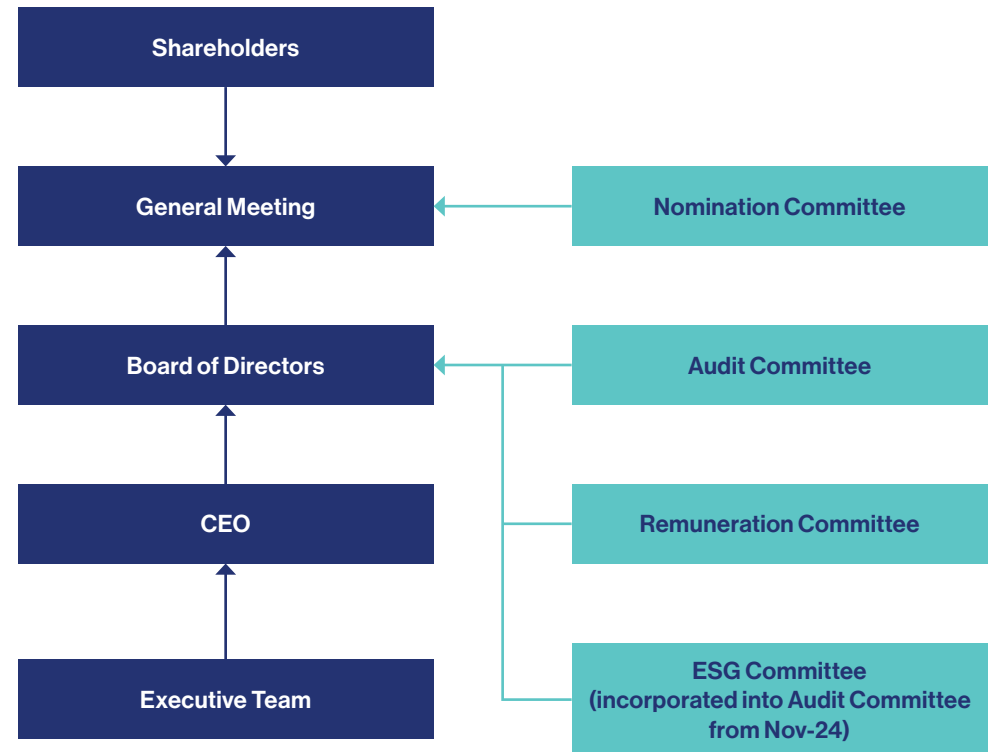
The principal purpose of the Corporate Governance Code is to ensure: (i) that listed companies implement corporate governance that clarifies the respective roles of shareholders, the Board of Directors and Executive Management more comprehensively than that which is required by legislation; and (ii) effective management and control over activities with the aim of securing the greatest possible value creation over time in the best interests of companies, shareholders, employees, and other parties concerned.

The Company will, due to the listing of its shares on Oslo Børs, be subject to reporting requirements for corporate governance under the Accounting Act section 3-3b, as well as the Oslo Børs Rule Book II section 4.4. The Board of Directors will include a report on the Company's corporate governance in each Annual Report, including an explanation of any deviations from the Corporate Governance Code. The corporate governance framework of the Company is subject to annual review by the Board of Directors.

According to the Company's own evaluation, the Company deviates from the Corporate Governance Code on the following points:

- **Item 4:** The Board of Directors of the Company has been, and is expected to be, provided with authorisations to acquire own shares and issue new shares. Not all such authorisations have separate and specific purposes for each authorisation, as the purposes of the authorisations shall be explained in the notices to the general meetings adopting the authorisations.
- **Item 14:** Due to the unpredictable nature of takeover situations the Company has decided not to implement detailed guidelines on takeover situations. In the event a takeover were to occur, the Board of Directors will consider the relevant recommendations in the Corporate Governance Code and whether the concrete situation entails that the recommendations in the Corporate Governance Code can be complied with or not.

### Governance operating model – organisational design and committee structure



**For further information on the committees' work, see their reports on pages 75 to 78.**

## **1. Corporate governance implementation and reporting**

The Board of BlueNord is responsible for compliance with corporate governance standards. BlueNord is a Norwegian public limited liability company (ASA), listed on the Oslo stock exchange and established under Norwegian law.

In accordance with the Norwegian Accounting Act, section 3-3b, BlueNord includes a description of principles for corporate governance as part of the Board of Directors' Report in the Annual Report. The Company will seek to comply with the Corporate Governance Code.

The Company's strategy is to continue its value creation, to replace and maximise recovery of proven reserves and resources, and to continue to explore new opportunities in and above the ground.

## **2. Business**

The Company is a publicly-owned oil, gas and offshore industry company with a strategic focus on value creation through increased recovery, enabled by a competent organisation with a long-term view on reservoir management and the capability to invest in and leverage new technology and business areas including carbon capture, utilisation and storage (CCUS).

On an annual basis the Board defines and evaluates the Company's objectives, strategies and risk profiles for the Company's business activities to ensure that the Company creates value for shareholders.

The Company integrates considerations related to its stakeholders, as well as social, environmental and sustainability considerations, into its value creation, and shall achieve its objectives in accordance with the Company's Code of Conduct.

The Company's business is defined in the following manner in the Company's Articles of Association, section 3: The object of the Company is direct and indirect ownership of and participation in companies and enterprises within exploration, production and sale related to oil and gas, and other activities related thereto.

## **3. Equity and dividends**

### **3.1 Equity**

As of 31 December 2024 the Company's consolidated equity was USD 695.9 million, which is equivalent to approximately 20 percent of total assets. The Company's equity level and financial strength shall be considered in light of its objectives, strategy and risk profile.

### **3.2 Distribution policy**

The Board seeks to have a disciplined approach to capital allocation. This is maintained through the Company's Distribution policy established in February 2024. The policy balances shareholder returns with long-term value creation. With Tyra operations starting to generate substantial free cash flow, the Company can prioritise shareholder returns in the near-term, make measured and strategic reinvestments, and maintain a conservative capital structure. BlueNord intends to pay distributions on a quarterly basis.

The AGM in May 2024 authorised the Board to approve the distribution of dividends based on the approved annual accounts for 2023, to facilitate quarterly dividend payments. The Company has not paid any dividends to date, whether in cash or in kind.

### **3.3 Share capital increases and issuance of shares**

At the AGM held on 14 May 2024 the Board of Directors was authorised to increase the Company's share capital by up to NOK 1,414,669 (this represents 2,620,584 shares at a nominal value of NOK 0.5398295) valid until the AGM in 2025, but in no event later than 30 June 2025.

Outstanding shares as of 8 April 2025 were 26,498,640, which is an increase of 292,791 shares compared to year end 2023. During the year 278,347 shares were issued following exercise of options and 14,444 shares were issued following award of performance shares under the Long-Term Incentive (LTI) programme.

### **3.4 Purchase of own shares**

The Board of Directors of the Company has been authorised to acquire and dispose of own shares with a total nominal amount up to NOK 4,244,007 (this represents 7,861,754 shares), valid until the AGM in 2025, and in any event no later than 30 June 2025. The authorisation can be used in relation to incentive schemes for employees and/or Directors of the Group, as consideration in connection with acquisition of businesses and/or for general corporate purposes.

As of 8 April 2025 the Company does not hold any of its own shares.



**Corporate Governance Report** continued**4. Equal treatment of shareholders and transactions with related parties****4.1 Class of shares**

The Company has one class of shares. All shares carry equal rights in the Company and the Articles of Association do not provide for any restrictions, or rights of first refusal, on transfer of shares. Share transfers are not subject to approval by the Board of Directors.

**4.2 Pre-emption rights to subscribe**

According to the Norwegian Public Limited Liability Companies Act section 10-4, the Company's shareholders have pre-emption rights in share offerings against cash contribution. Such pre-emption rights may, however, be set aside, either by the general meeting or by the Board of Directors if the general meeting has granted a Board authorisation which allows for this. Any resolution to set aside pre-emption rights will be justified by the common interests of the Company and the shareholders, and such justification will be publicly disclosed through a stock exchange notice from the Company.

**4.3 Trading in own shares**

The Board of Directors will aim to ensure that all transactions pursuant to any share buyback programme will be carried out either through the trading system at Oslo Børs or at prevailing prices at Oslo Børs and in accordance with the Market Abuse Regulation (MAR). In the event of such a programme, the Board of Directors will take the Company's and shareholders' interests into consideration and aim to maintain transparency and equal treatment of all shareholders. If there is limited liquidity in the Company's shares, the Company shall consider other ways to ensure equal treatment of all shareholders.

**4.4 Transactions with close associates**

The Board of Directors aims to ensure that any non-immaterial future transactions between the Company and shareholders, a shareholder's parent company, members of the Board of Directors, executive personnel or close associates of any such parties are entered into on arm's length terms. For any such transactions that do not require approval by a general meeting pursuant to the Norwegian Public Limited Liability Companies Act, the Board of Directors will, on a case-by-case basis, assess whether a fairness opinion from an independent third party should be obtained.

**4.5 Guidelines for Directors and Executive Management**

The Board of Directors has adopted rules of procedure for the Board of Directors which, inter alia, include guidelines for notification by members of the Board of Directors and Executive Management if they have any material direct or indirect interest in any transaction entered into by the Company.

**5. Freely negotiable shares**

The shares of the Company are freely transferable. There are no restrictions on transferability of shares pursuant to the Articles of Association.

**6. General meetings****6.1 Notification**

The notice for a general meeting, with reference to or attached support information on the resolutions to be considered at the general meeting, shall as a principal rule be sent to shareholders no later than 21 days prior to the date of the general meeting.

The Board of Directors will seek to ensure that the resolutions and supporting information are sufficiently detailed and comprehensive to allow shareholders to form a view on all matters to be considered at the meeting. The notice and support information, as well as a proxy voting form, will normally be made available no later than 21 days prior to the date of the general meeting on the Company's website, [www.bluenord.com/general-meetings](http://www.bluenord.com/general-meetings).

**6.2 Participation and execution**

To the extent deemed appropriate or necessary by the Board of Directors, the Board of Directors will seek to arrange for the general meeting to vote separately on each candidate nominated for election to the Company's corporate bodies.

The Board of Directors and the Nomination Committee shall, as a general rule, be present at general meetings. The auditor will attend the ordinary general meeting and any extraordinary general meetings to the extent required by the agenda items or other relevant circumstances. The Board of Directors will seek to ensure that an independent chair is appointed by the general meeting if considered necessary based on the agenda items or other relevant circumstances.

The Company will aim to prepare and facilitate the use of proxy forms which allow separate voting instructions to be given for each item on the agenda and to nominate a person who will be available to vote on behalf of shareholders as their proxy. The Board of Directors may decide that shareholders may submit their votes in writing, including by use of electronic communication, in a period prior to the general meeting. The Board of Directors should seek to facilitate such advance voting.

**7. Nomination Committee**

The Nomination Committee is provided for and governed by the Articles of Association, in addition to instructions for the Nomination Committee. For more information relating to the Nomination Committee, please see the Nomination Committee Report section of this report.

## **8. Board of Directors: composition and independence**

Pursuant to the Articles of Association, section 5, the Company's Board of Directors shall consist of three to seven members, which are the shareholders' elected members in accordance with a decision by the AGM.

The composition of the Board of Directors should ensure that the Board can attend to the common interests of all shareholders and meet the Company's need for expertise, capacity and diversity. Attention should be paid to ensuring that the Board can function effectively as a collegiate body.

The composition of the Board of Directors should ensure that it can operate independently of any special interests. The majority of the shareholder-elected members of the Board should be independent of the Company's executive personnel and material business contacts. At least two of the members of the Board elected by shareholders should be independent of the Company's main shareholder(s), the executive personnel and material business contacts.

The Board of Directors should not include executive personnel. If the Board does include executive personnel, the Company should provide an explanation for this and implement consequential adjustments to the organisation of the work of the Board, including the use of Board committees to help ensure more independent preparation of matters for discussion by the Board.

The Chair of the Board of Directors should be elected by the AGM.

The term of office for members of the Board of Directors should not be longer than two years at a time. The Board members can be elected for a shorter term by the AGM. The Annual Report should provide information to illustrate the expertise of the members of the Board of Directors and information on their record of attendance at Board meetings. In addition, the Annual Report should identify which members are considered to be independent.

## **9. The work of the Board of Directors**

### **9.1 Rules of procedures for the Board of Directors**

The Board of Directors is responsible for the overall management of the Company and shall supervise the Company's business and the Company's activities in general.

The Norwegian Public Limited Liability Companies Act regulates the duties and procedures of the Board of Directors. In addition, the Board of Directors has adopted supplementary rules of procedures, which provide further regulation on, inter alia, the duties of the Board of Directors and the Chief Executive Officer (CEO), the division of work between the Board of Directors and the CEO, the annual plan for the Board of Directors, notices of Board proceedings, administrative procedures, minutes, Board committees, transactions between the Company and the shareholders, and matters of confidentiality.

The Board shall produce an annual plan for its work, with a particular emphasis on objectives, strategy and implementation. The CEO shall at least once a month, by attendance or in writing, inform the Board of Directors about the Company's activities, position and profit trend.

The Board of Directors' consideration of material matters in which the Chair of the Board is, or has been, personally involved, shall be chaired by some other member of the Board. The Board of Directors shall evaluate its performance and expertise annually and make the evaluation available to the Nomination Committee.

### **9.2 Audit Committee**

The Company's Audit Committee is governed by the Norwegian Public Limited Liability Companies Act and a separate instruction adopted by the Board of Directors. To read the latest Audit Committee Report, please see the relevant section of this report.

### **9.3 Remuneration Committee**

The Company's Remuneration Committee is governed by an instruction adopted by the Board of Directors. To read the latest Remuneration Committee Report, please see the relevant section of this report.

**Corporate Governance Report** continued**10. Risk management and internal control**

Risk management and internal control are given high priority by the Board of Directors, which ensures that adequate systems for risk management and internal control are in place. For more information about how risks are managed, please see the risk section of this report.

**11. Remuneration of the Board of Directors**

The remuneration of the Board of Directors shall be decided by the AGM, and reflects the Board of Directors' responsibilities, expertise, time commitment, and the complexity of the Company's activities. For more detail on the Board's remuneration please refer to the Executive Remuneration Report 2024 at [www.bluenord.com](http://www.bluenord.com)

**12. Remuneration of the Executive Management**

The Board of Directors has, in accordance with the Norwegian Public Limited Liability Companies Act section 6-16a, prepared a policy for Executive Management remuneration. The policy includes the main principles applied in determining the salary and other remuneration of executives as further set out in the regulation on policies and reports on remuneration for Executive Management.

The Company shall annually prepare a report on remuneration to Executive Management in accordance with the Norwegian Public Limited Liability Companies Act section 6-16b. For more detail please refer to the guidelines on executive remuneration adopted by the AGM on 19 May 2022 at [www.bluenord.com](http://www.bluenord.com).

**13. Information and communications****13.1 General**

The Board of Directors has adopted a separate manual on disclosure of information, which sets forth the Company's disclosure obligations and procedures. The Board of Directors will seek to ensure that market participants receive correct, clear, relevant, and up-to-date information in a timely manner, taking into account the requirement for equal treatment of all participants in the securities market.

The Company will, each year, publish a financial calendar, providing an overview of the dates for major events such as its ordinary general meeting and publication of interim reports.

**13.2 Information to shareholders**

The Company shall have procedures for establishing discussions with shareholders to enable the Board to develop a balanced understanding of the circumstances and focus of shareholders. Such discussions shall be carried out in compliance with the provisions of applicable laws and regulations. All information distributed to the Company's shareholders will be published on the Company's website at the same time as it is sent to shareholders, at the latest.

**14. Takeovers**

In the event that the Company becomes the subject of a takeover bid, the Board of Directors shall seek to ensure that the Company's shareholders are treated equally and that the Company's activities are not unnecessarily interrupted. The Board of Directors shall also ensure that the shareholders have sufficient information and time to assess the offer.

There are no defence mechanisms against takeover bids in the Company's Articles of Association, nor have other measures been implemented to specifically hinder the acquisition of shares in the Company. The Board of Directors has not established written guiding principles for how it will act in the event of a takeover bid, as such situations are normally characterised by concrete and one-off circumstances, which make guidelines challenging to prepare.

In the event a takeover were to occur, the Board of Directors will consider the relevant recommendations in the Corporate Governance Code and whether the concrete situation entails that the recommendations in the Corporate Governance Code can be complied with or not.

**15. Auditor**

The Board of Directors will require the Company's auditor to annually present to the Audit Committee a review of the Company's internal control procedures, including identified weaknesses and proposals for improvement, as well as the main features of the plan for the audit of the Company.

Furthermore, the Board of Directors will require the auditor to participate in meetings of the Board of Directors that deal with the annual accounts. At least one Board meeting with the auditor shall be held each year in which no member of the Executive Management is present.

The Board of Directors' Audit Committee shall review and monitor the independence of the Company's auditor, including in particular the extent to which services other than auditing provided by the auditor or the audit firm represents a threat to the independence of the auditor.

The remuneration to the auditor for statutory audit will be approved by the ordinary general meeting. The Board of Directors should report to the general meeting on details of fees for audit work and any fees for other specific assignments.



## Board activities

The Board oversees the Company's overall management, with key responsibilities including setting strategic priorities and managing risk. This involves determining appropriate risk levels and establishing and monitoring the internal control framework. While day-to-day operations are delegated to the CEO and Executive Team, the Board retains final authority over all decisions.

The Board conducted twelve meetings in 2024 and two additional meetings in early 2025 before the release of Q4 results and this Annual Report and Accounts.

During 2024 thirteen written resolutions were passed. Six of these resolutions were related to share capital increases through share issuance to option holders. The remaining resolutions covered the approval of the 2024 budget, including Tyra CC4 request, approval of extraordinary general meeting notice, approval of CarbonCuts licence application, and various recommendations from the Remuneration Committee.

Key areas addressed during Board meetings in 2024:

- **Strategy and operations**

The Board focused on strategic direction, priorities and operational performance, with particular attention to the Tyra redevelopment project and health, safety, security and environment (HSSE) matters.

- **Financial management**

Key decisions included reviewing the distribution policy, regular monitoring of capital structure and assessing short and medium-term liquidity, approving refinancing actions, including restructuring of the reserves based lending facility (RBL), and managing bond arrangements through full redemption of BNOR14 and BNOR16 issuance. The 2025 budget was also approved.

- **Risk and governance**

The Board conducted its annual review of the Company's top ten risks, evaluated the Executive Management, approved incentive programmes, reviewed committee performance, and updated governance documents.

Name	Board Meeting attendance									
<b>Glen Ole Rødland (Chair)</b>					✓	✓	✓	✓	✓	✓
<b>Marianne Lie</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Tone Kristin Omsted</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Robert McGuire</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Peter Coleman</b>	✓	✓	✓		✓	✓		✓	✓	✓
<b>Kristin Færøvik</b>								✓	✓	✓
<b>João Saraiva e Silva</b>								✓	✓	✓
<b>Riulf Rustad (prev. Chair)</b>	✓	✓	✓	✓						
<b>Colette Cohen (prev. member)</b>	✓	✓								
<b>Jan Lernout (prev. member)</b>	✓	✓	✓							

## Audit Committee Report

BlueNord has established an Audit Committee with formally delegated duties and responsibilities within written terms of reference.

### Work of the Audit Committee

- Support the Board's responsibilities relating to the integrity of financial reporting and the financial reporting process.
- Evaluate risk management of financial reporting and monitor systems for internal control.
- Review external auditors' independence and objectivity and review the effectiveness and quality of the annual audit plan.
- Develop and implement policy for any engagement of external auditors to supply non-audit services.
- Incorporate review and oversight of internal control systems for non-financial information notably as it relates to sustainability reporting going forward.

**Marianne Lie**  
Audit Committee Chair



### Audit Committee composition:

- Marianne Lie (Chair)
- Tone Omsted
- Peter Coleman

All members are independent of the Company's Executive Management and all three committee members sit on the Board of Directors of BlueNord ASA.

Due to the committee restructuring which took place at the end of October 2024, followed by the Company's preparation for CSRD reporting, several duties and responsibilities of the ESG Committee were transferred to the Audit Committee, while some others were placed with the Technical Committee and directly with the Board.

Name	Committee meeting attendance				
<b>Marianne Lie (Chair)</b>	✓	✓	✓	✓	✓
<b>Tone Omsted</b>	✓	✓	✓	✓	✓
<b>Peter Coleman</b>		✓			

### Meeting summary

During 2024/25 the Audit Committee held five meetings.

Key areas of focus included:

- Financial performance, tax matters and compliance.
- Policy documentation and liquidity forecasts.
- Major financial transactions, including reserves-based lending (RBL) refinancing, BNOR14 redemption and BNOR16 issuance.
- Internal control systems and materiality assessments.
- CSRD reporting developments.
- Quarterly reviews of the enterprise risk matrix.
- Financial reporting risks and distribution policy.

The Committee regularly monitored impairment triggers and evaluated accounting and tax implications throughout the year.

### Activities during the year

The committee held five scheduled meetings during 2024. Two further meetings have been held in 2025 prior to the publication of Q4 results and this Annual Report and Accounts. In addition to the members of the committee listed on this page, meetings of the Committee were also attended by the CFO and the Head of Group Reporting. The Company's auditor works closely with the Audit Committee and attended all meetings during the year.

The Committee thoroughly reviews all interim and annual reports before they are reviewed by the Board of Directors and then published. Quarterly discussions address identified risks and their impact on financial reporting, along with management compliance updates.

The Audit Committee conducts quarterly reviews of tax and impairment trigger memorandums, along with monitoring new accounting effects and issues. Before year end closing the Committee evaluates key assumptions and accounting principles while addressing early warning signals and critical issues.

Throughout the year the Audit Committee collaborated with executive management and auditors to strengthen existing partnerships and enhance internal controls for material financial reporting processes.

In 2024 Audit Committee and ESG Committee members participated in a joint training session conducted by the KPMG sustainability team. The training focused on new CSRD reporting requirements and the related responsibilities of the Board and Audit Committee. Additional training sessions are planned for 2025. The Company has established an internal steering committee that will collaborate with the Audit Committee on CSRD-related initiatives.



Remuneration Committee Report

The Remuneration Committee is a preparatory and advisory committee which supports the Board in matters of Executive Management compensation according to the delegated duties and responsibilities within its written terms of reference.

Role of the Remuneration Committee

- Prepare an annual Executive Remuneration Report and, at least annually, review and recommend any amendments to the guidelines for executive remuneration, to be proposed by the Board for adoption by the AGM.
- Monitor, evaluate and approve the application of the guidelines for the remuneration provided to Executive Management.
- Request information and assistance from the Executive Management which is deemed relevant for the Remuneration Committee to carry out its tasks.
- Seek advice and recommendations from sources outside of the Company if relevant and subject to appropriate confidentiality.

Robert J. McGuire  
Remuneration Committee Chair



Remuneration Committee composition:

The composition of the Remuneration Committee has changed during 2024. Currently the committee consists of the following Board members:

- Robert J. McGuire (Chair)
- João Saraiva e Silva

These members are independent of the Company’s Executive Management, and both committee members sit on the Board of Directors of BlueNord ASA (since March 2020 and September 2024 respectively).

Name	Committee meeting attendance		
Robert J. McGuire (Chair)			✓
João Saraiva e Silva			✓
Marianne Lie (prev. Chair)	✓	✓	✓
Peter Coleman (prev. member)			✓
Jan Lernout (prev. member)	✓	✓	

2024 meeting summary

The Remuneration Committee convened for four scheduled meetings in 2024, with the CEO and Executive Vice President (EVP) People and Capability invited to attend where relevant.

The executive remuneration guidelines were reviewed, with no changes made from those approved by the AGM in May 2022. The audited Executive Remuneration Report, which was prepared in line with the Public Limited Liability Companies Act § 6-16b and best practice in remuneration disclosure, was endorsed.

The committee reviewed and recommended annual salary increases for eligible executives and employees in 2024. Additionally it endorsed the employment terms for the new Chief Operating Officer (appointed by the CEO in June 2024) and the settlement terms for the departing executive.

The committee reviewed and endorsed the 2024 key performance indicators (KPIs) for the Company’s Short-Term Incentive (STI) programme. It also examined and endorsed the programme’s 2023 KPI achievement and the proposed annual performance bonus payment for executives and employees.

The committee reviewed and endorsed the annual KPI performance of the 2022 Long-Term Incentive (LTI) programme and recommended the second award of the programme, which requires annual vesting. Correspondingly, the committee reviewed and endorsed KPI results for the first accrual period of the 2023 LTI programme’s three-year cliff vesting period. Grant allocation and KPIs for the 2024 LTI programme were reviewed and endorsed by the Committee. Upon the Board’s approval the grant took place on 15 April 2024.

In Q4 2024, as part of the complete committee membership change, the previous Chair’s evaluation of the Committee’s work and collaboration with administration was shared with the new members.

Executive Remuneration Report 2024

For more information about executive remuneration please see the full report at [www.bluenord.com/reports-and-presentations](http://www.bluenord.com/reports-and-presentations).



## ESG Committee Report

The Company's ESG Committee is a preparatory and advisory committee to the Board, established in 2020 to support our commitment to ESG and to evolve the Company's role as a contributor to the energy transition.

### The ESG Committee shall

- Support the development of the Company's overall environmental, social and governance strategy.
- Oversee the Company's ESG activities and assess whether any developments or investments are compatible with, and supportive of, the strategic objectives of the Company.
- Ensure that the Board is informed on material relevant topics or events related to the Company's work on ESG.
- Review the Company's ability to address and mitigate risks related to ESG.
- Ensure that the Company strives for transparency and high standards in its ESG reporting.

### The ESG Committee consisted of the following

#### Board members:

- Colette Cohen (previous Chair)
- Robert McGuire (Chair)
- Tone Kristin Omsted

All members are independent of the Company's Executive Management and all Committee members sit on the Board of Directors of BlueNord ASA. As of 1 November 2024 the ESG Committee was merged with the Audit Committee with specific responsibility for oversight of risk management and internal controls moving to the Audit Committee and responsibility for ESG strategy being directly with the Board. The report includes the ESG Committee's work up to 1 November 2024.

Name	Committee meeting attendance	
<b>Robert McGuire (Chair) from 11 Apr to 1 Nov<sup>1</sup></b>	✓	✓
<b>Colette Cohen (prev. Chair)</b>	✓	
<b>Tone Kristin Omsted</b>		✓

1) Robert McGuire was a member of the ESG Committee until 14 May and from 14 May to 1 November he held the position as Chair.

### Activities during the year

The committee held two scheduled meetings during 2024. In addition to the members of the Committee listed, meetings of the Committee were also attended by the CEO, the Chief Corporate Affairs Officer and, by invitation, the CFO or other members of the leadership team.

The Committee has worked closely with key members of the Executive Team during 2024 to develop the ESG strategy of the Company, to identify material topics and to assess risks and opportunities that are relevant to the Company. The Committee has also been involved in improvements of the quality and transparency of the ESG reporting of BlueNord.

In addition, the Committee was involved in developments and recommendations made to the Board in relation to CarbonCuts and the licence application for onshore CO<sub>2</sub> storage in Denmark, completed in January 2024.

The ESG Committee also had a joint session with the Audit Committee related to the CSRD requirements and the implications for the company.

Following the Committee's work during 2024 the Company has further progressed its preparations to align itself to report against the new ESRS, which was expected from 2025.

This work will continue with the Audit Committee during 2025 with responsibility for ESG strategy resting with the Board.

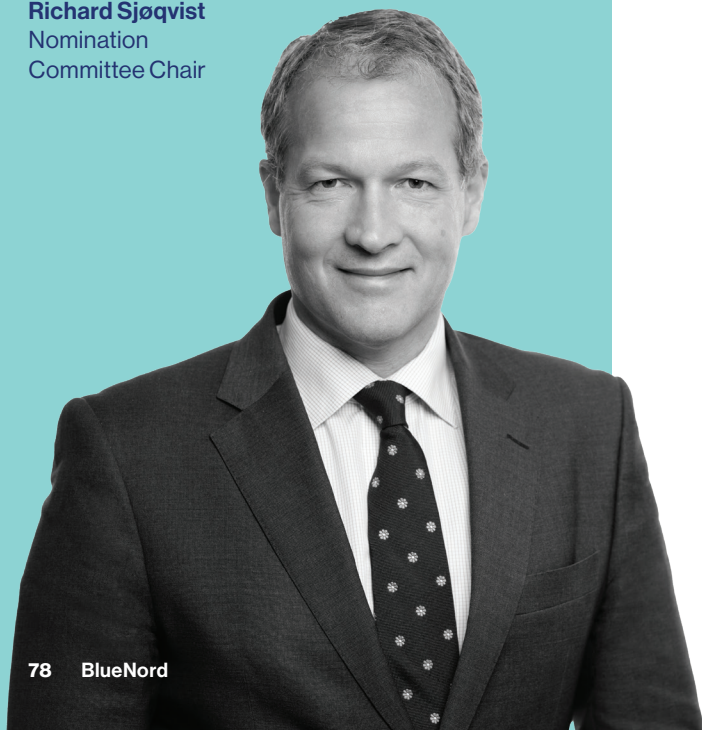
## Nomination Committee Report

According to the Articles of Association §6 the Nomination Committee shall consist of three members. The term of office shall be two years unless the AGM determines that the term shall be shorter.

### Nomination Committee prepares a motion for the AGM relating to:

- Election of members of the Board of Directors and the Chair of the Board of Directors.
- Election of members of the Nomination Committee and the Chair of the Committee.
- The remuneration of the Directors and the members of the Nomination Committee.
- Any amendments to the Nomination Committee's mandate and charter.

**Richard Sjøqvist**  
Nomination  
Committee Chair



### Nomination committee composition:

- Richard Sjøqvist (Chair)
- Kristian Utkilen
- Annette Malm Justad

Name	Committee meeting attendance								
<b>Richard Sjøqvist (Chair)</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Kristian Utkilen</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Annette Malm Justad</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓

### Work of the Nomination Committee

The Chair of the Nomination Committee is responsible for the committee's work and the calling of meetings. However, any member can request a committee meeting. The Nomination Committee regularly reviews the structure and composition of the Board, including the knowledge, skills, experience, and diversity of the Board.

It also ensures, through regular review, that the needs of the Company are reflected in the Board's composition, and gives full consideration to succession planning for Board members. The Nomination Committee also ensures that there is a formal and transparent procedure for the appointment of new Directors to the Board.

The Nomination Committee has contact with the Company's shareholders, Board of Directors and the Company's executive personnel. All BlueNord shareholders are able to propose candidates. If a candidate is proposed, the Nomination Committee will consider the experience, competence and capacity of each candidate. The Nomination Committee's proposal for the 2025 AGM will be made available at [www.bluenord.com/general-meetings](http://www.bluenord.com/general-meetings).

### Activities during the period

The Committee has taken note of paragraph five of the Articles of Association in which it is stated that the Board of Directors shall have from three to seven shareholder-elected members and that these Board members are elected to a two-year period unless the general meeting decides upon a shorter term.

# Directors' Report



The Tyra II field start-up will lead to a step change in BlueNord future performance.”

**Glen Ole Rødland**  
Chair

BlueNord ASA (BlueNord, 'the Company') is a Norwegian company listed on the Oslo Stock Exchange. The Company was established in 2005 and has a strategic focus on value creation through increased recovery of hydrocarbons, enabled by a competent organisation with a long-term view on reservoir management and the capability to invest in and leverage new technology.

Following the acquisition of Shell's Danish upstream assets in 2019, BlueNord ASA holds a 36.8 percent non-operated interest in the DUC and is the second largest oil and gas producer in Denmark. The DUC is a joint venture between TotalEnergies (43.2 percent), BlueNord (36.8 percent) and Nordsøfonden (20.0 percent), and comprises four hubs (Halfdan, Tyra, Gorm, and Dan) and eleven producing fields. It is operated by TotalEnergies, which has extensive offshore experience in the region and worldwide.

Since the acquisition in 2019, BlueNord has built a meaningful presence in Denmark and established good relationships with its partners TotalEnergies and Nordsøfonden, as well as other stakeholders including the DEA.

## Production assets and field developments

In 2024, the Company achieved production from the Halfdan, Dan and Gorm hubs with an annual average of 24.1 mboepd, supplemented by 0.9 mboepd from the Tyra Hub, resulting in an overall operational efficiency of approximately 90.5 percent. Well optimisation and infill drilling maximised production and minimised natural decline for the year.

Production from Tyra II started in early 2024, reaching full technical capacity by November. First gas arrived at the Nybro facility on 28 March 2024. Transformer issues delayed the ramp-up, limiting production to the Harald field until November. By year-end, about half of the Tyra hub wells were open, full production capacity on Tyra II is expected by early 2025.

The annual revision of reserves, performed by an independent organisation (ERCE) in accordance with SPE PRMS 2018 standards, resulted in total 2P reserves at year end 2024 of 194 mmboe.

## Capital structure

The capital structure has been reset and optimised during 2024. A summary of the facilities in place and activities for the year ended 31 December 2024 is outlined below.

## Convertible bond (BNOR15)

USD 233.1 million convertible bond with a five-year tenor and a conversion to equity or cash settlement after three years. BNOR15 has PIK interest with additional bonds at a coupon rate of 8.0 percent.

BlueNord may alternatively, at its own discretion, pay cash interest of 6.0 percent. Should the instrument be in place beyond the three-year conversion period, the interest rate of BNOR15 will be reduced to 0.0 percent for the remaining period subject to approval from RBL lenders.

## Reserve-based lending facility

The BlueNord Reserve-Based Lending (RBL) facility is a senior secured, first lien RBL with a tenor of 5.5 years, and a total facility amount of USD 1.4 billion, comprising a cash tranche of up to USD 1.15 billion

and a letter of credit tranche of up to USD 250.0 million. This facility was amended and restated in the second quarter of 2024, resulting in an increase of USD 300 million in the total facility amount.

At the end of 2024, USD 880.0 million was drawn under the RBL, with an additional USD 100.0 million Letter of Credit outstanding. Interest is charged on debt drawings based on the secured overnight financing rate (SOFR) and a margin of 4.0 percent per annum. In June 2024, BlueNord made a drawdown of USD 30.0 million.

## Senior unsecured note (BNOR14)

The Company issued in 2019 a USD 175.0 million senior unsecured note with a coupon rate of 9.0 percent, maturing in June 2026. On 14 June, the Company exercised the call option to redeem all of BNOR14 at 110.00131 percentage (plus accrued unpaid interest on the redeemed amount). The note was fully redeemed on 2 July 2024.

## Senior unsecured note (BNOR16)

On July 2, 2024, a new senior unsecured bond issue with a maturity of five years and a principal amount of USD 300 million was placed and settled. The bond carries an interest rate of 9.5 percent per annum, payable semi-annually. The proceeds from the BNOR16 bond issuance have been utilised to redeem the BNOR14 bond and for other general corporate purposes.



### Group financial results for 2024

The consolidated financial statements of BlueNord have been prepared in accordance with IFRS and interpretations from the IFRS interpretation committee (IFRIC), as endorsed by the EU.

See the section on the Financial Review, on pages 21 to 23.

### Risk mitigation

The Company actively seeks to reduce the risk it is exposed to regarding fluctuating commodity prices through the establishment of hedging arrangements.

Currently all the Company's commodity price hedging arrangements are executed solely in the market through forward contracts. At the time of this report, the Company had purchased the following:

Oil		Q1-25	Q2-25	Q3-25	Q4-25	Q1-26
Days		90	91	92	92	90
Volumes	(bbl)	1,364,001	1,214,001	1,125,000	1,200,000	825,000
Price	(USD/bbl)	74.6	71.9	73.6	73.0	70.9
Equiv. daily production	(mbblpd)	15.2	13.3	12.2	13.0	9.2

Oil		Q2-26	Q3-26	Q4-26	Q1-27
Days		91	92	92	90
Volumes	(bbl)	825,000	525,000	525,000	-
Price	(USD/bbl)	70.8	67.3	67.3	-
Equiv. daily production	(mbblpd)	9.1	5.7	5.7	0.0

Gas		Q1-25	Q2-25	Q3-25	Q4-25	Q1-26
Days		90	91	92	92	90
Volumes	(MWh)	1,135,000	2,145,000	2,309,997	1,980,000	1,980,000
Price	(EUR/MWh)	45.3	39.8	39.8	39.1	39.0
Equiv. daily production	(mboepd)	7.3	13.6	14.5	12.4	12.7

Gas		Q2-26	Q3-26	Q4-26	Q1-27
Days		91	92	92	90
Volumes	(MWh)	1,290,000	1,290,000	1,095,000	1,095,000
Price	(EUR/MWh)	33.2	33.1	34.1	34
Equiv. daily	(mboepd)	8.2	8.1	6.9	7.0

In addition, the Company had a swap transaction with a group of banks to fix the Company's floating interest rate exposure under the RBL facility from 1 November 2021 to 30 June 2024. See the section on financial risk management and financial risk factors on page 95 and note 2 in the consolidated financial statements.

### Principal risks and uncertainties

The Company is required to give a description of the principal risks and uncertainties which it faces. These principal risks and uncertainties are included as part of the risk report and can be found on page 25.

### Climate change-related risks

The climate change-related risks are described in more details in the sustainability section on page 41, and the financial impact of climate change on BlueNord's activities, are summarised in the TCFD on page 48.

### Going concern assumption

Pursuant to the Norwegian Accounting Act section 3-3a, the BlueNord Board confirms that the requirements of the going concern assumption are met and that the annual accounts have been prepared on that basis.

Our financial integrity, and our working capital and cash position, are considered satisfactory in relation to the planned activity level for the next 12 months.

### Health, environment and safety

BlueNord puts emphasis on its employees performing Company activities in line with the principals of business integrity and with respect for people and the environment. During 2024, BlueNord was, through its ownership in the DUC in which TotalEnergies is the operator, involved in production of oil and gas, which are responsible for emission to the sea and to the air. The BlueNord's wholly-owned subsidiary CarbonCuts A/S is involved in CO<sub>2</sub> storage through operatorship of the Project Ruby's licence. Exploration and potential follow up activities may cause emissions to the environment.

BlueNord will conduct its business operation in full compliance with all applicable national legislation in the countries where it is operating. The Company is committed to carry out its activities in a responsible manner to protect people and the environment. Our fundamentals of health, safety, environment, and quality (HSEQ) and safe business practice are an integral part of BlueNord operations and business performance.

For more information, see the Sustainability section on page 57.

**Directors' Report** continued**Personnel resources and working environment**

At the end of 2024, the Group had 44 employees (2023: 40) corresponding 40.95 FTE (2023: 37.32), including three interns, with an average age of 47 years. The average tenure was 3.6 years, and women comprised 40 percent of the workforce. The BlueNord subsidiary CarbonCuts A/S employees were integrated into the BlueNord group in January 2024 at that time counting 4.9 FTE. The Group maintained a stable workforce in 2024, with a growth rate of 10, mainly related to the acquisition of CarbonCuts A/S, a 84.1 percent twelve-month retention rate, and a 2.3 percent attrition rate as of December 2024.

In June 2024, Miriam Jager Lykke was appointed as Chief Operating Officer (COO).

At the end of 2024, the Company's Board of Directors comprised seven members, all elected by shareholders. The Board had a gender composition of three women and four men, representing over 40 percent female representation. The Board did not include any employee representatives.

BlueNord is an equal opportunity employer, committed to fostering diversity and inclusion in the workplace. We welcome and embrace a variety of skillsets and perspectives, and we value differences between people of different cultural backgrounds, ethnicity, age, gender, gender identification, gender expression, sexual orientation, functional ability, religion, and philosophies of life. These principles apply to all employment practices at BlueNord, including recruitment, hiring, compensation and benefits, promotion, training and development, and leave of absence.

Management compensation is described in the Executive Remuneration Report. Sick leave in the Group was 0.85 percent in 2024.

For more information, see the sustainability section on pages 58 to 61.

**Research and development**

BlueNord invests in research and development to support and further grow its exploration and production (E&P) and energy transition activities.

**Corporate governance**

The Board wishes to maintain an appropriate standard of corporate governance and to fulfil the recommendations in the Norwegian Code of Practice for Corporate Governance. Corporate governance in BlueNord is based on equal treatment of all shareholders, a principle which is reflected in the decisions taken at the general assembly.

For more information about the Board's composition and activities during the year, see the section on corporate governance on pages 69 to 73 in this report.

**AGM**

The AGM held on 14 May 2024, elected Glen Ole Rødland as chair and re-elected Robert J. McGuire, Marianne Lie and Tone Kristin Omsted to the board. All matters on the agenda were approved. On 16 September an extraordinary general meeting was held where Kristin Færøvik and João Saraiva e Silva were elected as new Board members until the ordinary general meeting of the Company in 2026.

For more information about corporate governance and corporate social responsibility, see the relevant sections of this report. Also, see [www.bluenord.com/corporate-governance](http://www.bluenord.com/corporate-governance) and [www.bluenord.com/csr](http://www.bluenord.com/csr).

**Directors' and officers' liability insurance**

The Company has acquired and maintains a Directors' and officers' insurance policy to cover the personal liability for financial losses that Directors and officers of the Company, and the Directors and officers of the Company's subsidiaries, may incur in their capacities as such. The policy is placed with a reputable international carrier on market terms.

**Ownership**

There are no restrictions on the transfer of shares in BlueNord ASA. The Company currently has approximately 2,500 shareholders and 22.69 percent of the shares are held by residents of Norway.

**BlueNord ASA**

In 2024, the parent company was a holding company, with expenses primarily from shareholder costs, consultancy fees, legal fees, and payroll. The net financial loss was mainly due to bond loan interest expenses, partially offset by interest received from group companies.

For more information about financial risk and market conditions, and a statement regarding going concern, please see the relevant sections above. These comments are also valid for the parent Company.

**Parent Company financial results for 2024**

Personnel expenses amounted to USD 8.4 million in 2024, compared to USD 5.8 million in 2023. This increase is primarily attributable to restructuring costs associated with reorganisation and elevated social security taxes related to the exercise of Directors' share options. The Company's previous Options Programme expired in August 2024, and BlueNord no longer has any outstanding options. Other operating expenses of USD 5.3 million in 2024, compared to USD 3.5 million in 2023; this increase is attributed to higher consultant and legal fees. The net operating result for 2024 showed a loss of USD 10.3 million, compared to USD 5.7 million in 2023.

Net financial items led to an expense of USD 38.9 million in 2024, up from USD 4.7 million in 2023. This increase was mainly due to the extinguishment of the BNOR14 bond, higher foreign exchange losses and increased amortised costs related to the new BNOR16 bond loan. However, these expenses were partially offset by higher interest income from intercompany loans and restricted cash account.

The Company's net result for the year amounted to a loss of USD 49.2 million (2023: loss USD 10.4 million).

## Directors' Report continued

### Allocations

The result for the year for BlueNord ASA in 2024 was a loss of USD 49.2 million. The Board proposes the following allocations:

- allocated from other equity: USD 49.2 million; and
- total appropriation: USD 49.2 million.

### Outlook

BlueNord ASA has a stable business, underpinned by the Company's position in the DUC and further supported by risk mitigations. The volatility in prices has been significant and management is continuously assessing the market to mitigate commodity price volatility. The Company has during 2024 entered into fixed-price swap contracts for additional oil and gas volumes from 2024 to 2026.

The Company monitors global as well as local political and economic conditions that may affect future results. The Company has not identified any negative impact on the Company's assets or income. See further detail on this issue and mitigations as outlined in the section Principal Risks and Uncertainties on page 25.

First gas from the Tyra II field was achieved 21 March 2024, and maximum technical capacity was reached by 10 November 2024. Ramp-up is ongoing and Tyra is expected to be at plateau production in early Q2 2025. This will lead to a step change in performance for BlueNord, with a doubling of production combined with a lowering of lifting cost per boe and emissions intensity. Direct field operating expenditure is expected to decrease to USD 13 per barrel on average in 2025.

BlueNord ASA has a cash position with total liquidity of USD 520.6 million at the end of 2024 with cash on balance sheet of USD 250.6 million and undrawn RBL capacity of USD 270.0 million. The Company has a solid basis for executing the strategy and the ambition to deliver material shareholder returns and significant value creation.

Activity to progress value additive organic DUC investment projects also continues, and we will seek to sanction projects as they are sufficiently matured. BlueNord ASA believes economic investments in these projects will help to replace produced reserves and provide strong financial returns benefitting the Company's shareholders.

The Company expects increased production from Q1 2025; the increase is driven by the Tyra production start-up.

Guidance 2025	Unit	Base	Tyra	Total
Q1	mboepd	20.0–22.0	17.0–20.0	37.0–42.0
Q2	mboepd	20.0–22.0	26.0–30.0	46.0–52.0
Q3	mboepd	22.0–24.0	26.0–30.0	48.0–54.0
Q4	mboepd	22.0–26.0	26.0–30.0	48.0–56.0

The following sections of BlueNord ASA Annual Report constitute part of the Director's Report.

Annual Report chapter reference	Content	Page reference
Strategic Report	Financial Review	21-23
Strategic Report	Sustainability Statements	37-63
Strategic Report	Principal Risks and Uncertainties	25-35
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### Oslo 8 April 2025

**Glen Ole Rødland**  
Executive Chair

**Tone Kristin Omsted**  
Board member

**Marianne Lie**  
Board member

**Robert J. McGuire**  
Board member

**Peter Coleman**  
Board member

**Kristin Færøvik**  
Board member

**João Saraiva e Silva**  
Board member

**Euan Shirlaw**  
Chief Executive Officer



## Reporting of Payments to Governments

This report is prepared in accordance with the Norwegian Accounting Act section §3-3d and Securities Trading Act §5-5a. It states that companies engaged in activities within the extractive industries shall annually prepare and publish a report containing information about their payments to governments at country and project level.

The Ministry of Finance has issued a regulation (F20.12.2013 nr. 1682) stipulating that the reporting obligation only applies to reporting entities above a certain size and to payments above certain threshold amounts. In addition, this regulation stipulates that the report shall include other information than payments to governments, and it provides more detailed rules applicable to definitions, publication and Group reporting.

The management of BlueNord ASA has applied judgement in the interpretation of the wording in the regulation with regard to the specific types of payments to be included in this report, and at what level they should be reported. Where payments are required to be reported on a project-by-project basis, they are reported on a field-by-field basis. Only gross amounts on operated licences are to be reported, as all payments within the licence performed by non-operators will normally be cash calls transferred to the Operator and are as such not payments to the government.

All activities of BlueNord ASA within the extractive industries are located on the Danish continental shelf and all are performed as non-operator. All the reported payments below are to the Danish government.

### Income tax

Income tax is calculated and paid on a corporate level and is therefore reported for the whole Company rather than licence-by-licence. The income tax payment in 2024 is a USD 7.3 million second instalment temporary EU Solidarity Contribution, which is calculated at 33.0 percent of 2023 earnings.

Further, in 2024, BlueNord paid USD 44.0 million of a 25 percent chapter two hydrocarbon tax pertaining to 2023 earnings and USD 5.1 million pertaining to prior years as well as a USD 11.9 million first instalment on account tax for income year 2024. The Group also paid Danish corporate tax for 2023 of USD 6.5 million.

### Other information required to be reported

In accordance with regulation F20.12.2013 nr. 1682 BlueNord ASA is also required to report on investments, operating income, production volumes, and purchases of goods and services. All reported information is relating to BlueNord ASA activities within the extractive industries on the Danish continental shelf.

- Total net investments amounted to USD 236.3 million, as specified in the cash flow analysis in the Financial Statements.
- Sales income (petroleum revenues) in 2024 amounted to USD 702.0 million, as specified in the Financial Statements.
- Total production in 2024 was 9.2 million barrels of oil equivalent.

For further information about purchases of goods and services please refer to the Income Statement and related notes.





“

2024 was characterised by strong base asset performance that underpinned robust financial results and a successful optimisation of the capital structure.”





04

# Financial Statements

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\$702m

Total revenue

\$354m

EBITDA

\$521m

Total liquidity



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## Consolidated Statement of Comprehensive Income

### As of 31 December

USD million	Note	2024	2023
<b>Total revenues</b>	5	<b>702.3</b>	795.0
Production expenses	6	<b>(310.4)</b>	(340.1)
Exploration and evaluation expenses	7	<b>(5.9)</b>	(1.4)
Personnel expenses	8	<b>(19.7)</b>	(18.0)
Other operating expenses	9	<b>(12.4)</b>	(14.1)
<b>Total operating expenses</b>		<b>(348.4)</b>	(373.6)
<b>Operating result before depreciation, amortisation and impairment (EBITDA)</b>		<b>353.9</b>	421.4
Depreciation/amortisation/impairment	11, 10	<b>(135.4)</b>	(102.6)
<b>Net operating result (EBIT)</b>		<b>218.5</b>	318.8
Financial income	13	<b>26.0</b>	23.1
Financial expenses	13	<b>(256.7)</b>	(98.3)
<b>Net financial items</b>		<b>(230.6)</b>	(75.2)
<b>Result before tax (EBT)</b>		<b>(12.1)</b>	243.6
Income tax benefit/(expense)	14	<b>(58.7)</b>	(133.7)
<b>Net result for the year<sup>1)</sup></b>		<b>(70.8)</b>	109.8
<b>Other comprehensive income:</b>			
Items that are or may be subsequently reclassified to profit or loss:			
Realised cash flow hedge revenue	19	<b>1.6</b>	(19.7)
Realised cash flow hedge financial items	19	<b>(20.2)</b>	(29.3)
Related tax – realised cash flow hedge	14, 19	<b>3.1</b>	19.1
Changes in fair value cash flow hedges revenue	19	<b>(100.4)</b>	102.5
Changes in fair value cash flow hedges financial items	19	<b>0.6</b>	5.2
Related tax – changes in fair value cash flow hedges	14, 19	<b>64.1</b>	(66.8)
Currency translation adjustment		<b>(3.0)</b>	1.4
<b>Total other comprehensive income for the year</b>		<b>(54.2)</b>	12.4
<b>Total comprehensive income for the year<sup>1)</sup></b>		<b>(125.0)</b>	122.3
Basic earnings/loss USD per share	15	<b>(2.7)</b>	4.2
Diluted earnings/loss USD per share	15	<b>(2.7)</b>	4.2

1) 100 percent attributable to equity holders of the parent company.

## Consolidated Statement of Financial Position As of 31 December

USD million	Note	31.12.2024	31.12.2023 <sup>1)</sup>	01.01.2023 <sup>1)</sup>
<b>Non-current assets</b>				
Goodwill and intangible assets	10	147.0	151.6	160.4
Deferred tax assets	14	159.8	218.5	239.1
Property, plant and equipment	11	2,573.0	2,427.9	2,083.3
Right of use asset		1.5	1.4	0.9
Restricted bank deposits	18, 19	61.5	213.9	203.7
Receivables non-current	16	–	3.7	0.8
Derivative instruments	19	4.8	14.0	33.7
<b>Total non-current assets</b>		<b>2,947.5</b>	3,031.0	2,721.8
<b>Current assets</b>				
Derivative instruments	19	9.5	71.7	130.9
Tax receivable	14	2.2	–	–
Trade receivables and other current assets	16, 19	39.0	88.7	128.6
Inventories	17	55.8	54.7	55.9
Restricted cash and bank deposits	18, 19	157.3	0.1	0.1
Cash and cash equivalents	18	250.6	166.7	268.4
<b>Total current assets</b>		<b>514.3</b>	381.9	583.9
<b>Total assets</b>		<b>3,461.8</b>	3,412.9	3,305.7

USD million	Note	31.12.2024	31.12.2023 <sup>1)</sup>	01.01.2023 <sup>1)</sup>
<b>Equity</b>				
Share capital	20	1.7	1.7	1.7
Other equity		693.9	811.9	662.5
<b>Total equity</b>		<b>695.6</b>	813.6	664.2
<b>Non-current liabilities</b>				
Asset retirement obligations	22	1,110.6	1,033.7	946.1
Bond loan	19, 23	303.5	169.1	166.9
Reserve-based lending facility	19, 23	834.3	695.8	764.0
Derivative instruments <sup>1)</sup>	19	23.0	3.2	90.4
Other non-current liabilities		1.1	1.1	0.7
<b>Total non-current liabilities</b>		<b>2,272.7</b>	1,902.9	1,968.1
Convertible bond loans <sup>1)</sup>	19, 23	233.1	201.7	188.7
Reserve-based lending facility	19, 23	–	125.0	–
Asset retirement obligations	22	11.4	15.4	9.8
Tax payable	14	0.1	140.0	209.0
Derivative instruments <sup>1)</sup>	19	149.5	89.0	125.3
Trade payables and other current liabilities	24, 19	99.4	125.3	140.6
<b>Total current liabilities</b>		<b>493.5</b>	696.4	673.4
<b>Total liabilities</b>		<b>2,766.1</b>	2,599.3	2,641.5
<b>Total equity and liabilities</b>		<b>3,461.8</b>	3,412.9	3,305.7

1) The convertible bond loan and the related embedded derivative have been reclassified to current liabilities with retrospective effect.  
For more details, refer to Note 1.1.1, Changes in material accounting policies.

Oslo  
8 April 2025

**Glen Ole Rødland**  
Executive Chair

**Tone Kristin Omsted**  
Board member

**Marianne Lie**  
Board member

**Robert J. McGuire**  
Board member

**Peter Coleman**  
Board member

**Kristin Færøvik**  
Board member

**João Saraiva e Silva**  
Board member

**Euan Shirlaw**  
Chief Executive Officer



## Consolidated Statement of Changes in Equity

### As of 31 December

All figures in USD million

	Share capital	Share premium fund	Treasury share reserve	Currency translation fund	Cash flow hedge reserve	Other equity	Total equity
<b>2023</b>							
<b>Equity as of 01.01.2023</b>	1.7	768.4	(0.1)	0.5	13.9	(120.2)	664.1
Net result for the period						109.8	109.8
<b>Other comprehensive income</b>							
Realised cash flow hedge revenue	–	–	–	–	(19.7)	–	(19.7)
Realised cash flow hedge financial items	–	–	–	–	(29.3)	–	(29.3)
Related tax – realised cash flow hedge	–	–	–	–	19.1	–	19.1
Changes in fair value cash flow hedge revenue	–	–	–	–	102.5	–	102.5
Changes in fair value cash flow hedge financial items	–	–	–	–	5.2	–	5.2
Related tax – changes in fair value cash flow hedges	–	–	–	–	(66.8)	–	(66.8)
Currency translation adjustments	–	–	–	1.4	–	–	1.4
<b>Total other comprehensive income</b>	–	–	–	1.4	11.0	–	12.4
Issue of shares	0.0	14.5	–	–	–	–	14.6
Settlement derivatives/conversion bonds	–	–	–	–	–	8.3	8.3
Share-based incentive programme	–	–	0.0	–	–	4.3	4.4
<b>Total transactions with owners for the period</b>	0.0	14.5	0.0	–	–	12.6	27.2
<b>Equity as of 31.12.2023</b>	1.7	782.9	(0.1)	2.0	24.9	2.2	813.6
<b>2024</b>							
<b>Equity as of 01.01.2024</b>	<b>1.7</b>	<b>782.9</b>	<b>(0.1)</b>	<b>2.0</b>	<b>24.9</b>	<b>2.2</b>	<b>813.6</b>
Net result for the period						(70.8)	(70.8)
<b>Other comprehensive income</b>							
Realised cash flow hedge revenue	–	–	–	–	1.6	–	1.6
Realised cash flow hedge financial items	–	–	–	–	(20.2)	–	(20.2)
Related tax – realised cash flow hedge	–	–	–	–	3.1	–	3.1
Changes in fair value cash flow hedge revenue	–	–	–	–	(100.4)	–	(100.4)
Changes in fair value cash flow hedge financial items	–	–	–	–	0.6	–	0.6
Related tax – changes in fair value cash flow hedges	–	–	–	–	64.1	–	64.1
Currency translation adjustments	–	–	–	(3.0)	–	–	(3.0)
<b>Total other comprehensive income</b>	–	–	–	(3.0)	(51.2)	–	(54.2)
Issue of shares	0.0	4.2	–	–	–	–	4.2
Sale of shares	–	–	0.1	–	–	1.4	1.5
Share-based incentive programme	–	–	–	–	–	1.3	1.3
<b>Total transactions with owners for the period</b>	<b>0.0</b>	<b>4.2</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>2.7</b>	<b>7.0</b>
<b>Equity as of 31.12.2024</b>	<b>1.7</b>	<b>787.2</b>	<b>–</b>	<b>(1.0)</b>	<b>(26.3)</b>	<b>(65.9)</b>	<b>695.6</b>

## Consolidated Statement of Cash Flows

### For the year ended 31 December

USD million	Note	2024	2023
<b>Cash flows from operating activities</b>			
Net result for the year		<b>(70.8)</b>	109.8
<b>Adjustments for:</b>			
Income tax benefit/(expense)	14	<b>58.7</b>	133.7
Net financial items	13	<b>230.6</b>	75.2
Depreciation/impairment	11, 10	<b>135.4</b>	102.6
Share-based payments expenses		<b>1.6</b>	5.2
Interest received <sup>1)</sup>	13	<b>7.1</b>	9.6
Other financial items paid		<b>(1.8)</b>	(8.4)
<b>Changes in:</b>			
Trade receivable	16	<b>31.8</b>	34.1
Trade payables	24	<b>(34.4)</b>	11.5
Inventories and spare parts	17	<b>(1.1)</b>	1.2
Prepayments	16	<b>15.4</b>	(0.6)
Over/under-lift	16, 24	<b>8.9</b>	6.3
Other current balance sheet items <sup>2)</sup>		<b>1.9</b>	(0.6)
<b>Cash flow from operating activities</b>		<b>383.3</b>	479.7
Tax (paid)/received		<b>(74.8)</b>	(229.8)
<b>Net cash flow from operating activities</b>		<b>308.5</b>	249.9
<b>Cash flows from investing activities</b>			
Long-term loan provided	16	<b>–</b>	(2.8)
Acquisition of subsidiary, net of cash acquired		<b>1.5</b>	–
Deferred consideration		<b>–</b>	(25.0)
Investment in oil and gas assets	11	<b>(236.3)</b>	(311.0)
Investment in exploration and evaluation assets	10	<b>–</b>	(0.1)
Payments for decommissioning of oil and gas fields	22	<b>(15.5)</b>	(8.7)
<b>Net cash flow from investing activities</b>		<b>(250.3)</b>	(347.6)
<b>Cash flows from financing activities</b>			
Drawdown long-term liability	23	<b>330.0</b>	50.0
Repayment long-term liability	23	<b>(192.5)</b>	–
Lease payments		<b>(0.6)</b>	(0.4)
Sale of shares		<b>1.5</b>	0.2
Issue of shares		<b>4.2</b>	–
Interest and fees external loan		<b>(117.0)</b>	(53.6)
<b>Net cash flow from financing activities</b>		<b>25.6</b>	(3.9)
Net change in cash and cash equivalents		<b>83.8</b>	(101.6)
Cash and cash equivalents at the beginning of the year		<b>166.7</b>	268.4
<b>Cash and cash equivalents at end of the year</b>		<b>250.6</b>	166.7

1) Excluding interest received from restricted bank accounts.

2) Mainly currency adjustments balance sheet items.

## Notes

### > 1 Summary of material accounting policies

BlueNord ASA ('BlueNord', 'the Company' or 'the Group') is a public limited liability company registered in Norway, with headquarters in Oslo (Nedre Vollgate 3, 0158 Oslo). The Company has subsidiaries in Norway, Denmark, the Netherlands, and the United Kingdom. The Company is listed on the Oslo Stock Exchange.

The consolidated financial statements for 2024 were approved by the Board of Directors on 8 April 2025 and will be presented for approval at the Annual General Meeting on 14 May 2025.

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Group also provides the disclosure requirements as specified under the Norwegian Accounting Law (Regnskapsloven).

#### 1.1 Basis of preparation

The consolidated financial statements of BlueNord ASA have been prepared in accordance with the IFRS® Accounting Standards, as endorsed by the EU. The Group also provide information required in accordance with the Norwegian Accounting Act and associated NGAAP standards.

The preparation of financial statements in accordance with IFRS® Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

The subtotals and totals in some of the tables may not equal the sum of the amounts shown due to rounding.

#### 1.1.1 Changes in material accounting policies

##### Amendments to standards

Effective January 1, 2024, amendments to IAS 1 Presentation of Financial Statements have resulted in the reclassification of the convertible bond loan as a current liability.

BlueNord has a bond loan that comprises a financial liability and an option granted to the holders to convert the bond into shares of the Company at any time before maturity. The conversion option does not meet the definition of an equity instrument and is an embedded derivative recognised separately from the host liability.

BlueNord interpreted the previous IAS 1 that the holders' option to convert at any time did not affect the classification, and the bond loan and related embedded derivatives were classified as non-current as long as it was more than twelve months to maturity.

The amended IAS 1 clarified that transfer of a company's shares is a form of settlement and when a company classifies the host liability as current or non-current, it can ignore only those conversion options that are recognised as equity. As the Company does not have the right to defer settlement for at least twelve months from the reporting dates, the host liability and the related embedded derivatives are reclassified as current.

Except for the amendments to IAS 1 mentioned above, there were no material changes in accounting policies in 2024.

#### IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027, provided it is approved by the EU. The new standard introduces the following key new requirements:

Classify all income and expenses into five categories in the profit or loss section of the consolidated statement of comprehensive income, namely the operating, investing, financing, discontinued operations and income tax categories. It is also required to present a newly defined operating profit subtotal. Net result will not change. Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements. Enhanced guidance is provided on how to group information in the financial statements. In addition, it is required to use the operating profit subtotal as the starting point for the consolidated statement of cash flows when presenting cash flows from operating activities under the indirect method. The Group has not assessed the impact of the new standard, particularly with respect to the structure of the profit or loss section of the consolidated statement of comprehensive income, the consolidated statement of cash flows and the additional disclosures required for MPMs.



**> 1 Summary of material accounting policies** continued**1.2 Consolidation****Subsidiaries**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of 31 December 2024. Subsidiaries are all entities over which the Group has control. Control is achieved where the Group has the power over the subsidiary, has rights, or is exposed to variable returns from the subsidiary and has the ability to use its power to affect its returns. All subsidiaries are 100 percent owned by the Group and there are no non-controlling interests. In January 2024 BlueNord acquired 100 percent of the shares in CarbonCuts A/S, an early-stage CCS company in Denmark.

**The Group had the following subsidiaries on 31 December 2024:**

Name	Country of incorporation and place of business	Nature of business	Ordinary shares directly held by parent (%)	Ordinary shares held by the Group (%)
BlueNord Denmark A/S	Denmark	Intermediate holding company		100%
BlueNord Energy Denmark A/S	Denmark	Exploration and production activity		100%
BlueNord Gas Denmark A/S	Denmark	Exploration and production activity		100%
CarbonCuts A/S	Denmark	Carbon capture and storage		100%
BlueNord Energy 8/06 Denmark B.V	Netherlands	Exploration and production activity		100%
BlueNord Pipeline Denmark Aps	Denmark	Infrastructure oil and gas		100%
BlueNord Energy UK Ltd	Great Britain	Exploration activity		100%
BlueNord UK Ltd	Great Britain	Exploration activity	100%	100%
Altinex AS	Norway	Intermediate holding company	100%	100%
BlueNord AS	Norway	Dormant company	100%	100%

**Joint arrangements**

BlueNord has interests in licenses on the Danish Continental Shelf. A joint arrangement is defined as an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control which exists only when decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require unanimous consent of the parties sharing control.

Under IFRS 11 Joint Arrangements, a joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. BlueNord recognises investments in joint operations (oil and gas production licences) by reporting its share of related revenues, expenses, assets, liabilities and cash flows, under the respective items in the Company's financial statements.

**1.3 Segment reporting**

The whole Group is considered a single operating segment.

**1.4 Foreign currency translation****a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in US dollars (USD), which is the Group's presentation currency and the parent company and main operating companies' functional currency.

**b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses are recognised in the income statement as other financial income or other financial expenses.

**c) Group companies**

All currency translation adjustments are recognised in other comprehensive income (OCI).

**1.5 Property, plant and equipment**

Property, plant and equipment include asset under construction, production facilities, pipelines, machinery, and equipment. Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

For property, plant and equipment where asset retirement obligations for decommissioning and dismantling are recognised as a liability, this value is added to acquisition cost for the respective assets.

Direct and indirect expenditures related to asset under construction are capitalised. The development phase commences when the licence partners have decided field evaluation.

Production facilities are depreciated in accordance with the unit of production (UoP) method based on proven and probable reserves (the ratio between annual production quantity and the reserves). If realisation of probable reserves demands further future investments, these are added to the basis of depreciation.

Acquired assets used for extraction and production of petroleum deposits, are depreciated using the UoP method based on proven and probable reserves.

Onshore assets are depreciated over the estimated useful life, according to the straight-line method, three to five years. Pipelines are depreciated to the expiry of the licence, according to the straight-line method.

Depreciation methods, useful lives, residual values and reserves are reviewed at each reporting date and adjusted if appropriate.

**Notes** continued**> 1 Summary of material accounting policies** continued**1.6 Intangible assets****Licence rights**

Licence rights acquired in a business combination are measured on initial recognition at cost.

Following initial recognition, licence rights are depreciated using the UoP method based on proven and probable reserves.

**1.7 Impairment of non-financial assets**

The Group has determined that the smallest identifiable assets or groups of assets that generate cash inflows independently from other assets or groups are the DUC assets as a whole and the CarbonCuts business unit. Therefore, the Group has concluded that it has two cash-generating units (CGUs).

If there is any indication that the CGU may be impaired, recoverable amount shall be estimated for the CGU, and compared to its carrying amount. The recoverable amount is the higher of the fair value less costs of disposal and the value in use.

In estimating value in use, expected future cash flows are discounted to the net present value applying a discount rate after tax that reflects the current market valuation of the time value of money and risks specific to the CGU. The discount rate is derived from a weighted average cost of capital ('WACC') for a market participant. For the purpose of impairment testing the lifetime of the field is normally determined to be the time when the operating cash flows from the field become negative.

If there is any indication that the DUC CGU may be impaired, the Group has relied on its market capitalisation to arrive at an estimate of the headroom of the DUC CGU.

As the Company's shares are listed on the Oslo Stock Exchange, the market capitalisation is regarded as a good approximation of the fair value of the Group's equity (DUC CGU). The Group's judgement is that it can make a reliable estimate of the fair value of its equity and thereby the CGUs, based on its market capitalisation. Adjusted for any estimated differences between the carrying amounts and fair value of assets and liabilities not included in the CGUs, the difference between its market capitalisation and carrying amount of equity is a reliable estimate of the difference between the estimated fair value and the carrying amount of the CGUs ('headroom'). Adjusted for cost of disposal, if this gives a positive headroom, it is not necessary to estimate value in use, should an impairment test be required. If not positive a value in use calculation will be calculated and compared to the carrying value of the CGU.

On the CarbonCuts CGU, the Group has recognised a goodwill from the acquisition of CarbonCuts and the carrying amounts and recoverable amounts are considered immaterial, therefore no formal impairment test has been performed as any impairment would be immaterial.

**1.8 Financial instruments**

The Group has financial instruments at fair value through profit or loss and at amortised cost. See note 19.2 Financial instruments for overview of the categories.

The Group has designated derivatives as cash flow hedging instruments, see note 1.10, with the change in fair value temporarily to other comprehensive income.

The convertible bond loan has been determined to contain embedded derivatives, which is accounted for separately as a derivative at fair value through profit or loss, while the loan element is measured at amortised cost (note 3.1).

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. For hybrid (combined) instrument that includes a non-derivative host contract that is not accounted for at FVTPL and an embedded derivative that is accounted for at FVTPL such as the convertible bond, the Company has elected an accounting policy that all of the transaction costs are always allocated to and deducted from the carrying amount of the non-derivative host contract on initial recognition.

Further details on fair values of financial instruments are provided in note 19 Financial instruments.

**1.9 Impairment of financial assets**

The Group applies a simplified approach in calculating expected credit losses (ECLs) for trade receivables and contract assets. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

**1.10 Derivative financial instruments and hedging activities**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group uses derivative financial instruments, such as forward commodity contracts and options, to reduce the exposure to commodity price volatility on future sale of oil and gas. The Group has elected to apply cash flow hedge accounting designating these derivatives. These derivative financial instruments are subsequently re-measured at fair value and the effective portion of the gain or loss on the hedging instrument is recognised in OCI, while any ineffective portion is recognised immediately in profit or loss (financial income or financial expenses). The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item. The amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same periods during which the hedged cash flows affect profit or loss. If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## > 1 Summary of material accounting policies continued

### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and short-term liquid placements, that immediately and with insignificant risk of changes in value can be converted to known cash amounts and with a remaining maturity less than three months from the date of acquisition.

### 1.12 Over/under-lifting of hydrocarbons

Over/under-lifting occurs when the Group has lifted and sold more or fewer hydrocarbons from a producing field than what the Group is entitled to at the time of lifting. When over-lifting occurs, the Group has recognised more revenue than it is entitled to and for which it has been charged production costs from the Operator, and consequently the Group recognises an additional expense related to the over-lift. For under-lifting, the Group has been charged production costs from the Operator related to production of hydrocarbons that it has not sold, and consequently the Group defers some costs. Over-lifting of hydrocarbons is presented as other current liabilities, under-lifting of hydrocarbons is presented as other current assets. The value of over/under-lifting is measured at production cost including depreciation. Over-lifting and under-lifting of hydrocarbons are presented at gross. Over/under-lift positions are expected to be settled within 12 months from the reporting date.

### 1.13 Borrowing costs

The Group capitalise borrowing costs that are directly attributable to the construction of qualifying assets. The Group identifies qualifying assets as those that necessarily takes 12 months or more to construct and get ready for its intended use. For the periods presented this is only the Tyra redevelopment project. No additional borrowing cost capitalised in 2024, as Tyra II started production 21 March 2024 hence the qualifying assets were ready for its intended use early 2024.

The Group calculates an annual weighted average interest rate based on general borrowings and multiplies with the average carrying amount of assets under construction. The amount of borrowing costs eligible for capitalisation each year is limited to the actual interest expense before capitalisation less interest income and gains on extinguishment of bond loans.

Other borrowing costs are included as financial expenses in the consolidated statement of comprehensive income in the period in which they are incurred.

### 1.14 Current and deferred income tax

The tax expense for the period comprises current tax, tax impact from refund of exploration expenses and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and its subsidiaries operate and generate taxable income.

Producers of oil and gas on the Danish continental shelf are subject to the hydrocarbon tax regime under which, income derived from the sale of oil and gas is taxed at an elevated 64 percent. Any income deriving from other activities than first-time sales of hydrocarbons is taxed at the ordinary corporate income rate of currently 22 percent. The 64 percent is calculated as the sum of the 'Chapter 2' tax of 25 percent plus a specific hydrocarbon tax (Chapter 3A) of 52 percent, in which the 25 percent tax payable is deductible in the tax basis. When calculating the 52 percent tax, the Company is allowed to deduct an uplift (i.e. increased depreciation basis for tax purposes) of 30 percent of the investments in property, plant & equipment (PP&E) over a period of six years. Through an agreement from 2017, licence holders on the Danish continental shelf have had the possibility of applying temporary new rules whereby the Company will have the possibility of increased uplift by 9 percent and accelerated depreciation during the period from 2017 to 2025. At the same time, an additional tax was introduced which will materialise from 2022 through 2037 if the oil price for the year (indexed from 2017) exceeds USD 75.0. The accumulated additional tax in the years 2022 through 2037 cannot exceed the benefit received in previous years related to the increased uplift and accelerated depreciation. The additional tax is accounted for in the year the oil price exceeds the thresholds.

### 1.15 Pensions

The Group only has defined contribution plans as of 31 December 2024 and 31 December 2023. The contributions are recognised as an employee benefit expense for the periods they relate to.

### 1.16 Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options and shares) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense with a corresponding amount recognised to equity. The total amount to be expensed is determined by reference to the fair value of the options or shares granted.

Fair value:

- including any market performance conditions; and
- excludes the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options and shares that are expected to vest. The total expense is recognised over the vesting period (which is the period over which all of the specified vesting conditions are to be satisfied). At the end of each reporting period, the Group revises its estimates of the number of options and shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium. The social security contributions payable in connection with the grant of the share options and shares are considered an integral part of the grant itself, and the charge will be treated as a cash-settled transaction.



**Notes** continued**> 1 Summary of material accounting policies** continued**1.17 Asset retirement obligations**

Provisions reflect the estimated cost of decommissioning and removal of wells and production facilities used for the production of hydrocarbons. Asset retirement obligations are measured at present value of the anticipated future cost (estimated based on current day costs inflated). The liability is calculated on the basis of current removal requirements and is discounted to present value using a risk-free rate adjusted for credit margin. Liabilities are recognised when they arise and are adjusted continually in accordance with changes in requirements, price levels etc. When a decommissioning liability is recognised or the estimate changes, a corresponding amount is recorded to increase or decrease the related asset and is depreciated in line with the asset. Increase in the provision as a result of the time value of money is recognised in the income statement as a financial expense. If abandonment cost through agreements with partners have been limited to a given amount, this then forms the basis for the recognised liability. Payments for decommissioning of oil and gas fields are included in investing activities in the cash flow statement, as the Group's judgement is that the nature of this expenditure is payment for an item of property, plant and equipment.

**1.18 Revenue recognition**

Revenue is recognised when the customer obtains control of the hydrocarbons, which is ordinarily at the point of delivery (lifting and sales) when title passes (sales method).

See note 1.12 for a description of accounting for over/under lifting of hydrocarbons in the Statement of Financial Position.

**1.19 Production expenses**

Production expenses are expenses that are directly attached to production of hydrocarbons, e.g. expenses for operating and maintaining production facilities and installations. Expenses mainly consist of man-hours, insurance, processing costs, environmental fees, transport costs etc.

**1.20 Consolidated statement of cash flows**

The consolidated statement of cash flows is prepared according to the indirect method. See note 1.11 for the definition of 'Cash and cash equivalents'.

Payments for decommissioning of oil and gas fields are included in investing activities, see note 1.17.

For payment of deferred consideration, the Group's judgement is that amounts that relates to obtaining control in a business combination is included in investing activities.

**> 2 Financial risk management****2.1 Financial risk factors**

The Group's activities expose it to financial risks: market risk (including currency risk, price risk, interest rate risk), credit risk and liquidity risk. The Group uses reserve-based lending facilities and bond loans to finance its operations in connection with the day-to-day business, financial instruments, such as bank deposits, trade receivables and payables, and other current liabilities that arise directly from its operations, are utilised.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. Market risk comprises three types of risk: foreign currency risk, price risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits, trade receivables, trade payables, accrued liabilities and derivative financial instruments.

**(a) Foreign currency risk**

The Group is composed of businesses with various functional currencies including USD, EUR, GBP, and DKK. The Group is exposed to foreign exchange risk for series of payments in other currencies than the functional currency, mainly related to the ratio between NOK and USD, DKK and USD, EUR and USD, and GBP and USD. The Group's statement of financial position includes significant assets and liabilities, which are recorded in other currencies than the Group's presentation currency. As such, the Group's equity is sensitive to changes in foreign exchange rates. See note 16 Non-current receivables, trade receivable and other current receivables, note 18 Restricted bank deposits, cash and cash equivalents, note 19 Financial instruments, note 22 Asset retirement obligation, note 23 Borrowings note 24 Trade payables and other payables, note 27 Contingencies and commitments. A decrease in the closing rate of NOK, EUR and DKK with 10 percent compared to USD would have the following impact on financial assets, financial liabilities and equity:

USD million	NOK	DKK	EUR
Financial assets	0	45	4
Financial liabilities	0	(4)	(2)
Effect net result/equity	0	49	6

The Company considers the currency risk relating to the different financial instruments as low, as the main financial items held in a currency other than the functional currency of the respective components is offset by positions in other components of the Group. With regards to trade receivables and payables, the Company deems the risk to be immaterial.

> **2 Financial risk management** continued

(b) Price risk

BlueNord produces and sells hydrocarbons in Denmark and is as a result exposed to changes in commodity prices. The Group has a material commodity price hedging programme in place that mitigates the risk of near-term price movements. As of 31 December 2024, BlueNord had commodity derivatives measured at fair value. A change in the value directly affects the Company's OCI and recorded equity, and hence the Group is exposed to the fair value development of these financial instruments. Assuming an increase in the commodity price on 31 December 2024 of 10 percent and assuming this change will have full effect on the whole curve, the effect on the value of commodity derivatives would have the following impact:

USD million	Equity	OCI	Net result
NBV 31.12.24	(26)	(26)	0
Commodity price +10%	(36)	(36)	0
Commodity price -10%	36	36	0

The effect on equity shown in the table would be equal to the change in value of the commodity derivatives after tax. The change in value of hedging contracts over time will be offset by the realised value of the contract when the hedge instrument matures, therefore the underlying value to BlueNord's business operations is not impacted by changes in the derivative value at any point in time.

(c) Interest rate risk

The Group has loans with fixed and floating interest rates. Loans with fixed interest rate expose the Group to risk (premium/discount) associated with changes in the market interest rate. At year-end, the Group has a total of USD 1.4 billion (2023: USD 1.2 billion) in interest-bearing debt (carrying amount), the principal amount was USD 1.4 billion. The Group's RBL facility has a floating interest rate comprising the aggregate of SOFR and 4.0 percent per annum, while the Group's Bond debt (BNOR 16) have a fixed interest rate exposure. The reserve-based lending facility is linked to the SOFR rate as set at the time of the amendment and restatement. A variance of + 1 percent in the SOFR rate would result in an average of USD 7.0 million of interest charges to BlueNord per annum. The Company has hedged this interest rate until 30 June 2024 at a rate of 0.40 percent to protect against any increase in SOFR rate. The Company is actively assessing the need for interest rate hedging, recognising it as a key financial risk. For further information about the Group's interest-bearing debt, see note 23.

All bank deposits (USD 469.4 million) are at floating interest rates. See note 18 Restricted cash, bank deposits, cash and cash equivalents for further information about bank deposits. The Group considers the risk exposure to changes in market interest to be at an acceptable level.

**Liquidity risk**

The Group has certain financial commitments arising from its operations and other agreements entered into which are expected to be met by liquid assets, proceeds from external financing and cash flow from operations. The Group monitors its liquidity situation continuously to ensure it will be able to meet its financial obligations as they fall due. As of 31 December 2024, there are no principal repayments expected within the next 12 months.

**Credit risk**

The Group's most significant credit risk arises principally from recognised receivables related to the Group's operation. The credit risk arising from the production of oil, gas and Natural gas liquids (NGL's) is considered limited, as sales are to major energy companies with considerable financial resources. The counterparty in derivatives are large international banks and insurance companies whose credit risk is considered low.

**2.2 Management of capital**

The Group's objectives when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain an acceptable capital structure to reduce the cost of capital.

The Group monitors the debt with the basis of cash flows, equity ratio and the gearing ratio. Both BNOR16 and the RBL facility contains covenants on minimum liquidity and net leverage. The Group's debt restricts the payment of dividends until the Tyra Redevelopment Project Completion Date has occurred. Under BNOR16, this is subject to an incurrence test and for any dividends made after 1 January 2027, this is limited to 50 percent of the Group's net profit after tax for the previous year. See further information regarding borrowings and covenants in note 23.

**2.3 Fair value estimation**

The Group has certain financial instruments carried at fair value. The different fair value hierarchy levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly or indirectly

**Notes** continued**> 2 Financial risk management** continued

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specified valuation techniques used to value financial instruments include:

- quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value.

Level 3: Inputs for other assets or liabilities that are not based on observable market data.

In Level 3, there is one financial instrument, the embedded derivatives in the convertible bond.

The fair value of the embedded derivatives is calculated based on the Black-Scholes-Merton valuation model. A change in the share price of +/- 10 percent would have the following impact on the embedded derivatives, net result and equity:

Share price	Sensitivity analysis		
	(%)	10%	-10%
Embedded derivatives	USD million	(25)	22
Effect net result/equity	USD million	(25)	22

The embedded derivatives are in jurisdictions where there is tax loss carried forward where no deferred tax assets are recognised. Therefore, it is concluded that there is no tax effect of the changes in fair value. See note 19 for fair value hierarchy and further information.

**> 3 Critical accounting estimates and judgements****3.1 Critical judgements in applying the entity's accounting policies****a) Accounting for convertible bond loan**

The Group has issued bonds with conversion rights and other embedded derivatives (but the conversion feature is the main element). The conversion feature has been determined to constitute an embedded derivative and has been separated from the loan contract. The loan element has been recognised at amortised cost. At initial recognition, the loan was measured as the residual amount of the proceeds from the bond issue, less issue costs, less the calculated fair value of the conversion feature.

The convertible bond is either a financial liability (including certain embedded derivative features which may require separation) or a compound instrument (i.e. such a liability plus an equity conversion option). The Group has assessed that the holder's conversion option does not involve receiving a fixed number of shares by giving up a fixed stated principal amount of bond, hence the Group has assessed this instrument is not a compound instrument with an equity part. Further multiple embedded derivatives have been identified in the host contract that has been assessed is not readily separable and independent of each other, and as such is treated as a single compound embedded derivative.

The fair value measurement of the conversion feature using the Black-Scholes-Merton valuation model, requires significant judgement when selecting and applying the required assumptions.

**3.2 Critical accounting estimates and assumptions**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**a) Estimated value of financial assets and financial liabilities**

The embedded derivatives in the convertible bond have been recognised separately at fair value through profit and loss. The value of this embedded derivative has been calculated using the Black-Scholes-Merton valuation model using assumptions for share price, volatility of share price and other inputs which are subject to significant uncertainty.

For more details, see note 2.3 and 19 Financial Instruments.

**b) Income tax**

All figures reported in the statement of comprehensive income and the statement of financial position are based on the Group's tax calculations. Tax calculations are based on management's best assessment and interpretation of tax rules in place guided by industry tax practitioners. If it is expected that a sustainable tax position may be challenged by the tax authorities due to uncertainty in law interpretation, a provision is made to account for such uncertainty. Tax authorities can be of a different opinion than the Company. At each period end the Company provide for expected clawback, if any. See also note 14.

**c) Proven and probable oil and gas reserves and depreciation**

Proven and probable reserves, along with production volumes and future capex, are used to calculate the depreciation of oil and gas fields using the unit-of-production method. See note 11 Property, plant and equipment for depreciation charges.

Oil and gas reserves are estimated by the Company's experts in accordance with industry standards. These estimates are based on BlueNord's assessment of internal information and data received from the Operator. Proven and probable oil and gas reserves include remaining volumes expected to be recovered based on reasonable assumptions about future technical, economic, fiscal, and financial conditions as of the date the estimates are prepared.



**> 3 Critical accounting estimates and judgements** continued

Key inputs include estimated commodity prices and CO<sub>2</sub> costs. A set of market price assumptions are used in these commodity price estimates whereby oil and gas prices, in real terms, are assumed flat at \$65/bbl and EUR 30/MWh (inflated at 2 percent from 2026 onwards). The CO<sub>2</sub> costs include the CO<sub>2</sub> carbon duty (Danish Government duty defined by the L. 182/2024 with proposed levels until 2030 inflated at 2 percent per annum thereafter) and the EU ETS market price (as per Bloomberg forward curve for 5 years inflated at 2 percent per annum thereafter).

	2025	2026	2027	2028	2029	2030
Brent price, real terms (\$/bbl)	65.0	65.0	65.0	65.0	65.0	65.0
Gas price, real terms (EUR/MWh)	30.0	30.0	30.0	30.0	30.0	30.0
EU ETS price, nominal (EUR/mt)	64.9	67.8	69.8	72.1	75.5	80.0
Danish carbon duty, nominal (DKK/mt)	85.2	153.3	221.4	289.6	357.8	425.9
USD:DKK	6.60	6.60	6.60	6.60	6.60	6.60
EUR:DKK	7.45	7.45	7.45	7.45	7.45	7.45
USD:EUR	0.89	0.89	0.89	0.89	0.89	0.89

Changes in commodity prices, CO<sub>2</sub> costs and other cost estimates can alter reserve estimates and, consequently, the economic cut-off, which may impact the timing of decommissioning and removal activities. Reserve estimates can also change due to updated production and reservoir information. Future changes to proven and probable oil and gas reserves can significantly affect depreciation, the life of the field, impairment of licence-related assets and operating results.

There is also an independent assessment of reserves performed by an external party. The difference between the 2P external reserves disclosed in the 'Supplementary oil and gas information' and those used for financial reporting purposes relates primarily to projects that are in the category 'justified for development' as only approved projects are included for financial reporting purposes. The reserves prepared as at 31 December 2024 form the basis for depreciation for 2025.

**d) Asset retirement obligation**

The production of oil and gas is subject to statutory requirements for decommissioning and removal obligations once production ceases. Provisions for these future decommissioning and removal expenditures must be recognised when the statutory requirement arises. These costs are often incurred in the future, and there is significant uncertainty regarding the scale and complexity of the decommissioning and removal process. Additionally, these activities require approval from the DUC Joint Venture partners and the Danish Energy Agency.

Estimated future costs are based on current costs adjusted for inflation, known decommissioning and removal technology, and the anticipated decommissioning and removal date. These costs are discounted to their present value using a risk-free rate adjusted for credit margin. Changes in one or more of these factors could result in adjustments to the decommissioning and removal liabilities. See note 22 Asset retirement obligations for further details and sensitivities and information on the Group's assumptions in note 3.2(c).

**e) Impairment of fixed assets**

The Group has at 31 December 2024 not identified any impairment indicators. Impairment indicators include internal and external factors such as change in commodity prices, production / cost estimates against actual performance, and climate-related risks impact on costs, among others. The Group has relied on its market capitalisation to arrive at an estimate of the headroom of the DUC CGU should an impairment review be required. If the market capitalisation should decrease materially below its carrying amount of equity, this could give rise to impairment trigger of the DUC CGU. For the CarbonCuts CGU, the Group has recognised a goodwill from the acquisition of CarbonCuts and due to materiality, no impairment test has been performed.

If the Group should have to estimate the recoverable amount based on estimated future cash flows, it would have to make significant judgements which could lead to significant estimation uncertainty. Estimation of future cash flows require long-term assumptions concerning a number of often volatile economic factors, including future oil and gas prices, CO<sub>2</sub> taxes, production, commercially depletable reserves, levels of capex and operational costs, currency exchange rates and discount rates. Information on the Group's assumptions are included in note 3.2 (c).

The Group has recognised a goodwill from the acquisition of CarbonCuts. CarbonCuts is in the process of exploring the possibility of establishing a safe and permanent CO<sub>2</sub> storage facility and related costs are to a large extent expensed. We note that after the acquisition, CarbonCuts' was awarded a licence to explore CO<sub>2</sub> storage possibilities onshore in Denmark and current carrying value and estimated recoverable amount of goodwill of USD 2.1 million are considered immaterial. No impairment was recognised.

See also note 1.7 Impairment of non-financial assets and note 12 Impairments related to impairment reviews and note 11 Property, plant and equipment for impairment.

**> 4 Climate risk management****4.1 Climate risk factors**

As an oil and gas company, BlueNord acknowledge the growing significance of climate-related risks on BlueNord's operations within the DUC. The regulatory landscape in which the DUC operates is evolving, with increased emphasis on reducing greenhouse gas (GHG) emissions. Denmark is committed to achieving carbon neutrality by 2050 (phasing out of oil and gas), aligning with the European Union's Green Deal and international climate agreements. BlueNord's licence in the DUC sole concession will expire in 2042.

**Notes** continued**> 4 Climate risk management** continued

The Company recognises that climate-related risks and the global transition towards a low-carbon economy presents both challenges and opportunities that could impact our financial performance, asset valuation and future strategy. As part of the risk management framework, the Company assesses climate risks under two categories:

- Transition risk – risk arising from the shift to lower carbon economy, which includes regulatory changes, market shifts and evolving stakeholder expectations.
- Physical risk – risk arising from climate change impacts which could affect BlueNord's production and infrastructure and value chain.

The Company integrates climate scenario analysis into its financial planning using frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD).

**Transition risk****Policy and regulatory changes**

Denmark has one of the most ambitious climate policies in Europe. BlueNord's oil and gas operations are subject to the EU Emission Trading System (EU ETS). The EU ETS is based on a 'cap and trade' principle whereby the cap (expressed in emissions allowances) refers to the limit set on the maximum amount of GHG emissions that can be emitted. As a non-operator and a JV partner within the DUC, BlueNord relies on the Operator (TotalEnergies) to purchase and manage EU ETS allowances for the emissions relating to BlueNord's share of the DUC operations. Although BlueNord is permitted to self-manage the purchase of its net allowances, these purchases are still to be handed over to the Operator who will manage the surrendering of allowances every September of the following year for emissions reported in the current year.

As part of the Green Tax Reform agreed in 2022, Denmark has also introduced a carbon tax (phased in from 2025 to 2030) on GHG emissions from activities covered by the EU ETS Directive. This CO<sub>2</sub> tax is calculated based on the number of emission allowances surrendered each year. The introduction of this CO<sub>2</sub> tax on offshore oil and gas production and participation in addition to the costs incurred under the EU ETS scheme will significantly increase compliance costs which directly affects operational expenses and therefore impact profitability.

Additionally, the Danish Climate Act and the North Sea Agreement may impose stricter regulatory compliance. Stricter environmental laws, such as limitations on offshore drilling, methane emissions regulations, and potential fossil fuel phase-out policies may impact the Company's asset valuation and future investment plans. This may also influence borrowing terms.

In 2024, the Net-Zero Industry Act (NZIA) was adopted by the European Parliament and Council, establishing a framework of measures for strengthening Europe's net-zero technology ecosystem. Article 23 of the Act establishes a contribution in CO<sub>2</sub> injection capacity in a storage site located in an EU member state countries for oil and gas producers in proportion to their production level over the period 1 January 2020 to 31st December 2023. While injection capacity contribution has not yet been specified by the EU Commissions, BlueNord will likely be in scope for contributing to the EU's ambition of an annual injection

capacity of 50 million tonnes of CO<sub>2</sub> by 2030. BlueNord, via its wholly-owned subsidiary CarbonCuts, is currently undergoing an exploration programme in the onshore Danish Ruby CCS licence following exploration licence award in 2024. The development of the Ruby CO<sub>2</sub> store could form part of the NZIA conformance plan for BlueNord. Until the project is declared feasible and commercially viable, project's costs are expensed to the income statement and minimal asset value is attributed to the project now. BlueNord will continue to monitor the development of the requirements under NZIA regulation such as clarity on injection contribution, to allow us to better analyse its impact on the Company going forward.

**Market demand shifts and transition to lower emissions technology**

The accelerating transition to renewable energy sources may reduce long-term demand for oil and gas, affecting our revenue forecasts and asset valuations. Denmark and the EU are shifting towards renewable energy sources, such as offshore wind, solar, and biofuels while reducing reliance on fossil fuels. This trend could reduce long-term demand for oil and gas production from the Danish North Sea, which could affect reserves and resources estimation.

The rapid advancement of carbon capture, utilisation, and storage (CCUS), green hydrogen, and offshore wind projects could accelerate the transition away from fossil fuels. Denmark's Energy Island initiative and investments in Power-to-X technology further reinforce this trend.

**Stakeholder expectations and reputational risks**

Investors, lenders and regulators are increasingly integrating Environmental, Social, and Governance (ESG) factors into financing decisions. Additionally, climate litigation risks are growing, particularly regarding environmental responsibilities under Danish and EU law.

**Mitigation actions**

- Proactive engagement with the government and regulatory bodies ensuring compliance with new climate requirements.
- Continuous assessment on emission reduction initiatives and other potential renewable projects within the DUC partnership.
- Perform internal sensitivity analysis and scenario testing, taking into account climate risk factors, at a company and project level.
- Include climate risk considerations within investment decisions and working closely within the DUC partnership to align the DUC operations with evolving policies.
- Diversifying the Company's portfolio by investing in Carbon, Capture and Storage (CCS) projects through its wholly-owned subsidiary CarbonCuts.
- Strengthening ESG disclosures to maintain investor confidence and access to sustainable financing.

**Physical risk****Acute and chronic physical risk**

Denmark sometimes unfavourable weather conditions could disrupt onshore and offshore operations, impact infrastructure integrity, and cause supply chain logistics and production downtime. Longer-term shifts in climate patterns like changing frequency of chronic heat waves or cold waves, sea level rise, and increased water stress could impact operations in Denmark and in the value chain.

**> 4 Climate risk management** continued

## Mitigating actions

- Active engagement and monitoring on Health, Safety and Environmental (HSE) related topics within the DUC operations
- Integrating sustainability consideration within project planning

**Financial impact and reporting considerations**

These climate-related risks may have financial implications across the Company's asset valuation, operational costs and other financial obligations. The Company integrates climate risk into its financial reporting and performs climate risk assessments on the below financial reporting elements:

- Production expenses on environmental liabilities (Note 6): Carbon costs are accounted for under production expenses. Changes in carbon regulations are continuously monitored to ensure compliance. There is also an option for the Company to reduce its exposure to volatile carbon prices by actively purchasing carbon allowances. This has not been exercised for the 2024 obligations where BlueNord still relies on the Operator to manage its share as part of the DUC JV partnership.
- Impairments (note 12): Climate factors are among the triggers considered during impairment testing. This includes consideration of the carbon price volatility and impact from potential introduction of new carbon regulations that could lead to higher incurred operational expenses.
- Financial income and expense (Note 13): The Company's current RBL financing terms include a link to ESG performance affecting debt pricing however the impact is considered immaterial. Other climate related risks are integrated into interest rate sensitivity analysis for the Company's debt obligations such as a potential increase in financing costs for oil and gas financing as the industry shifts towards stricter green targets. While this does not apply in the short-term due to the fixed rates on existing debt, it offers insights into potential increased interest exposure over the longer-term.
- Asset retirement obligations (Note 22): Climate factors may influence costs estimates and regulatory developments affecting decommissioning obligations. The impact on provisioning has been disclosed related to the impact of a five-year acceleration of cease of production of fields within the DUC hubs, due to low economics driven by higher climate-related costs.
- Reserves estimates (Note 3 and Supplementary Note): Denmark's commitment to achieving carbon neutrality by 2050 may have an impact on reserves estimates, driven by earlier cessation of production. For context, the DUC licence expires in 2042, and Denmark has committed to stopping oil and gas production by 2050 under the Danish North Sea Agreement (NSA). This suggests a reduced risk of early production shutdown when seen in the light of the various possible scenarios for oil and gas demand in the future as the energy transition takes place and offers greater flexibility to adjust to evolving market conditions or shifts in global energy demand. Given this, further climate risk sensitivity analysis is not considered necessary by the Company in this case. As stated earlier in note 3.2(c), changes in commodity prices, CO<sub>2</sub> costs and other cost estimates can also alter reserve estimates and, consequently, the economic cut-off, which may impact the timing of decommissioning and removal activities and as such future changes to proven and probable oil and gas reserves can significantly affect depreciation, the life of the field, impairment of licence-related assets, and operating results.

**> 5 Revenue**

USD million	2024	2023
Sale of oil	<b>507.3</b>	485.6
Sale of gas and NGL	<b>191.4</b>	306.0
Other income	<b>3.6</b>	3.5
<b>Total revenue</b>	<b>702.3</b>	795.0
Oil – lifted volumes (mmbbl)	<b>6.82</b>	7.16
<b>Effective oil price USD/bbl</b>	<b>74.4</b>	67.8
Gas – lifted volumes (mmboe)	<b>2.58</b>	2.20
Effective gas price EUR/MWh	<b>40.4</b>	75.7
<b>Effective gas price USD/boe</b>	<b>74.2</b>	139.1

In 2024 sale of oil amounted to USD 507.3 million and sale of gas amounted to USD 191.4 million, realised prices were USD 74.4 per bbl of oil and USD 74.2 per boe gas lifted during the year, adjusted for settlement of price hedges in place with financial institutions.

During 2024, BlueNord recognised the settlement of price hedges that were put in place with financial institutions in the market as revenue, when these price hedges match the physical sale of oil and gas. Price hedges in excess of actual liftings are treated as financial income or expenses based on the required accounting treatment for these instruments during the period. For the year 2024 only a minor part of the price hedges exceeded the physical sale of oil and were recognised as financial cost.

Revenue per customer	2024	2023
Shell Trading International	<b>69.4%</b>	75.8%
Ørsted Salg & Service AS	<b>18.6%</b>	17.4%
Shell Energy Europe Limited	<b>3.4%</b>	3.2%
BP Oil International	<b>9.1%</b>	–
Macquarie Bank Europe	<b>2.4%</b>	2.1%
Deutsche Bank	<b>0.3%</b>	–
BNP Paribas	<b>0.2%</b>	2.4%
ING <sup>1)</sup>	<b>-3.4%</b>	–
Natixis	–	6.4%
Crossbridge Energy A/S	–	0.2%
Lloyds Bank Corporate Markets PLC <sup>1)</sup>	–	-2.2%
SEB Skandinaviska Enskilda Banken AB <sup>1)</sup>	–	-2.3%
Commonwealth Bank <sup>1)</sup>	–	-3.0%
<b>Total revenue</b>	<b>100.0%</b>	100.0%

1) Settlement of commodity hedges in place with financial institutions.



## Notes continued

## &gt; 6 Production expenses

USD million	2024	2023
Direct field opex	<b>(200.4)</b>	(232.4)
Tariff and transportation expenses	<b>(46.3)</b>	(34.9)
Environmental costs <sup>1)</sup>	<b>(12.6)</b>	(11.8)
Production general and administrative	<b>(14.7)</b>	(16.8)
<b>Field operating cost</b>	<b>(274.1)</b>	(295.9)
Total produced volumes (mmboe)	<b>9.2</b>	9.1
In USD per boe	<b>(29.9)</b>	(32.5)
<b>Adjustments for:</b>		
Concept studies	<b>(1.2)</b>	(6.2)
Change in inventory position	<b>(1.3)</b>	(6.7)
Over/under-lift of oil and NGL	<b>(8.9)</b>	(6.3)
Insurance and other	<b>(22.6)</b>	(21.9)
Stock scrap	<b>(2.4)</b>	(3.0)
<b>Production expenses</b>	<b>(310.4)</b>	(340.1)

1) Includes cost for CO<sub>2</sub> allowances under the EU ETS scheme. See also note 4 Climate Risk Management.

Production expenses for the year directly attributable to the lifting and transportation to market of BlueNord's oil and gas production is in total USD 274.1 million, which equates to USD 29.9 per boe produced during 2024 (2023: USD 32.5 per boe produced). During 2024 BlueNord has observed that the result of conducting the 'Well & Reservoir Optimization Management' (WROM) increases the reserves which has led to the conclusion that this cost should be capitalised. This has no cash effect but has decreased the direct field opex for 2024. Due to the start-up of Tyra, transportation cost has increased compared to previous year. Due to uncertainties related to production forecast, cost is further influenced by increased penalties as gas nomination has been challenging. Penalties are imposed if actual production deviates from nominated volumes.

## &gt; 7 Exploration and evaluation expenses

USD million	2024	2023
Acquisition of seismic data, analysis and general G&G costs	<b>(5.8)</b>	–
Other exploration and evaluation expenses	<b>(0.1)</b>	(1.4)
<b>Total exploration and evaluation expenses</b>	<b>(5.9)</b>	(1.4)

## &gt; 8 Personnel expenses

USD million	Note	2024	2023
Salaries		<b>(13.0)</b>	(10.3)
Social security tax		<b>(4.0)</b>	(1.4)
Pension costs	21	<b>(0.7)</b>	(0.7)
Costs relating to share-based payments		<b>(1.6)</b>	(5.2)
Other personnel expenses		<b>(0.4)</b>	(0.4)
<b>Total personnel expenses</b>		<b>(19.7)</b>	(18.0)
Average FTE		<b>40.2</b>	36.2
Average number of employees		<b>43.3</b>	38.3

**Long-term performance share programme**

In 2022, an annual long-term performance share programme was implemented with effect from 1 January 2022, replacing the Share Option Programme as BlueNord's LTI plan for executives and employees. The programme applies to all permanent employees. More details on the long-term performance share programme see the Executive Remuneration Report for 2024.

**Key management personnel compensation**

Key management personnel compensation comprises the following:

USD 1000	2024	2023
Short-term employee benefits	<b>3,160</b>	2,239
Post-employment benefits	<b>122</b>	98
Share-based payments	<b>830</b>	787
<b>Total remuneration to key management</b>	<b>4,112</b>	3,124

Please see the Executive Remuneration Report 2024 for compensation to key management and Board of Directors in the period 2020-2024.

## &gt; 9 Other operating expenses

USD million	2024	2023
Consultant fees	<b>(8.4)</b>	(9.4)
Other operating expenses	<b>(4.0)</b>	(4.7)
<b>Total other operating expenses</b>	<b>(12.4)</b>	(14.1)
USD 1000, excl. VAT	<b>2024</b>	2023
Auditor's fees	<b>(590.4)</b>	(580.0)
Other assurance service	<b>–</b>	(6.9)
Other service	<b>(93.1)</b>	(86.1)
<b>Total audit fees</b>	<b>(683.6)</b>	(673.0)

## &gt; 10 Goodwill and intangible assets

## Goodwill and intangible assets at 31 December 2024

USD million	Capitalised exploration expenditures	Licence	Goodwill	Total
<b>Book value 31.12.23</b>	<b>1.9</b>	<b>149.7</b>	<b>–</b>	<b>151.6</b>
<b>Acquisition costs 31.12.23</b>	<b>1.9</b>	<b>186.0</b>	<b>–</b>	<b>187.9</b>
Additions	–	–	<b>2.2</b>	<b>2.2</b>
Currency translation adjustment	–	–	<b>(0.1)</b>	<b>(0.1)</b>
<b>Acquisition costs 31.12.24</b>	<b>1.9</b>	<b>186.0</b>	<b>2.1</b>	<b>190.1</b>
<b>Accumulated depreciation, amortisation and write-down 31.12.23</b>	<b>–</b>	<b>(36.3)</b>	<b>–</b>	<b>(36.3)</b>
Depreciation/amortisation	–	<b>(6.7)</b>	–	<b>(6.7)</b>
<b>Accumulated depreciation, amortisation and write-down 31.12.24</b>	<b>–</b>	<b>(43.0)</b>	<b>–</b>	<b>(43.0)</b>
<b>Book value 31.12.24</b>	<b>1.9</b>	<b>143.0</b>	<b>2.1</b>	<b>147.0</b>

## Goodwill and intangible assets at 31 December 2023

USD million	Capitalised exploration expenditures	Conceptual studies	Licence	Total
<b>Book value 31.12.22</b>	1.8	1.9	156.6	160.4
<b>Acquisition costs 31.12.22</b>	1.8	1.9	186.0	189.8
Additions	0.1	–	–	0.1
Reclassified to operating expenses	–	(1.9)	–	(1.9)
<b>Acquisition costs 31.12.23</b>	1.9	–	186.0	187.9
<b>Accumulated depreciation and write-downs 31.12.22</b>	–	–	(29.4)	(29.4)
Depreciation/amortisation	–	–	(6.9)	(6.9)
<b>Accumulated depreciation and write-downs 31.12.23</b>	–	–	(36.3)	(36.3)
<b>Book value 31.12.23</b>	1.9	–	149.7	151.6

## &gt; 11 Property, plant and equipment

## Property, plant and equipment at 31 December 2024

USD million	Asset under construction	Production facilities	Other assets	Total
<b>Book value 31.12.23</b>	<b>1,422.8</b>	<b>1,003.7</b>	<b>1.4</b>	<b>2,427.9</b>
<b>Acquisition costs 31.12.23</b>	<b>1,422.8</b>	<b>1,491.5</b>	<b>3.1</b>	<b>2,917.4</b>
Reclassification from AUC to production facilities <sup>1)</sup>	<b>(1,401.5)</b>	<b>1,401.5</b>	–	<b>0.0</b>
Additions	<b>31.3</b>	<b>185.5</b>	<b>0.1</b>	<b>216.9</b>
Acquisition of subsidiary	–	–	<b>0.0</b>	<b>0.0</b>
Sale of asset	–	<b>19.4</b>	<b>(0.0)</b>	<b>19.4</b>
Revaluation abandonment assets	–	<b>37.1</b>	–	<b>37.1</b>
Disposals	–	–	<b>(0.0)</b>	<b>(0.0)</b>
Currency translation adjustment	–	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.2)</b>
<b>Acquisition costs 31.12.24</b>	<b>52.6</b>	<b>3,135.0</b>	<b>3.1</b>	<b>3,190.7</b>
<b>Depreciation and write-downs 31.12.23</b>	<b>–</b>	<b>(487.9)</b>	<b>(1.7)</b>	<b>(489.5)</b>
Depreciation	–	<b>(127.0)</b>	<b>(0.2)</b>	<b>(127.2)</b>
Depreciation of capitalised borrowing cost	–	<b>(1.1)</b>	–	<b>(1.1)</b>
Sale of asset, reversal depreciation	–	–	<b>0.0</b>	<b>0.0</b>
Acquisition of subsidiary	–	–	<b>(0.0)</b>	<b>(0.0)</b>
Disposals	–	–	<b>0.0</b>	<b>0.0</b>
Currency translation adjustment	–	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>
<b>Depreciation and write-downs 31.12.24</b>	<b>–</b>	<b>(615.9)</b>	<b>(1.9)</b>	<b>(617.7)</b>
<b>Book value 31.12.24</b>	<b>52.6</b>	<b>2,519.1</b>	<b>1.3</b>	<b>2,573.0</b>

1) Mainly related to Tyra.

## Notes continued

## &gt; 11 Property, plant and equipment continued

## Property, plant and equipment at 31 December 2023

USD million	Asset under construction	Production facilities	Other assets	Total
<b>Book value 31.12.22</b>	1,222.3	859.6	1.4	2,083.3
<b>Acquisition costs 31.12.22</b>	1,222.3	1,252.5	3.1	2,477.9
Sale of assets	–	–	(0.0)	(0.0)
Additions	322.7	65.9	0.4	388.9
Reclassification from AUC to production facilities	(122.2)	122.2	–	–
Reclassification from capex to opex	–	1.5	–	1.5
Revaluation abandonment asset	–	49.4	–	49.4
Disposal	–	–	(0.3)	(0.3)
Currency translation adjustment	–	0.1	0.0	0.1
<b>Acquisition costs 31.12.23</b>	1,422.8	1,491.5	3.1	2,917.4
<b>Accumulated depreciation and write-downs 31.12.2022</b>	–	(392.9)	(1.7)	(394.6)
Sale of asset, reversal depreciation	–	–	0.0	0.0
Depreciation	–	(94.9)	(0.2)	(95.1)
Disposals	–	–	0.2	0.2
Currency translation adjustment	–	(0.0)	(0.0)	(0.0)
<b>Accumulated depreciation and write-downs 31.12.23</b>	–	(487.9)	(1.7)	(489.5)
<b>Book value 31.12.23</b>	1,422.8	1,003.7	1.4	2,427.9

## &gt; 12 Impairments

## Impairment reviews

See note 1.7 for the accounting policies and note 3.2 (de) for the accounting estimates / assumptions related to impairment of non-financial assets.

The Group has determined that it has two cash-generating units (CGUs): one for the DUC assets and one for CarbonCuts.

The Group believes that the market capitalisation is primarily attributable to the DC assets. No impairment triggers were identified in 2024, and therefore, no impairment tests were required to be done on the DUUC CGU.

Should the market capitalisation materially decrease below the carrying amount of equity, this could indicate potential impairment trigger of the DUC CGU. If not positive a value in use calculation will be calculated and compared to the carrying value of the CGU to determine if there is an impairment of the DUC CGU.

Although no impairment test was required due to the absence of triggers, the Group is reassured by the market capitalisation, which continues to show significant headroom as of 31 December 2024 and 2023. The market capitalisation was USD 1,532.5 million and USD 1,281.6 million on 31 December 2024 and 2023, respectively, based on the exchange rates for the US dollar and Norwegian kroner rates at those times. The carrying amount of equity, was USD 691.8 million and USD 813.6 million on December 31, 2024, and 2023, respectively.

The Group has recognised a goodwill from the acquisition of CarbonCuts. CarbonCuts is in the process of exploring the possibility of establishing a safe and permanent CO<sub>2</sub> storage facility and related costs are to a large extent expensed. We note that after the acquisition, CarbonCuts' was awarded a licence to explore CO<sub>2</sub> storage possibilities onshore in Denmark and current carrying value and estimated recoverable amount are considered immaterial and as such no impairment test was performed. The carrying value of goodwill is USD 2.1 million. No impairment was recognised.



## &gt; 13 Financial income and expenses

## Financial income

USD million	2024	2023
<b>Total interest income</b>	<b>15.8</b>	17.8
Value adjustment foreign exchange contract	<b>0.7</b>	–
Volume protection true-up	–	0.6
Extinguishment of bond loans	–	1.0
Foreign exchange gains	<b>9.5</b>	3.7
<b>Total other financial income</b>	<b>10.2</b>	5.3

## Financial expenses

USD million	2024	2023
Interest expenses current liabilities	<b>(0.5)</b>	–
Interest expense from bond loans	<b>(56.2)</b>	(44.9)
Interest expense from bank debt <sup>1)</sup>	<b>(76.8)</b>	(51.9)
Less capitalised borrowing cost	–	78.0
<b>Total interest expenses</b>	<b>(133.0)</b>	(18.9)
Value adjustment of embedded derivatives <sup>2)</sup>	<b>(32.1)</b>	(14.1)
Value adjustment interest swap RBL, ineffective part	<b>(0.1)</b>	(0.7)
Value adjustment amortised cost RBL	<b>(5.6)</b>	–
Utilisation of derivatives, ineffective part	<b>(0.7)</b>	(0.1)
Accretion expense related to asset retirement obligations	<b>(54.3)</b>	(49.3)
Extinguishment of bond loans	<b>(22.3)</b>	–
Foreign exchange losses	<b>(5.5)</b>	(12.3)
Other financial expenses	<b>(2.6)</b>	(3.0)
<b>Total other financial expenses</b>	<b>(123.2)</b>	(79.5)
<b>Net financial items</b>	<b>(230.2)</b>	(75.2)

- 1) Net of the effective part of the realised interest swap, related to RBL facility.  
2) Fair value adjustment of the embedded derivatives of the convertible bonds.  
3) Change in net present value due to amendment and restatement of the RBL.

## Climate-related risk

A sensitivity analysis has been conducted considering the impact of climate-related risks on debt financing margins. The margin on existing debt balances is fixed, so this risk relates to the potential impact of an increase in margins upon refinancing in the future. The Company has estimated the impact of a one-percentage point sensitivity increase (as a proxy of a potential shift in margins) in credit spreads on outstanding debt balances as of 31 December 2024. This analysis indicates that such an increase would result in additional interest expense of USD 60 million.

## &gt; 14 Tax

## Tax rates

Producers of oil and gas on the Danish continental shelf are subject to the hydrocarbon tax regime under which, income derived from the sale of oil and gas is taxed at an elevated 64 percent. Any income deriving from other activities than first-time sales of hydrocarbons is taxed at the ordinary corporate income rate of currently 22 percent. The 64 percent is calculated as the sum of the 'Chapter 2' tax of 25 percent plus a specific hydrocarbon tax (Chapter 3A) of 52 percent, in which the 25 percent tax payable is deductible. Income generated in Norway and the United Kingdom is subject to regular corporate tax at 22 percent.

## Tax expense

USD million	2024	2023
Income tax in profit/loss (Danish corporate income tax and hydrocarbon tax)		
Current tax	<b>(5.4)</b>	(63.3)
Solidarity contribution, current <sup>1)</sup>	–	(72.2)
Current tax, prior year <sup>2)</sup>	<b>68.1</b>	(10.1)
<b>Current tax</b>	<b>62.7</b>	(145.5)
Deferred tax	<b>(53.2)</b>	(65.8)
Solidarity contribution, deferred <sup>1)</sup>	–	70.5
Deferred tax, prior year <sup>2)</sup>	<b>(68.1)</b>	7.1
<b>Deferred tax</b>	<b>(121.4)</b>	11.8
<b>Tax (expense)/income</b>	<b>(58.7)</b>	(133.7)

- 1) The current tax accrual includes 33 percent 'solidarity contribution', the EU-regulated temporary tax to be levied on fossil fuel companies in 2023 in Denmark. As this contribution may be offset against hydrocarbon tax, the charge does not lead to an increase in the overall tax percentage applied.  
2) Mainly related to tax depreciation of Tyra II included in the tax return for 2023.

Income tax in profit/loss is solely derived from the Group's activities on the Danish continental shelf, of which the major part is subject to the elevated 64 percent hydrocarbon tax.

Tax (expense)/income related to OCI	2024	2023
Cash flow hedges	<b>67.2</b>	(47.7)
<b>Tax (expense)/income related to OCI</b>	<b>67.2</b>	(47.7)

Income tax on OCI is related to the derivatives designated in cash flow hedges. To the extent derivatives are associated with the sale of oil and gas, result from cash flow hedges is subject to 64 percent hydrocarbon tax.

## Notes continued

## &gt; 14 Tax continued

	Hydrocarbon tax 64%		Corporate tax 22%		
Reconciliation of nominal to actual tax rate	2024		2024		In total
Result before tax	67.6		(79.6)		(12.1)
Expected tax on profit before tax	43.2	64%	(17.5)	22%	25.7
Tax effect of:					
Prior year adjustment	0.5	1%	(0.4)	1%	0.1
Currency changes to tax losses carried forward in DKK <sup>1)</sup>	53.0	78%	–	0%	53.0
Investment uplift on capex projects <sup>2)</sup>	(51.3)	-76%	–	0%	(51.3)
Permanent differences <sup>3)</sup>	–	0%	7.1	-9%	7.1
Interest limitation	11.5	17%	–	0%	11.5
No recognition of tax assets in Norway and UK	–	0%	12.7	-16%	12.7
Tax expense (income) in profit/loss	56.9	84%	1.8	-2%	58.7

- 1) Impact of changes in USD/DKK exchange rate on loss carried forward as the tax losses are carried forward in DKK.  
2) The tax cost in the hydrocarbon tax regime is positively impacted by the 39 percent investment uplift on the Tyra redevelopment project.  
3) Mainly related to fair value adjustment of embedded derivatives.

	Hydrocarbon tax 64%		Corporate tax 22%		
Reconciliation of nominal to actual tax rate, continues	2023		2022		In total
Result before tax	237.2		6.3		243.6
<b>Expected tax on profit before tax</b>	151.8	64%	1.4	22%	153.2
<b>Tax effect of:</b>					
Prior year adjustment	4.2	2%	(1.3)	-20%	2.9
Currency changes to tax losses carried forward in DKK <sup>1)</sup>	(24.6)	-10%	—	0%	(24.6)
Investment uplift on capex projects <sup>2)</sup>	(42.6)	-18%	—	0%	(42.6)
Permanent differences <sup>3)</sup>	37.9	16%	3.0	48%	40.9
No recognition of tax assets in Norway and UK	—	0%	3.8	61%	3.8
<b>Tax expense (income) in profit/loss</b>	126.8	53%	7.0	110%	133.7

- 1) Impact of changes in USD/DKK exchange rate on loss carried forward as the tax losses are carried forward in DKK.  
2) The tax cost in the hydrocarbon tax regime is positively impacted by the 39 percent investment uplift on the Tyra redevelopment project.  
3) This is related to the portion of interest cost not deductible under the Danish interest limitation rules.

	Hydrocarbon tax 64%		Corporate tax 22%		
	2024		2024		In total
OCI before tax	(98.1)		(23.4)		-121.5
Expected tax on OCI before tax	62.8	64%	5.2	22%	67.9
Tax effect of:					
Non-taxable currency translation adjustment	–		-0.7		-0.7
Tax in OCI	62.8	64%	4.5	22%	67.2
	Hydrocarbon tax 64%		Corporate tax 22%		
	2023		2023		In total
OCI before tax	82.8		(22.7)		60.1
Expected tax on OCI before tax	(53.0)	64%	5.0	22%	(48.0)
Tax effect of:					
Non-taxable currency translation adjustment	–		0.3		0.3
Tax in OCI	(53.0)	64%	5.3	22%	(47.7)
Current income tax receivables/(payables)				2024	2023
Corporate tax 22% (Denmark)				(0.8)	(4.6)
Hydrocarbon tax (Denmark)				11.5	(73.7)
Hydrocarbon tax for prior years (Denmark)				(8.6)	(12.9)
Solidarity contribution				–	(48.8)
Tax receivables/(payables)				2.2	(140.0)

Current income taxes for current and prior periods are measured at the amount that is expected to be paid to or be refunded from the tax authorities, as at the balance sheet date. Due to the complexity in the legislative framework and the limited amount of guidance from relevant case law, the measurement of taxable profits within the oil and gas industry is associated with some degree of uncertainty. Uncertain tax liabilities are recognised with the probable value if their probability is more likely than not. Tax receivables of USD 2.2 million, which includes USD 11.5 million actual cash receivables to be paid in 2025 and USD 9.4 million in provision for uncertain tax positions.

## Notes continued

### > 14 Tax continued

#### Deferred tax

Deferred tax is measured at the amount that is expected to result in taxes due to temporary differences and the value of tax losses.

The recognised deferred tax asset is allocated to the following balance sheet items, all pertaining to the Group's activities on the Danish continental shelf:

USD million				
Deferred tax and deferred tax asset	31.12.2023	Effect recognised in profit/ loss	Effect recognised in OCI	31.12.2024
Property, plant and equipment	812.9	248.3	–	1,061.2
Intangible assets, licences	29.4	(14.8)	–	14.7
Inventories and receivables	33.8	(1.3)	–	32.5
Asset retirement obligation (ARO)	(623.9)	(47.1)	–	(671.1)
Other assets and liabilities	(2.9)	(2.7)	–	(5.6)
Tax loss carryforward, corporate tax (22%)	–	–	–	–
Tax loss carryforward, chapter 2 tax (25%)	(0.1)	(31.2)	–	(31.3)
Tax loss carryforward, chapter 3a tax (52%)	(467.7)	(29.7)	(62.8)	(560.2)
<b>Deferred tax asset, net</b>	<b>(218.5)</b>	<b>121.4</b>	<b>(62.8)</b>	<b>(159.8)</b>

USD million				
Deferred tax and deferred tax asset	31.12.2022	Effect recognised in profit/loss	Effect recognised in OCI	31.12.2023
Property, plant and equipment	745.9	67.0	–	812.8
Intangible assets, licenses	25.1	4.3	–	29.4
Inventories and receivables	29.3	4.6	–	33.8
Asset retirement obligation (ARO) provision	(564.5)	(59.5)	–	(623.9)
Other assets and liabilities	(2.8)	(0.1)	–	(2.9)
Tax loss carryforward, corporate tax (22%)	–	–	–	–
Tax loss carryforward, Chapter 2 tax (25%)	(0.1)	0.1	–	–
Tax loss carryforward, Chapter 3a tax (52%)	(471.9)	(28.1)	32.3	(467.7)
<b>Deferred tax asset, net</b>	<b>(239.1)</b>	<b>(11.7)</b>	<b>32.3</b>	<b>(218.5)</b>

#### Tax loss carryforwards

Tax losses are recognised in accordance with the expected utilisation hereof in subsequent income years based on the current business outlook and economic projections.

Due to the limited taxable activity in UK and Norway, corporate tax losses in these jurisdictions are not capitalised.

Tax losses in Denmark and UK under the hydrocarbon tax regime may be carried forward indefinitely and the utilisation is not subject to an annual cap. Losses are carried forward in Danish kroner and British pound.

Tax losses carried forward, Denmark. In million DKK	2024	2023
Corporate tax (22%)	–	–
Chapter 2 Hydrocarbon tax (25%)	890.7	–
Chapter 3a Hydrocarbon tax (52%)	7,488.1	5,523.2
Tax losses carried forward, Norway. In million NOK	2024	2023
Corporate tax Norway (22%)	1,208.3	1,204.2
Tax losses carried forward, UK. In million GBP/USD	2024 <sup>1)</sup>	2023
Trade losses, UK (hydrocarbon s 330 (2)), USD	78.0	78.0
Trade losses, UK (hydrocarbon), USD	100.1	100.1
Pre-trading revenue expenditure, UK (hydrocarbon), GBP	1.3	1.3
Pre-trading capital expenditure, UK (hydrocarbon), GBP	40.2	40.2

1) The amounts are based on the latest tax return for income year 2022.



## Notes continued

## &gt; 15 Earnings per share

Earnings per share are calculated by dividing the profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares in issue during the year.

USD million	2024	2023
<b>Profit (loss) attributable to ordinary shareholders from operations</b>	<b>(70.8)</b>	109.8
Adjustment amortisation convertible bond loans	<b>31.3</b>	27.0
Adjustment fair value embedded derivatives	<b>32.1</b>	14.1
<b>Profit (loss) basis for fully diluted shareholders from operations</b>	<b>(7.3)</b>	150.9
<b>Number of shares outstanding at the beginning of the year</b>	<b>26,105,328</b>	25,571,262
Issue of new share	<b>292,791</b>	–
Sale of treasury shares	<b>100,521</b>	36,641
Conversion part of convertible bond	<b>–</b>	497,425
<b>Number of shares outstanding at the end of the year</b>	<b>26,498,640</b>	26,105,328
<b>Weighted average number of shares (basic)</b>	<b>26,318,827</b>	26,043,859
Adjustment convertible bond loan <sup>1)</sup>	<b>4,803,885</b>	4,809,743
Adjustment option schemes	<b>–</b>	378,868
<b>Weighted average number of shares (diluted)</b>	<b>31,122,712</b>	31,232,470
<b>Earnings per share in USD</b>	<b>(2.7)</b>	4.2
<b>Earnings per share in USD diluted</b>	<b>(2.7)</b>	4.2

1) The BNOR15 convertible bond loan is converted to number of shares by dividing the principal amount at year end (USD 247.1 million, 2023: USD 228.4 million) with the strike price as this is less favourable (51.4 USD/share, 2023 converted by the conversion price as this was less favourable: 47.5 USD/share). The conversion price is 99 percent of the volume-weighted average price (VWAP) for the last 20 days (606.5 NOK/share, 2023: 483.1 NOK/share) converted to USD by using the closing rate at year end (11.35 NOK/USD, 2023: 10.17 NOK/USD).

## &gt; 16 Non-current receivables, trade receivables and other current assets

USD million	2024	2023
<b>Non-current assets</b>		
Convertible loan CarbonCuts	–	1.1
Loan CarbonCuts	–	2.6
<b>Total non-current receivables</b>	<b>–</b>	3.7
<b>Current assets</b>		
Trade receivables	<b>27.9</b>	59.9
Under-lift of oil/NGL	–	2.6
Prepayments	<b>9.5</b>	24.8
Other receivables	<b>1.6</b>	1.4
<b>Total trade receivables and other current receivables</b>	<b>39.0</b>	88.7

## Aging analysis of trade receivables on 31 December 2024

USD million	Total	Not past due	Past due				
			> 30 days	30-60 days	61-90 days	91-120 days	> 120 days
Trade receivables	<b>27.9</b>	<b>27.9</b>	–	–	–	–	–
Total	<b>27.9</b>	<b>27.9</b>	–	–	–	–	–

## Aging analysis of trade receivables on 31 December 2023

USD million	Total	Not past due	Past due				
			> 30 days	30-60 days	61-90 days	91-120 days	> 120 days
Trade receivables	59.9	59.9	–	–	–	–	–
Total	59.9	59.9	–	–	–	–	–

## &gt; 17 Inventories

USD million	2024	2023
Product inventory, oil	<b>13.7</b>	15.0
Other stock (spares and consumables) <sup>1)</sup>	<b>42.1</b>	39.7
<b>Total inventories</b>	<b>55.8</b>	54.7

1) As of 31 December 2024 there is no provision for obsolete stock.

## &gt; 18 Restricted bank deposits, cash and cash equivalents

USD million	2024	2023
<b>Non-current assets</b>		
Restricted bank deposits pledged as security for abandonment obligation related to Nini/Cecilie	61.5	64.3
Restricted bank deposits pledged as security for cash call obligations towards TotalEnergies <sup>1)</sup>	–	149.6
<b>Total non-current restricted bank deposits</b>	<b>61.5</b>	<b>213.9</b>
<b>Current assets</b>		
Unrestricted cash and cash equivalents	250.6	166.7
Restricted bank deposits pledged as security for cash call obligations towards TotalEnergies <sup>1)</sup>	157.2	–
Restricted bank deposits <sup>2)</sup>	0.1	0.1
<b>Total current cash and cash equivalents</b>	<b>407.9</b>	<b>166.9</b>
<b>Total bank deposits</b>	<b>469.4</b>	<b>380.7</b>

1) BlueNord has made a USD 140 million bank deposit into a security account to secure future requests for anticipated payments related to capital and operating expenditures in accordance with the security agreement with TotalEnergies E&P Denmark A/S as Operator of the DUC. No further transfer to the security account will be made, except that interest earned will be accrued in the account.

2) Tax Withholding Account.

## &gt; 19 Financial instruments

## 19.1 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.  
 Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.  
 Level 3 Inputs for the asset or liability that are not based on observable market data.

## On 31.12.2024

USD million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial assets at fair value hedging instruments</b>				
– Derivative instruments price hedge	–	14.2	–	14.2
<b>Total assets</b>	<b>–</b>	<b>14.2</b>	<b>–</b>	<b>14.2</b>
<b>Liabilities</b>				
<b>Financial liabilities at fair value through profit or loss</b>				
– Embedded derivatives convertible bond BNOR15 <sup>1</sup>	–	–	85.1	85.1
<b>Financial liabilities at fair value hedging instruments</b>				
– Derivative instruments price hedge	–	87.4	–	87.4
<b>Total liabilities</b>	<b>–</b>	<b>87.4</b>	<b>85.1</b>	<b>172.5</b>

1) For more information see section 18.2, 18.3 and note 2.3

## On 31.12.2023

USD million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
– Derivative instruments interest swap, ineffective part	–	1.2	–	1.2
<b>Financial assets at fair value hedging instruments</b>				
– Derivative instruments interest swap	–	20.4	–	20.4
– Derivative instruments price hedge	–	64.1	–	64.1
<b>Total assets</b>	<b>–</b>	<b>85.7</b>	<b>–</b>	<b>85.7</b>
<b>Liabilities</b>				
<b>Financial liabilities at fair value through profit or loss</b>				
– Embedded derivatives convertible bond BNOR15	–	–	53.0	53.0
<b>Financial liabilities at fair value hedging instruments</b>				
– Derivative instruments price hedge	–	39.2	–	39.2
<b>Total liabilities</b>	<b>–</b>	<b>39.2</b>	<b>53.0</b>	<b>92.2</b>

## Notes continued

## &gt; 19 Financial instruments continued

## 19.2 Financial instruments by category

On 31.12.24

USD million	Financial assets at amortised cost	Assets at fair value through profit or loss	Hedging instruments at fair value	Total
<b>Assets</b>				
Derivative instruments price hedge	–	–	14.2	14.2
Trade receivables and other current assets	39.0	–	–	39.0
Restricted bank deposits	218.8	–	–	218.8
Cash and cash equivalents	250.6	–	–	250.6
<b>Total</b>	<b>508.4</b>	<b>–</b>	<b>14.2</b>	<b>522.6</b>

USD million	Financial liabilities at amortised cost	Liabilities at fair value through profit or loss	Hedging instruments at fair value	Total
<b>Liabilities</b>				
Derivative instruments price hedge	–	–	87.4	87.4
Embedded derivatives convertible bond BNOR15 <sup>1)</sup>	–	85.1	–	85.1
Convertible bond loan	233.1	–	–	233.1
Senior unsecured bond loan	303.5	–	–	303.5
Reserve-based lending facility	834.3	–	–	834.3
Trade payables and other current liabilities	99.4	–	–	99.4
<b>Total</b>	<b>1,470.4</b>	<b>85.1</b>	<b>87.4</b>	<b>1,642.9</b>

1) For more information see section 18.1, 18.3 and note 2.3.

## On 31.12.23

USD million on 31.12.23	Financial assets at amortised cost	Assets at fair value through profit or loss	Hedging instruments at fair value	Total
<b>Assets</b>				
Convertible loan CarbonCuts	1.1	–	–	1.1
Loan CarbonCuts	2.6	–	–	2.6
Derivative instruments interest swap	–	–	21.6	21.6
Derivative instruments price hedge	–	–	64.1	64.1
Trade receivables and other current assets	88.7	–	–	88.7
Restricted bank deposits	214.0	–	–	214.0
Cash and cash equivalents	166.7	–	–	166.7
<b>Total</b>	<b>473.1</b>	<b>–</b>	<b>85.7</b>	<b>558.8</b>

USD million	Financial liabilities at amortised cost	Liabilities at fair value through profit or loss	Hedging instruments at fair value	Total
<b>Liabilities</b>				
Derivative instruments price hedge	–	–	39.2	39.2
Embedded derivatives convertible bond BNOR15	–	53.0	–	53.0
Convertible bond loans	201.7	–	–	201.7
Senior unsecured bond loan	169.1	–	–	169.1
Reserve-based lending facility	820.8	–	–	820.8
Trade payables and other current liabilities	125.3	–	–	125.3
<b>Total</b>	<b>1,316.9</b>	<b>53.0</b>	<b>39.2</b>	<b>1,409.1</b>

The tables below show the payment structure for the Company's financial commitments, based on undiscounted contractual payments:

31.12.24	Less than 1 year	1-2 years	2-5 years	Over 5 years	Total
<b>Non-derivative financial liabilities:</b>					
BNOR15 <sup>1)</sup>	–	–	–	–	–
BNOR16	28.5	28.5	385.5	–	442.5
Reserve-based lending facility	83.8	86.2	1,036.3	–	1,206.3
Trade creditors and other liabilities	99.4	–	–	–	99.4
<b>Derivative financial liabilities:</b>					
Derivatives <sup>1)</sup>	64.3	22.0	1.0	–	87.4
<b>Total as at 31.12.24</b>	<b>276.1</b>	<b>136.7</b>	<b>1,422.9</b>	<b>–</b>	<b>1,835.6</b>

31.12.23	Less than 1 year	1-2 years	2-5 years	Over 5 years	Total
<b>Non-derivative financial liabilities:</b>					
BNOR15 <sup>1)</sup>	–	–	–	–	–
BNOR16	–	–	175.0	–	175.0
Reserve-based lending facility	125.0	275.0	450.0	–	850.0
Trade creditors and other liabilities	125.3	–	–	–	125.3
<b>Derivative financial liabilities:</b>					
Derivatives <sup>1)</sup>	35.9	3.2	–	–	39.2
<b>Total as at 31.12.24</b>	<b>286.2</b>	<b>278.2</b>	<b>625.0</b>	<b>–</b>	<b>1,189.4</b>

1) Any redemption and repurchase of bonds are acted by BlueNord as Issuer. The Bondholders will have the right of a mandatory redemption but only in a case of a Change of Control event (which will be notified by BlueNord). In the table it is assumed that it will be no cash payments on BNOR15 and the related embedded derivative.



## Notes continued

### > 19 Financial instruments continued

#### 19.3 Financial instruments — fair values

Set out below is a comparison of the carrying amounts and fair value of financial instruments on 31 December 2024:

USD million	Total amount outstanding <sup>1)</sup>	Carrying amount	Fair value
<b>Financial assets</b>			
Derivative instruments price hedge		14.2	14.2
Trade receivables and other current assets		39.0	39.0
Restricted bank deposits		218.8	218.8
Cash and cash equivalents		250.6	250.6
<b>Total</b>		<b>522.6</b>	<b>522.6</b>
<b>Financial liabilities</b>			
Derivative instruments price hedge		87.4	87.4
Embedded derivative convertible bond BNOR15 <sup>2)</sup>		85.1	85.1
Convertible bond loans	247.1	233.1	162.0
Senior unsecured bond loan	300.0	303.5	300.0
Reserve-based lending facility	880.0	834.3	880.0
Trade payables and other current liabilities		99.4	99.4
<b>Total</b>	<b>1,427.1</b>	<b>1,642.9</b>	<b>1,613.9</b>

1) Total amount outstanding on the bonds and under the RBL facility.

2) For more information see section 19.1, 19.2 and note 2.3.

The RBL facility is measured at amortised cost. Transaction costs are deducted from the amount initially recognised and are expensed over the period during which the debt is outstanding under the effective interest method. The capital outstanding is USD 880 million on 31 December 2024.

The senior unsecured bond loan is measured at amortised cost; a total of USD 11.5 million in transaction costs are deducted from the amount initially recognised.

The BNOR15 instrument has been determined to contain embedded derivatives which are accounted for separately as derivatives at fair value through profit or loss, while the loan element subsequent to initial recognition is measured at amortised cost, transaction costs are included in the amortised cost. The embedded derivative is valued on an option valuation basis, the carrying value as on 31 December 2024 was USD 85.1 million. The assumptions in establishing the option value as on 31 December 2024 are shown below.

The following table list the inputs to the model used to calculate the fair value of the embedded derivatives:

BNOR15	2024
Valuation date	(date) <b>31 Dec 24</b>
Agreement execution date	(date) <b>30 Dec 22</b>
Par value of bonds	(USD) <b>247,067,145</b>
Reference share price at time of agreement	(NOK) <b>413</b>
Share price at 31.12.2024	(NOK) <b>657</b>
Fair value at grant date	(USD) <b>38,928,552</b>
Fair value at 31.12.2024	(USD) <b>85,139,366</b>
PIK interest rate	(%) <b>8.00%</b>
Expected remaining life	(years) <b>1.0</b>
Number of options	(#) <b>4,803,885</b>
Conversion price	(NOK) <b>537</b>
Fixed FX rate of agreement	(USD:NOK) <b>10.440</b>
Risk-free rate (based on government bonds)	(%) <b>3.87%</b>
Expected volatility	(%) <b>42.62%</b>
Model used	<b>Black – Scholes – Merton</b>

#### 19.4 Hedging

The Group actively seeks to reduce the market-related risks it is exposed to including, (i) commodity prices, (ii) market-linked floating interest rates and (iii) foreign exchange rates.

The Company has a rolling hedge requirement under its newly refinanced RBL facility based on a minimum level of production corresponding to the RBL's production forecast. The requirement is for the following volumes and time periods: (i) Oil: Year 1 at 50 percent and Year 2 at 40 percent; (ii) Gas: Season 1 at 50 percent, Season 2 at 50 percent, Season 3 at 40 percent and Season 4 at 20 percent (seasons being the ensuing six-month seasons, with a season being October to March or April to September). The Company's hedges are compliant with this requirement. Currently all the Company's commodity price hedging arrangements are a mixture of swaps and options.

The Company entered a USD 1.0 billion swap transaction with a group of banks to fix the Company's floating interest rate exposure under its RBL facility from 01 November 2021 to 30 June 2024. As a result, the Company paid interest on its RBL cash drawings equal to 0.4041 percent plus the applicable margin until the expiry of the hedge contracts. As the hedge terminated in June 2024, there were no further interest hedge in place as per 31 December 2024.

In 2024 the Company entered foreign exchange hedges to secure fixed USD to DKK exchange rates at a nominal amount of USD 71.5 million equivalent to DKK 495 million, for selected payments in relation to taxes in 2024, VAT and cash calls related to the Company's forecast cash-flows. All foreign exchange hedges entered into in 2024 have all now matured as at 31 December 2024.

**Notes** continued**> 19 Financial instruments** continued

Hedge accounting is applied to all the Company's hedging arrangements. To the extent more than 100 percent of the market-related risk is hedged, the portion above 100 percent is considered ineffective, and the value adjustment is treated as a financial item in the Income Statement. In 2024, most of the Company's arrangements in relation to commodity prices were effective, the part that exceeded the physical sale of oil was recognised as a financial cost. Time value related to commodity hedging arrangements is considered insignificant and generally the valuation of the instruments do not take into consideration the time value. During Q2 2024, the Company's interest rate hedge above the drawn amount of the RBL at the time (USD 880 million drawn against the hedged transaction value at USD 900 million) was considered ineffective and the value adjustment was treated as a financial item in the Income Statement. No part of the foreign exchange hedge was considered ineffective.

As at 31.12.2024	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	More than 12 months
<b>Commodity forward sales contracts oil:</b>						
Notional quantity (in mbbbl)	–	929.0	929.0	915.0	915.0	1,500.0
Notional amount (in USD million per bbl)	–	67.8	67.7	67.5	67.5	110.2
Average hedged sales price (in USD per bbl)	–	73.0	72.9	73.8	73.8	73.5
<b>Commodity forward sales contracts gas:</b>						
Notional quantity (in mMWh)	–	840.0	1,350.0	1,350.0	1,065.0	2,805.0
Notional amount (in EUR million per MWh)	–	36.3	49.9	49.9	38.7	96.0
Average hedged sales price (in EUR per MWh)	–	43.2	36.9	36.9	36.4	34.2
<b>Commodity zero cost collar contracts oil:</b>						
Notional quantity gas (in mbbbl)	–	135.0	135.0	60.0	60.0	1,200.0
Average hedged price – floor (in USD per bbl)	–	66.1	66.1	67.5	67.5	65.0
Average hedged price – ceiling (in USD per bbl)	–	82.7	82.7	77.4	77.4	77.4
<b>Commodity zero cost collar contracts gas:</b>						
Notional quantity gas (in mMWh)	–	285.0	240.0	240.0	300.0	1,260.0
Average hedged price – floor (in EUR per MWh)	–	36.3	34.4	34.4	35.0	31.2
Average hedged price – ceiling (in EUR per MWh)	–	56.2	49.4	49.4	54.5	45.6

**Hedge reserve movement**

The table below shows the movement in the hedge reserve from changes in the cash flow hedges.

USD million	Hedge Reserve
<b>Balance as of 01.01.2023</b>	13.9
Realised cash flow hedge on revenue	(19.7)
Realised cash flow hedge on financial items	(29.3)
Related tax – realised cash flow hedge	19.1
Changes in fair value cash flow hedge revenue	102.5
Changes in fair value cash flow hedge financial items	5.2
Related tax – changes in fair value cash flow hedge	(66.8)
<b>Balance as of 31.12.2023</b>	24.9
Realised cash flow hedge on revenue	1.6
Realised cash flow hedge on financial items	(20.2)
Related tax – realised cash flow hedge	3.1
Changes in fair value cash flow hedge revenue	(100.4)
Changes in fair value cash flow hedge financial items	0.6
Related tax – changes in fair value cash flow hedge	64.1
<b>Balance as of 31.12.2024</b>	(26.3)

**> 20 Share capital**

There is only one single class of shares in the Company and all shares have equal rights. All shares are fully paid.

**Changes in number of shares and share capital:**

	No. of shares	Share capital*
Number of shares and share capital as of 01 January 2023	25,708,424	1.7
Issue of shares	497,425	0.0
<b>Number of shares and share capital as of 31 December 2023</b>	26,205,849	1.7
Issue of shares	292,791	0.0
<b>Number of shares and share capital as of 31 December 2024</b>	26,498,640	1.7

## &gt; 20 Share capital continued

	No. of shares	Treasury share reserve*
Number of treasury shares and treasury share reserve as of 01 January 2023	(137,162)	(0.1)
Sale of treasury shares	36,641	0.0
<b>Number of treasury shares and treasury share reserve as of 31 December 2023</b>	<b>(100,521)</b>	<b>(0.1)</b>
Sale of treasury shares	<b>100,521</b>	<b>0.1</b>
<b>Number of treasury shares and treasury share reserve as of 31 December 2024</b>	<b>–</b>	<b>–</b>

\* In USD million.

**Changes in 2024**

During 2024 the Company issued 292,791 shares in relation to exercise of share options held by former members of the Board and second award of the Long-Term Incentive (LTI) programme.

The Company sold 100,521 of its own shares in relation to exercise of share options held by former members of the Board.

**Changes in 2023**

The Company received conversion notice from bondholders holding BNOR13 and BNOR15 bonds for total principal amount of USD 14.6 million in 2023, which pursuant to the bond terms are convertible into 497,425 new shares in the Company. The BNOR13 conversion in January had a conversion price of USD 28.9734, the following conversions had a conversion price of USD 51.4307 according to the new bond terms. Following such conversions, the share capital is increased with NOK 268.5/USD 32.7 thousands.

The Company sold 36,641 of its own shares during the year, of which 23,641 shares was related to first award of the Long-Term Incentive (LTI) programme. The shares price at transfer date was 475 NOK/share. In addition, 13,000 shares were sold to cover exercise of options held by former employees at strike price 160 NOK/share.

**Overview of shareholders at 31 March 2025:**

Shareholder*	Shareholding	Ownership share	Voting share
Euroclear Bank S.A./N.V.	6,872,158	25.9 %	25.9 %
Goldman Sachs International	5,123,261	19.3 %	19.3 %
The Bank of New York Mellon SA/NV	2,279,864	8.6 %	8.6 %
SOBER AS	1,850,000	7.0 %	7.0 %
J.P. Morgan Securities LLC	1,482,181	5.6 %	5.6 %
J.P. Morgan Chase Bank, N.A., London	816,890	3.1 %	3.1 %
State Street Bank and Trust Comp	787,902	3.0 %	3.0 %
Citibank, N.A.	489,581	1.8 %	1.8 %
BARCLAYS CAPITAL LUXEMBOURG SARL	450,000	1.7 %	1.7 %
UBS Switzerland AG	448,391	1.7 %	1.7 %
Shakkejord AS	417,058	1.6 %	1.6 %
J.P. Morgan SE	349,569	1.3 %	1.3 %
FINSNES INVEST AS	316,000	1.2 %	1.2 %
FJORD & ATOLL SOSYFR AS	308,070	1.2 %	1.2 %
HANASAND	292,412	1.1 %	1.1 %
VELDE HOLDING AS	245,000	0.9 %	0.9 %
ALTO HOLDING AS	244,700	0.9 %	0.9 %
CLEARSTREAM BANKING S.A.	198,115	0.7 %	0.7 %
Caceis Bank	186,695	0.7 %	0.7 %
The Bank of New York Mellon	186,210	0.7 %	0.7 %
<b>Total</b>	<b>23,344,057</b>	<b>88.1 %</b>	<b>88.1 %</b>
Other owners (ownership <0,53%)	3,154,583	11.9 %	11.9 %
<b>Total number of shares at 31 March 2025</b>	<b>26,498,640</b>	<b>100.0 %</b>	<b>100.0 %</b>

\* Nominee holder.

## &gt; 21 Post-employment benefits

**Defined contribution plan**

The Group has defined contribution plans for its employees. Pension costs related to the Company's defined contribution plan amounts to USD 684.4 thousand for 2024. For 2023, the corresponding costs were USD 732.2 thousand.

The Norwegian companies are obliged to have occupational pension in accordance with the Norwegian act related to mandatory occupational pension. All Norwegian companies meet the Norwegian requirements for mandatory occupational pension ('obligatorisk tjenestepensjon'). Correspondingly, the affiliates in Denmark and the United Kingdom comply with the requirement for mandatory occupational pension by local legislation.



## Notes continued

## &gt; 22 Asset retirement obligations

USD million	31.12.2024	31.12.2023
Balance on 01.01.	<b>1,049.0</b>	955.8
Provisions and change of estimates made during the year	<b>34.5</b>	52.6
Accretion expense	<b>54.2</b>	49.2
Incurred cost removal	<b>(15.5)</b>	(8.7)
Currency translation adjustment	<b>(0.1)</b>	0.1
<b>Total provision made for asset retirement obligations</b>	<b>1,122.1</b>	1,049.0
<b>Breakdown of short-term and long-term asset retirement obligations</b>		
Short-term	<b>11.4</b>	15.4
Long-term	<b>1,110.6</b>	1,033.7
<b>Total provision for asset retirement obligations</b>	<b>1,122.1</b>	1,049.0

See note 1.17 for the accounting policies and note 3.2 (c) for the accounting estimates / assumptions related to asset retirement obligations.

BlueNord has a legal and contractual obligation under the DUC Joint Venture (JV) partnership to decommission its oil and gas assets at the end of their useful life. The lifetime estimates are based on executing a concept for abandonment in accordance with the Petroleum Activities Act and international regulations and guidelines. The timing estimates of the abandonment provision is calculated based on the assessment of when the remaining oil and gas reserves reaches its economic cut-off. The abandonment cost is estimated by the Operator and forms the basis for the ARO calculation. The obligations are measured at net present value, assuming an inflation rate of 2.0 percent (2023: 2.0 percent) and a nominal credit-adjusted discount rate before tax of 5.0 percent (2023: 5.5 percent). The credit margin included in the discount rate is 2.1 percent (2023: 2.9 percent).

Most of the removal activities are expected to be executed many years into the future. This makes the ultimate asset retirement costs and timing highly uncertain. Costs and timing can be affected by changes in regulations, technology, estimated reserves, economic cut-off date, etc. The provision at the reporting date represents management's best estimate of the present value of the future asset retirement costs required. To note, the timing and costs have not yet been agreed within the partnership and may deviate from the licence partners' estimates.

The change in estimate during the year includes an increase of USD 69 million due to change in discount rate and a decrease of USD 15 million due to change in expected timing of close in of production from Gorm and phasing of the abandonment activities. Further, the asset retirement estimate from the Operator includes both US dollar and Danish kroner costs and as a result there is a decrease of USD 19 million due to the strengthening of USD to DKK. To date, BlueNord is not required to post any security in respect of its abandonment obligations.

As part of the overall restructuring in 2015, an agreement was reached that entails that the partners took over BlueNord's share of the Nini/Cecilie licences, however, BlueNord remains liable for the asset retirement obligation towards the licence partners. The liability related to Nini/Cecilie is capped at the escrow amount, which is currently USD 61.5 million/DKK 444.1 million.

The balance as per 31.12.2024 is USD 1,057.2 million for DUC, USD 61.5 million for Nini/Cecilie, USD 1.3 million for Lulita (non-DUC share) and USD 2.1 million for Tyra F-3 pipeline.

**Expected timing of Asset Retirement Obligation**

USD million	Un-discounted	Discounted
2025-2029	42.8	39.0
2030-2034	492.6	330.4
2035-2039	61.1	36.6
2040+ <sup>1)</sup>	1,589.1	654.6
At 31.12.2024 <sup>2)</sup>	2,185.6	1,060.6

1) The DUC licence expires in 2042.

2) Excluding Nini/Cecilie as the provision is secured through an escrow account, see note 18.

**Sensitivity analysis**

The table below shows how the asset retirement obligation for the DUC would be affected by changes in the various assumptions, given that the remaining assumptions are constant. This includes sensitivities accounting for climate risk related factors which can impact cost estimates, increase discount rate and / or accelerate the timing of abandonment due to tighter regulatory standards.

Sensitivity	ARO (\$'mm)	Change in provision
Abandonment cost estimate	1,057.5	
Abandonment cost estimate increase +40%	1,480.5	40.0%
Abandonment cost estimate increase +10%	1,163.3	10.0%
Abandonment cost estimate decrease -10%	951.8	-10.0%
Abandonment cost estimate decrease -30%	740.3	-30.0%
Discount rate +1.0%	925.4	-13.0%
Discount rate -1.0%	1,213.2	15.0%
Inflation rate +1.0%	1,210.5	15.0%
Inflation rate -1.0%	925.2	-13.0%
Cessation Of Production (by hubs) accelerated by 5 years	1,216.6	15.0%

## &gt; 23 Borrowings

## 23.1 Summary of borrowings

USD million	31.12.2024		31.12.2023	
	Principal amount	Book value	Principal amount	Book value
BNOR14 Senior Unsecured Bond <sup>1)</sup>	–	–	175.0	169.1
BNOR16 Senior Unsecured Bond <sup>2)</sup>	300.0	303.5	–	–
Reserve-based lending facility <sup>3)</sup>	880.0	834.3	725.0	695.8
<b>Total non-current debt</b>	<b>1,180.0</b>	<b>1,137.9</b>	900.0	864.9
Reserve-based lending facility <sup>3)</sup>	–	–	125.0	125.0
BNOR15 Convertible Bond <sup>4)</sup>	247.1	233.1	228.4	201.7
<b>Total current debt</b>	<b>247.1</b>	<b>233.1</b>	353.4	326.7
<b>Total borrowings</b>	<b>1,427.1</b>	<b>1,370.9</b>	1,253.4	1,191.6

Note: Book values reported on the basis of amortised cost for BNOR16 (BNOR14 called upon in June 2024), the reserve-based lending facility and the convertible bond loan element of BNOR13 and BNOR15.

- 1) As at 14 June 2024, the Company exercised the call option to redeem all of BNOR14 at 110.00131 percent (plus accrued unpaid interests on the redeemed amount) on 02 July 2024.
- 2) The Company issued a senior unsecured bond of USD 300 million 2 July 2024, with a maturity in July 2029. The bond carries an interest of 9.5 percent p.a., payable semi-annually. The BNOR16 bond has been used to redeem the BNOR14 bond and for other general corporate purposes.
- 3) The Company completed the amendment and restatement of its USD 1.1 billion reserve-based lending facility and entered into an increased reserve-based lending Facility in Q2 2024. The facility has a five and a half-year tenor with a total facility amount of USD 1.4 billion (an increase of USD 300 million), with a maximum of USD 1.15 billion available for cash drawdown by the Company. Interest is accrued on the drawn amount with an interest rate comprising the aggregate of SOFR and 4.0 percent per annum. The current capital outstanding is USD 880 million at 2024.
- 4) The Company issued a convertible bond loan of USD 207.6 million in December 2022, with a five-year tenor and a conversion to equity or cash settlement after three years (31 December 2025). BNOR15 is made up of a transfer from BNOR13 of USD 151.4 million plus additional compensation bonds of USD 56.2 million. In the same way as BNOR13, the lender was granted a right to convert the loan into new shares in the Company by way of set-off against the claim on the Company. The loan carries an interest of 8 percent p.a. on a PIK basis, with an alternative option to pay cash interest at 6 percent p.a., payable semi-annually. Conversion price of USD 51.4307 per share. In 2023, USD 0.1 million was converted into equity. No other capital movements were recorded in 2024. For more information on the bond terms see [www.bluenord.com/debt](http://www.bluenord.com/debt). BlueNord has exercised the clean up call option to redeem all of BNOR13 outstandings in accordance with the bond terms and as at January 2025, BNOR13 has been fully repaid.

## Notes continued

## &gt; 23 Borrowings continued

Movements in interest-bearing liabilities	31.12.23	Cash flows		Non-cash changes			31.12.24
		Receipts/ payments	Interest and financing cost	Conversion to shares	Move from LT to ST	Amortisation	
BNOR13 Convertible Bond	–	–	–	–	–	–	–
BNOR15 Convertible Bond	201.7	–	–	–	(233.1)	31.3	–
BNOR16 Senior Unsecured Bond	–	300.0	(11.5)	–	–	15.1	<b>303.5</b>
BNOR14 Senior Unsecured Bond	169.1	(175.0)	(25.4)	22.3	–	9.0	–
Reserve-based lending facility <sup>1)</sup>	695.8	30.0	(96.8)	–	125.0	80.4	<b>834.3</b>
<b>Total movement non-current interest-bearing liabilities</b>	<b>1,066.6</b>	<b>155.0</b>	<b>(133.7)</b>	<b>22.3</b>	<b>(108.1)</b>	<b>135.8</b>	<b>1,137.9</b>
Reserve-based lending facility	125.0	–	–	–	(125.0)	–	–
BNOR15 Convertible Bond	–	–	–	–	233.1	–	<b>233.1</b>
<b>Total movement in current interest-bearing liabilities</b>	<b>125.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>108.1</b>	<b>–</b>	<b>233.1</b>
<b>Total movement in interest-bearing liabilities</b>	<b>1,191.6</b>	<b>155.0</b>	<b>(133.7)</b>	<b>22.3</b>	<b>–</b>	<b>135.8</b>	<b>1,370.9</b>

1) The cash outflow from interest and financing cost of USD 96.8 million (2023: USD 37.9 million) and the change in amortisation of USD 80.4 million (2023: USD 44.6 million) on the reserve-based lending facility is net of realised gain on interest swap of USD 21.3 million (2023: USD 46.4 million).

Movements in interest-bearing liabilities	31.12.22	Cash flows		Non-cash changes			31.12.23
		Receipts/ payments	Interest and financing cost	Conversion to shares	Conversion BNOR15	Amortisation	
BNOR13 Convertible Bond	13.1	–	–	(13.2)	–	0.1	(0.0)
BNOR15 Convertible Bond	175.7	–	–	(0.1)	–	26.2	201.7
BNOR14 Senior Unsecured Bond	166.9	–	(15.8)	–	–	17.9	169.1
Reserve-based lending facility <sup>1)</sup>	764.0	50.0	(37.9)	–	(125.0)	44.6	695.8
<b>Total movement non-current interest-bearing liabilities</b>	<b>1,119.6</b>	<b>50.0</b>	<b>(53.6)</b>	<b>(13.3)</b>	<b>(125.0)</b>	<b>88.9</b>	<b>1,066.6</b>
Reserve-based lending facility	–	–	–	–	125.0	–	125.0
Deferred Consideration	25.0	(25.0)	–	–	–	–	–
<b>Total movement current interest-bearing liabilities</b>	<b>25.0</b>	<b>(25.0)</b>	<b>–</b>	<b>–</b>	<b>125.0</b>	<b>–</b>	<b>125.0</b>
<b>Total movement in interest-bearing liabilities</b>	<b>1,144.6</b>	<b>25.0</b>	<b>(53.6)</b>	<b>(13.3)</b>	<b>–</b>	<b>88.9</b>	<b>1,191.6</b>



> 23 Borrowings continued

23.2 Details on borrowing

Details on borrowings outstanding on 31 December 2024

Reserve-based lending facility

In June 2024, BlueNord amended and extended its existing senior secured reserve-based credit facility to commit to a five-and-a-half-year senior reserve-based credit facility of USD 1.4 billion. The facility is a reserve-based credit facility secured against certain cash flows generated by the Group. The amount available under the facility is recalculated every six months based upon the calculated cash flow generated by certain producing fields and fields under development at an oil price and economic assumptions agreed with the banking syndicate providing the facility. The facility is secured by a pledge over the shares of certain Group companies, a pledge over the Company's working interest in its share of the DUC licence and security over insurances, hedging contracts, project accounts, intercompany loans and material contracts. The pledged assets on 31 December 2024 amounted to USD 1,362 million and represented the carrying value of the pledge of the Group companies whose shares are pledged as described in the section 5 below (Assets pledged as security for interest-bearing debt).

*Pledge value: carrying value of shares held in Altinex AS, BlueNord Denmark A/S, BlueNord Energy Denmark A/S, BlueNord Gas Denmark A/S by BlueNord ASA.*

BNOR15

In December 2022, BlueNord launched an exchange offer for the BNOR13 bondholders in exchange for a new subordinated convertible bond of USD 208 million, with revised terms and a later and more flexible conversion date in 2025. The majority of the BNOR13 convertible was transferred into the BNOR15 convertible. The Company issued a total of 207,641,201 new BNOR15 bonds, each with a nominal value of USD 1. The BNOR13 bond has been fully repaid in January 2025. The BNOR15 bond terms mirror the amendments of the previous BNOR13 bond except that inter alia a tap issue mechanism has been included. Interest is at 8 percent p.a. on a PIK basis, with an alternative option to pay cash interest at 6 percent p.a., payable semi-annually.

BNOR16

In July 2024, BlueNord successfully completed the issue of a USD 300 million unsecured bond. The proceeds have been used to redeem the previous BNOR14 bond and also utilised for general corporate purposes. The bond carries an interest of 9.5 percent p.a., payable semi-annually, with a five-year tenor.

23.3 Covenants

Covenants relating to interest bearing debt

Reserve-based lending facility

The reserve-based credit facility constitutes senior debt of the Company and is secured on a first priority basis against certain of the Company's subsidiaries and their assets. The reserve-based credit facility agreement contains a financial covenant that the ratio of Net Debt to EBITDAX (earnings before interest, tax, depreciation, amortisation and exploration) shall be less than 3.0:1.0. Each test is carried out on the audited full year financial statements of BlueNord ASA. BlueNord must also demonstrate minimum liquidity on a look forward basis of USD 50 million during the relevant period, which is the latest of completion of the Tyra redevelopment project and following 12-month period. The agreement also includes special covenants which, among other, restrict the Company from taking on additional secured debt, provide parameters for minimum and maximum hedging requirements and restrict declaration of dividends or other distributions. BlueNord has been in compliance with all covenants requirements during 2023 and 2024 and at 31 December 2024.

BNOR16

The USD 300 million unsecured bond contains a financial covenant that the ratio of net debt to EBITDAX (earnings before interest, tax, depreciation, amortisation, and exploration) shall be less than 3.0:1.0. There is also a minimum liquidity covenant requirement of USD 50 million unrestricted cash, bank deposits and cash equivalents. BlueNord is in compliance with the covenants at the end of 2024.

23.4 Payment structure

Payment structure (USD million) at 31.12.2024:

Year	BNOR15 <sup>1)</sup>	BNOR16	RBL Facility	Total
2025	—	—	—	—
2026	—	—	—	—
2027	—	—	223.0	223.0
2028	—	—	328.5	328.5
2029	—	300.0	328.5	628.5
<b>Total</b>	<b>—</b>	<b>300.0</b>	<b>880.0</b>	<b>1,180.0</b>

1) Any redemption and repurchase of bonds are acted by BlueNord as Issuer. The Bondholders will have the right of a mandatory redemption but only in a case of a Change of Control event (which will be notified by BlueNord). In the table it is assumed that it will be no cash payments on BNOR15.

## Notes continued

## &gt; 23 Borrowings continued

## Interest payments (USD million) at 31.12.2024:

Year	BNOR16 <sup>1)</sup>	RBL Facility <sup>2)</sup>	Total
<b>Interest rate<sup>3)</sup></b>	<b>9.5%</b>	<b>SOFR**</b>	
2025	28.5	83.8	112.3
2026	28.5	86.2	114.7
2027	28.5	80.4	108.9
2028	28.5	53.3	81.8
2029	28.5	22.6	51.1
<b>Total</b>	<b>142.5</b>	<b>326.3</b>	<b>468.8</b>

1) BNOR16 carries an interest rate of 9.50 per annum, payable semi-annually.

2) RBL interest payment include drawn, undrawn and letter of credit utilisation fees. There are no active interest rate hedges to date.

3) BNOR15 carries an interest charge of: (i) 6 percent per annum in cash, payable semi-annually, or; (ii) 8 percent per annum payment in kind ('PIK') cumulative interest, rolled up semi-annually, to add to BNOR15 capital on conversion at expiry of the bond. Currently the Company has elected the PIK interest of 8 percent and is therefore forecasting no cash interest payments on BNOR15 in the above table.

See also note 19.2 Financial Instruments by Category for payment structure that includes all financial liabilities.

## 23.5 Assets pledged as security for interest-bearing debt

## Net book value in the separate financial statements of assets pledged as securities

The Group has the following pledged assets for the Reserve-Based Lending facility:

USD million	2024	2023
BlueNord ASA shares in Altinex AS	<b>398.5</b>	396.8
Altinex AS shares in BlueNord Energy 8/06 Denmark B.V and other companies	<b>614.7</b>	614.7
Loans from Parent to subsidiaries	<b>348.6</b>	343.2
<b>Total net book value</b>	<b>1,361.8</b>	1,354.7

## &gt; 24 Trade payables and other payables

USD million	2024	2023
Trade payable	<b>4.4</b>	17.5
Liabilities to operators relating to joint venture licences	<b>31.1</b>	70.9
Over-lift of oil/NGL	<b>6.3</b>	–
Accrued interest	<b>3.4</b>	1.3
Salary accruals	<b>2.3</b>	2.4
Public duties payable	<b>33.7</b>	12.8
Other current liabilities	<b>18.2</b>	20.3
<b>Total trade payables and other current liabilities</b>	<b>99.4</b>	125.3

## Trade and other payables held in currency

USD million	2024	2023
USD	<b>51.7</b>	40.2
DKK	<b>29.8</b>	70.3
EUR	<b>16.0</b>	12.3
GBP	<b>0.7</b>	0.8
NOK	<b>1.2</b>	1.7
<b>Total</b>	<b>99.4</b>	125.3

## &gt; 25 Guarantees

## Overview of issued guarantees on 31 December 2024

The parent company of the Group, BlueNord ASA ('BlueNord'), has issued a parent company guarantee to the Danish Ministry of Climate, Energy and Utilities on behalf of its subsidiary BlueNord Energy Denmark A/S, BlueNord Gas Denmark A/S and CarbonCuts A/S.

The Company has provided a parent company guarantee to the Danish Ministry of Climate, Energy and Utilities related to the Group's activities on the Danish continental shelf, including BlueNord's participation in the Tyra West Pipeline and the Lulita licence. The Company has also provided a parent company guarantee towards the lenders in relation to the Company's USD 1.4 billion reserve-based lending facility and customary obligations/guarantees under joint operating agreements. BlueNord has also provided a parent company guarantee to Shell Energy Europe Limited in relation to its subsidiary BlueNord Energy Denmark A/S's obligations under a gas offtake and transportation agreement capped at EUR 30 mill.

Furthermore, the Company has provided a parent company guarantee to Total E&P Denmark A/S for its obligations under the JOA together with a guarantee from Shell. BlueNord has provided standby letters of credit of USD 100 million, issued under the LC tranche of the USD 1.4 billion RBL facility for the benefit of Shell in connection with this guarantee.

> **25 Guarantees** continued

In relation to BlueNord's historic operations in the UK North Sea, the Company has issued a parent company guarantee on behalf of its subsidiaries BlueNord UK Ltd and BlueNord Energy UK Limited.

On 31 December 2012, BlueNord issued a parent company guarantee on behalf of its subsidiary Noreco Norway AS. BlueNord guarantees that, if any amounts become payable by Noreco Norway AS to the Norwegian Secretary of State under the terms of the licences and the company does not repay those amounts on first demand, BlueNord shall pay to the Norwegian Secretary of State on demand an amount equal to all such amounts. Noreco Norway AS was liquidated in 2018, however as per 31 December 2024, the guarantee has not been withdrawn.

> **26 Investments in jointly-owned assets**

Investments in jointly own assets are included in the accounts by recognising the Group's share of the assets, liabilities, revenues and expenses related to the joint operation.

The Group holds the following licence equities on 31 December 2024:

Licence	Field	Country	Ownership share
DUC	DUC	Denmark	36.8%
1/90	Lulita Part	Denmark	20.0%
7/86	Lulita Part	Denmark	20.0%
8/06B		Denmark	36.8%

> **27 Contingencies and commitments**

**Financial commitments**

As a partner in the DUC, the Company has commitment to fund its proportional share of the budget and work programmes of the DUC. In December each year, the operating budget (which includes operating expenditures, capital expenditure related to production, exploration, and abandonment) for the following year is agreed amongst the DUC partners. For the coming four years, the average operating budget for BlueNord is expected to be around USD 290 million per year. Capital and abandonment expenditure for individual projects are approved separately.

BlueNord's capital commitments are related to the drilling of one infill well on Halfdan, with a gross DUC budget of DKK 388 million.

The DUC is obliged to use the specially constructed oil trunk line, pumps and terminal facilities and to contribute to the construction and financing costs thereof as a result of an agreement entered into with the Danish government. This obligation is approximately USD 21 million per year (2024: USD 20 million) BlueNord share.

In addition to the above and in order to obtain the consent of TotalEnergies EP Danmark A/S to the acquisition, BlueNord Energy Denmark A/S agreed to deposit cash in a secured cash call security account in favour of TotalEnergies EP Danmark A/S (the concessionaire in respect of the Sole Concession). On 31 December 2024, the escrow account was USD 157 million. As a result of the Tyra redevelopment project being completed the cash call security amount has in January 2025 reduced to USD 100 million and can, on certain terms and conditions, be replaced with a letter of credit or other type of security.

**Contingent liabilities**

In relation to the Nini and Cecilie fields, BlueNord was in 2015 prevented from making payments for its share of production costs and was consequently in breach of the licence agreements. In accordance with the JOAs, the Nini and Cecilie licences were forfeited and the licences were taken over by the partners, whereas the debt remained with BlueNord, but the liability is in any and all circumstances limited to a maximum amount equal to the restricted cash account of USD 61.5 million (DKK 441.3 million), adjusted for interest. The total provision made for the asset retirement obligations reflects this.

The Company has received a claim regarding the level of Ørsted pipeline tariffs charged since 2013. As the relevant authority (Forsyningstilsynet) is currently reassessing their view, BlueNord believes that there is no basis for this claim prior to a new ruling setting the appropriate level of these tariffs. Given the outcome of this and any consequent liability is not yet known, the Company has not recognised a provision for this claim.

During the normal course of its business, the Company may be involved in disputes, including tax disputes. The Company has not made accruals for possible liabilities related to litigation and claims based on management's best judgement.

BlueNord has unlimited liability for damage in relation to its participation in the DUC. The Company has insured its pro rata liability in line with standard market practice.

Apart from the issues discussed above, the Group is not involved in claims from public authorities, legal claims or arbitrations that could have a significant negative impact on the Company's financial position or results.

> **28 Related party transactions**

Other than fees to Directors of the Board the Group did not have any transactions with related parties during 2024.

> **29 Subsequent events**

There are no events with significant accounting impacts that have occurred between the end of the reporting period and the date of this report.



## Income Statement of BlueNord ASA (Parent Company) for the year ended 31 December

USD million	Note	2024	2023
<b>Total revenues</b>	2, 13	<b>3.4</b>	3.7
Personnel expenses	9, 13	<b>(8.4)</b>	(5.8)
Other operating expenses	12, 13	<b>(5.3)</b>	(3.5)
<b>Total operating expenses</b>		<b>(13.7)</b>	(9.3)
<b>Operating result before depreciation, amortisation and impairment (EBITDA)</b>		<b>(10.2)</b>	(5.6)
Depreciation, amortisation and impairment		<b>(0.0)</b>	(0.1)
<b>Net operating result (EBIT)</b>		<b>(10.3)</b>	(5.7)
Reversal of financial assets	10	<b>–</b>	0.5
Interests received from Group companies		<b>36.3</b>	34.7
Interest income		<b>3.4</b>	1.2
Foreign exchange gains		<b>0.3</b>	2.0
<b>Total financial income</b>		<b>40.0</b>	38.4
Extinguishment of bond loans	5	<b>(22.3)</b>	(1.7)
Amortised cost from bond loans		<b>(44.5)</b>	(36.5)
Interest expenses current liabilities		<b>(0.0)</b>	(0.0)
Issue of compensation bonds		<b>–</b>	(0.0)
Foreign exchange losses		<b>(10.9)</b>	(1.7)
Impairment of financial assets	10	<b>(1.3)</b>	(0.5)
Other financial expenses		<b>(0.0)</b>	(2.7)
<b>Total financial expenses</b>		<b>(79.0)</b>	(43.1)
<b>Net financial items</b>		<b>(38.9)</b>	(4.7)
<b>Result before tax (EBT)</b>		<b>(49.2)</b>	(10.4)
Tax	11	<b>–</b>	–
<b>Net result for the year</b>		<b>(49.2)</b>	(10.4)
<b>Appropriation:</b>			
Allocated to/(from) other equity		<b>(49.2)</b>	(10.4)
<b>Total appropriation</b>		<b>(49.2)</b>	(10.4)

**Balance Sheet for BlueNord ASA**  
(Parent Company) for the year ended 31 December

USD million	Note	31.12.24	31.12.23 <sup>1)</sup>	01.01.2023 <sup>1)</sup>
<b>ASSETS</b>				
<b>Non-current assets</b>				
<b>Financial non-current assets</b>				
Investment in subsidiaries	3	<b>398.5</b>	396.8	393.5
Loan to Group companies	10	<b>348.6</b>	342.1	311.0
Restricted bank deposits	4	<b>61.5</b>	64.3	61.1
Machinery and equipment		<b>0.1</b>	0.0	0.1
Other non-current assets		<b>0.0</b>	0.0	0.0
<b>Total non-current assets</b>		<b>808.7</b>	803.2	765.7
<b>Current assets</b>				
Trade receivables		<b>–</b>	0.0	0.0
Other current receivables		<b>1.8</b>	0.3	0.7
<b>Total current receivables</b>		<b>1.8</b>	0.3	0.7
<b>Financial current assets</b>				
Restricted bank deposits		<b>0.1</b>	0.1	0.1
Cash and cash equivalents		<b>89.8</b>	0.3	6.0
<b>Total financial current assets</b>		<b>89.9</b>	0.5	6.1
<b>Total current assets</b>		<b>91.7</b>	0.8	6.9
<b>Total assets</b>		<b>900.4</b>	804.0	772.5

USD million	Note	<b>31.12.24</b>	31.12.23	01.01.2023 <sup>1)</sup>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<b>Paid-in equity</b>				
Share capital		<b>1.7</b>	1.7	1.7
Share premium fund		<b>787.2</b>	782.9	768.4
Treasury share reserve		<b>(0.0)</b>	(0.1)	(0.1)
<b>Total paid-in capital</b>		<b>788.9</b>	784.5	769.9
<b>Retained earnings</b>				
Other equity		<b>(442.0)</b>	(395.6)	(390.7)
<b>Total retained earnings</b>		<b>(442.0)</b>	(395.6)	(390.7)
<b>Total equity</b>	7	<b>346.9</b>	388.9	379.2
<b>Non-current liabilities</b>				
Bond loan	5	<b>303.5</b>	169.1	166.9
Other non-current liabilities		<b>0.0</b>	-	-
<b>Total non-current liabilities</b>		<b>303.5</b>	169.1	166.9
<b>Current liabilities</b>				
Convertible bond loans	5	<b>248.0</b>	228.4	223.2
Trade payables		<b>0.8</b>	16.1	1.6
Other current liabilities		<b>1.1</b>	1.4	1.7
<b>Total current liabilities</b>		<b>249.9</b>	246.0	226.4
<b>Total liabilities</b>		<b>553.4</b>	415.1	393.3
<b>Total equity and liabilities</b>		<b>900.4</b>	804.0	772.5

1) The convertible bond loan has been reclassified to current liabilities with retrospective effect. For more details, refer to Note 1. Accounting principles.

**Oslo**  
**8 April 2025**

**Glen Ole Rødland**  
Executive Chair

**Tone Kristin Omsted**  
Board member

**Marianne Lie**  
Board member

**Robert J. McGuire**  
Board member

**Peter Coleman**  
Board member

**Kristin Færøvik**  
Board member

**João Saraiva e Silva**  
Board member

**Euan Shirlaw**  
Chief Executive Officer

## Cash Flow for BlueNord ASA (Parent Company) for the year ended 31 December

USD million	Note	2024	2023
Net result for the period		<b>(49.2)</b>	(10.4)
<b>Adjustments for:</b>			
Depreciation/impairment	10	<b>0.0</b>	0.1
Share-based payments expenses		<b>(0.1)</b>	1.9
Net financial cost/(income)		<b>38.9</b>	4.7
Interest received		<b>2.3</b>	0.1
Other financial items paid		<b>(0.0)</b>	(0.0)
<b>Changes in:</b>			
Other receivables		<b>(15.7)</b>	14.6
Prepayments		<b>(0.5)</b>	0.0
Other current balance sheet items		<b>(0.0)</b>	(0.6)
<b>Net cash flow from operating activities</b>		<b>(25.3)</b>	10.6
<b>Cash flows from investing activities</b>			
Loans to Group companies		<b>21.8</b>	(0.7)
Investment in furniture, equipment and machinery		<b>(0.1)</b>	(0.0)
<b>Net cash flow from investing activities</b>		<b>21.7</b>	(0.7)
<b>Cash flows from financing activities</b>			
Drawdown long-term liability	5	<b>300.0</b>	–
Repayment long-term liability	5	<b>(192.5)</b>	–
Sale of shares	7	<b>1.5</b>	0.2
Issue of shares	7	<b>4.2</b>	–
Interest and financing costs		<b>(20.2)</b>	(15.8)
<b>Net cash flow from (used) in financing activities</b>		<b>93.0</b>	(15.5)
Net change in cash and cash equivalents		<b>89.4</b>	(5.7)
Cash and cash equivalents at the beginning of the period		<b>0.3</b>	6.0
<b>Cash and cash equivalents at end of the year</b>		<b>89.8</b>	0.3



## Notes

### > 1 Accounting Principles

BlueNord ASA is a public limited liability company registered in Norway, with headquarters in Oslo (Nedre Vollgate 3, 0158 Oslo).

The annual accounts for BlueNord ASA ('BlueNord' or the 'Company') have been prepared in compliance with the Norwegian Accounting Act ('Accounting Act') and accounting principles generally accepted in Norway ('NGAAP') as of 31 December 2024.

The Company is listed on the Oslo Stock Exchange under the ticker 'BNOR'. The financial statements for 2024 were approved by the Board of Directors on 8 April 2025 and will be presented for approval at the Annual General Meeting on 14 May 2025.

#### Going concern

The Board of Directors confirm that the financial statements have been prepared under the presumption of going concern, and that this is the basis for the preparation of these financial statements. The financial solidity and the Company's working capital and cash position are considered satisfactory in regards of the planned activity level for the next twelve months.

#### Basis of preparation

The financial statements are prepared on the historical cost basis. The subtotals and totals in some of the tables may not equal the sum of the amounts shown due to rounding.

#### Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the Company's accounting principles also require management to apply judgement. Areas, which to a great extent contain such judgements, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

#### Revenues

Income from sale of services is recognised at fair value of the consideration, net after deduction of VAT. Services is recognised in proportion to the work performed.

#### Classification of balance sheet items

Assets intended for long-term ownership or use have been classified as fixed assets. Receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on non-current liabilities and non-current receivables are classified as current liabilities and assets. For interest-bearing debt where the Company is required to be in compliance with financial covenants, the loans are classified as current liabilities if BlueNord is in breach with the covenants to that extent that the loan would be payable on the demand of the creditor. If a waiver is agreed with the creditor prior to approval of these financial statements, the classification is carried forward in accordance with the payment schedule of the initial borrowing agreement.

Effective January 1, 2024, amendments to IAS 1 Presentation of Financial Statements have resulted in the reclassification of the convertible bond loan as a current liability.

BlueNord has a bond loan that comprises a financial liability and an option granted to the holders to convert the bond into shares of the Company at any time before maturity.

BlueNord interpreted the previous IAS 1 that the holders' option to convert at any time did not affect the classification, and the bond loan was classified as non-current as long as it was more than twelve months to maturity.

The amended IAS 1 clarified that transfer of a company's shares is a form of settlement and when a company classifies the host liability as current or non-current, it can ignore only those conversion options that are recognised as equity. As the Company does not have the right to defer settlement for at least twelve months from the reporting dates, the host liability is reclassified as current. To be consistent with the classification of convertible bond loan as current liability in the Consolidated Statements, BlueNord has applied the same classification principle for their Statutory Accounts.

Except for the amendments to IAS 1 mentioned above, there were no material changes in accounting policies in 2024.

#### Investments in subsidiaries

For investments in subsidiaries, the cost method is applied. The cost price is increased when funds are added through capital increases or when Group contributions are made to subsidiaries. Dividends received are initially taken as income. Dividends exceeding the portion of retained profit after the acquisition are reflected as a reduction to book value.

Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount.

#### Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of non-current assets at which independent cash flows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost of disposal and the recoverable amount.

Previous impairment charges are reversed in later periods if the conditions causing the write-down are no longer present.

**Notes** continued**> 1 Accounting Principles** continued**Foreign currencies**

The functional currency and the presentation currency of the Company is US dollars (USD).

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as other financial income and other financial expenses.

**Interest-bearing bond loans, convertible bond loans and other debt to financial institutions**

Interest-bearing bond loans, convertible bond loans and borrowings are initially recognised at fair value, net of transaction costs incurred, and the conversion option is not separated. Subsequently, loans and borrowings are measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognised either in interest income and other financial items or in interest and other finance expenses within net financial items. Financial liabilities are presented as current if the liabilities are due to be settled within 12 months after the balance sheet date, or if they are held for the purpose of being traded.

**Other liabilities**

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

**Taxes**

The tax in the income statement includes payable taxes for the period, refundable tax and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry forward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been offset. Deferred tax and tax benefits which may be shown in the balance sheet are presented net. Net deferred tax assets are not recognised due to uncertainty about future taxable profits.

Tax reduction on Group contributions given and tax on Group contribution received, recorded as a reduction of cost price or taken directly to equity, are recorded directly against tax in the balance sheet (offset against payable taxes if the Group contribution has affected payable taxes, and offset against deferred taxes if the Group contribution has affected deferred taxes).

Deferred tax is reflected at nominal value.

**Cash flow statement**

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other current investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

**Share-based payments**

The Company operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options and shares) of the Company. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense with a corresponding amount recognised to equity. The total amount to be expensed is determined by reference to the fair value of the options and shares granted:

Fair value:

- including any market performance conditions; and
- excludes the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options and shares that are expected to vest. The total expense is recognised over the vesting period (which is the period over which all of the specified vesting conditions are to be satisfied). At the end of each reporting period, the Group revises its estimates of the number of options and shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium. The social security contributions payable in connection with the grant of the share options and shares are considered an integral part of the grant itself, and the charge will be treated as a cash-settled transaction.

**> 2 Revenue**

USD million	2024	2023
Management fee subsidiaries	3.4	3.7
<b>Total revenue</b>	<b>3.4</b>	<b>3.7</b>

**> 3 Investments in subsidiaries**

Investments in subsidiaries are booked according to the cost method.

USD million Subsidiaries	Location	Ownership/ voting right	Equity 31 Dec	Net Result	Book value
Altinex AS	Oslo	100%	290.5	3.2	398.5
BlueNord UK Ltd	Great Britain	100%	(2.5)	(0.4)	–
BlueNord AS	Oslo	100%	0.0	(0.0)	–
<b>Book value 31.12.24</b>					<b>398.5</b>

The impairment test as of 31.12.2024 justifies the overall value of Altinex and its subsidiaries.

**> 4 Restricted bank deposits**

USD million	2024	2023
Restricted bank deposits pledged as security for abandonment obligation related to Nini/Cecilie <sup>1)</sup>	61.5	64.3
Other restricted bank deposits <sup>2)</sup>	0.1	0.1
<b>Total restricted bank deposits</b>	<b>61.6</b>	<b>64.4</b>

1) In connection to the asset retirement obligation of USD 61.5 million (DKK 441.3 million) in the Group Company BlueNord Energy Denmark.

2) Tax Withholding Account.

**> 5 Borrowings****5.1 Summary of borrowings**

USD million	2024	2023
<b>Non-Current Debt</b>		
BNOR14 Senior Unsecured Bond	–	169.1
BNOR16 Senior Unsecured Bond	303.5	–
<b>Total non-current bonds</b>	<b>303.5</b>	<b>169.1</b>
<b>Current Debt</b>		
BNOR15 Convertible Bond	248.0	228.4
<b>Total current debt</b>	<b>248.0</b>	<b>228.4</b>
<b>Total borrowings</b>	<b>551.5</b>	<b>397.5</b>

**Details on borrowings outstanding on 31 December 2024****BNOR15**

The Company issued a convertible bond loan of USD 207.6 million in December 2022, with a five-year tenor and a conversion to equity or cash settlement after three years (31 December 2025). BNOR15 made up of a transfer from BNOR13 of USD 151.4 million plus additional compensation bonds of USD 56.2 million. In the same way as BNOR13, the lender was granted a right to convert the loan into new shares in the Company by way of set-off against the claim on the Company. The loan carries an interest of 8 percent p.a. on a PIK basis, with an alternative option to pay cash interest at 6 percent p.a., payable semi-annually. Conversion price of USD 51.4307 per share. In 2023, USD 0.1 million was converted into equity. No other capital movements were recorded in 2024. BlueNord has exercised the clean up call option to redeem all of BNOR13 outstandings in accordance with the bond terms and as at January 2025, BNOR13 has been fully repaid.

**BNOR14**

As of 14 June 2024, the Company exercised the call option to redeem all of BNOR14 at 110.00131 percent (plus accrued unpaid interests on the redeemed amount) on 02 July 2024.

**BNOR16**

The Company issued a senior unsecured bond of USD 300 million 2 July 2024, with a maturity in July 2029. The bond carries an interest of 9.5 percent p.a., payable semi-annually. The BNOR16 bond has been used to redeem the BNOR14 bond and for other general corporate purposes.

**5.2 Covenants****Reserve based lending facility**

The reserve-based credit facility constitutes senior debt of the Company and is secured on a first priority basis against certain of the Company's subsidiaries and their assets. The reserve-based credit facility agreement contains a financial covenant that the ratio of net debt to EBITDAX (earnings before interest, tax, depreciation, amortisation and exploration) shall be less than 3.0:1.0. Each test is carried out on the audited full year financial statements of BlueNord ASA. BlueNord must also demonstrate minimum liquidity on a look forward basis of USD 50 million during the relevant period, which is the latest of completion of the Tyra redevelopment project and following 12-month period. The agreement also includes special covenants which, among other, restrict the Company from taking on additional secured debt, provide parameters for minimum and maximum hedging requirements and restrict declaration of dividends or other distributions. BlueNord was in compliance with these covenants at the end of 2024.

**BNOR16**

The USD 300 million unsecured bond contains a financial covenant that the ratio of Net Debt to EBITDAX (earnings before interest, tax, depreciation, amortisation and exploration) shall be less than 3.0:1.0. There is also a minimum liquidity covenant requirement of USD 50 million unrestricted cash, bank deposits and cash equivalents. BlueNord has been in compliance with all covenant requirements during 2023 and 2024 and at 31 December 2024.



**Notes** continued**> 5 Borrowings** continued**5.3 Payment structure**

Principal	BNOR16	Total
2029	300.0	300.0
<b>Total</b>	<b>300.0</b>	<b>300.0</b>

Interest payments at 31.12.2024	BNOR15*	BNOR16	Total
<b>Interest rate</b>	–	9.00%	
2025	–	28.5	28.5
2026	–	28.5	28.5
2027	–	28.5	28.5
2028	–	28.5	28.5
2029	–	28.5	28.5
<b>Total</b>	<b>–</b>	<b>142.5</b>	<b>142.5</b>

\* BNOR15 carries a variable interest charge of: (i) 6 percent per annum in cash, payable semi-annually, or; (ii) 8 percent per annum PIK cumulative interest, rolled up semi-annually, to add to BNOR15 capital on conversion at expiry of the bond. Currently, the Company has elected the PIK interest of 8 percent and is therefore forecasting no cash interest payments on BNOR15 in the above table.

**5.4 Pledged assets**

Pledged assets relate to the carrying value of the pledged shares under the reserve-based lending facility entered into by the wholly-owned subsidiary Altinex AS, please see note 23 in the Consolidated Financial Statement.

**> 6 Guarantees****Overview of issued guarantees on 31 December 2024**

The parent company of the Group, BlueNord ASA ('BlueNord'), has issued a parent company guarantee to the Danish Ministry of Climate, Energy and Utilities on behalf of its subsidiary BlueNord Energy Denmark A/S, BlueNord Gas Denmark A/S and CarbonCuts A/S.

The Company has provided a parent company guarantee to the Danish Ministry of Climate, Energy and Utilities related to the Group's activities on the Danish continental shelf, including BlueNord's participation in the Tyra West Pipeline and the Lulita licence. The Company has also provided a parent company guarantee towards the lenders in relation to the Company's USD 1.4 billion reserve-based lending facility and customary obligations/guarantees under joint operating agreements. BlueNord has also provided a parent company guarantee to Shell Energy Europe Limited in relation to its subsidiary BlueNord Energy Denmark A/S's obligations under a gas offtake and transportation agreement capped at EUR 30 mill.

Furthermore, the Company has provided a parent company guarantee to Total E&P Denmark A/S for its obligations under the JOA together with a guarantee from Shell. BlueNord has provided standby letters of credit of USD 100 million, issued under the LC tranche of the USD 1.4 billion RBL facility for the benefit of Shell in connection with this guarantee.

In relation to BlueNord's historic operations in the UK North Sea, the Company has issued a parent company guarantee on behalf of its subsidiaries BlueNord UK Ltd and BlueNord Energy UK Limited.

On 31 December 2012, BlueNord issued a parent company guarantee on behalf of its subsidiary Noreco Norway AS. BlueNord guarantees that, if any amounts become payable by Noreco Norway AS to the Norwegian Secretary of State under the terms of the licences and the company does not repay those amounts on first demand, BlueNord shall pay to the Norwegian Secretary of State on demand an amount equal to all such amounts. Noreco Norway AS was liquidated in 2018, however as per 31 December 2024, the guarantee has not been withdrawn.

**> 7 Shareholders' equity**

Changes in equity All figures in USD million	Share capital	Share premium	Treasury reserve	Other equity	Total
Equity 31 December 2023	1.7	782.9	(0.1)	(395.6)	388.9
Issue of shares	<b>0.0</b>	<b>4.2</b>	–	–	<b>4.2</b>
Sale of shares	–	–	<b>0.1</b>	<b>1.4</b>	<b>1.5</b>
Share-based incentive programme	–	–	–	<b>1.5</b>	<b>1.5</b>
Net result for the period	–	–	–	<b>(49.2)</b>	<b>(49.2)</b>
<b>Equity 31 December 2024</b>	<b>1.7</b>	<b>787.2</b>	<b>–</b>	<b>(442.0)</b>	<b>346.9</b>

**> 8 Share capital and shareholder information**

	2024	2023
Ordinary shares	<b>26,498,640</b>	26,205,849
Treasury shares	–	(100,521)
<b>Total shares</b>	<b>26,498,640</b>	26,105,328
Par value in NOK	<b>10</b>	10

There is only one single class of shares in the Company and all shares have equal rights.

## &gt; 8 Share capital and shareholder information continued

## Changes in number of shares and share capital:

	No. of shares	Share capital*
Number of shares and share capital as of 1 January 2023	25,708,424	1.7
Issue of shares	497,425	0.0
<b>Share capital as of 31 December 2023</b>	<b>26,205,849</b>	<b>1.7</b>
Issue of shares	<b>292,791</b>	<b>0.0</b>
<b>Share capital as of 31 December 2024</b>	<b>26,498,640</b>	<b>1.7</b>

	No. of shares	Treasury share reserve*
Treasury shares as of 1 January 2023	(137,162)	(0.1)
Sale of Treasury shares	36,641	0.0
<b>Treasury shares as of 31 December 2023</b>	<b>(100,521)</b>	<b>(0.1)</b>
Sale of Treasury shares	<b>100,521</b>	<b>0.1</b>
<b>Treasury shares as of 31 December 2024</b>	<b>–</b>	<b>–</b>

\* In USD million.

## Changes in 2024

During 2024 the Company issued 292,791 shares in relation to exercise of share options held by members and former member of the Board and former member of the executive management group, in addition to the second award of the Long-Term Incentive (LTI) programme.

The Company sold 100,521 of its own shares in relation to exercise of share options held by former member of the Board.

## Overview of shareholders at 31 March 2025:

Shareholder*	Shareholding	Ownership share	Voting share
Euroclear Bank S.A./N.V.	6,872,158	25.9 %	25.9 %
Goldman Sachs International	5,123,261	19.3 %	19.3 %
The Bank of New York Mellon SA/NV	2,279,864	8.6 %	8.6 %
SOBER AS	1,850,000	7.0 %	7.0 %
J.P. Morgan Securities LLC	1,482,181	5.6 %	5.6 %
J.P. Morgan Chase Bank, N.A., London	816,890	3.1 %	3.1 %
State Street Bank and Trust Comp	787,902	3.0 %	3.0 %
Citibank, N.A.	489,581	1.8 %	1.8 %
BARCLAYS CAPITAL LUXEMBOURG SARL	450,000	1.7 %	1.7 %
UBS Switzerland AG	448,391	1.7 %	1.7 %
Sbakkejord AS	417,058	1.6 %	1.6 %
J.P. Morgan SE	349,569	1.3 %	1.3 %
FINSNES INVEST AS	316,000	1.2 %	1.2 %
FJORD & ATOLL SOSYFR AS	308,070	1.2 %	1.2 %
HANASAND	292,412	1.1 %	1.1 %
VELDE HOLDING AS	245,000	0.9 %	0.9 %
ALTO HOLDING AS	244,700	0.9 %	0.9 %
CLEARSTREAM BANKING S.A.	198,115	0.7 %	0.7 %
Caceis Bank	186,695	0.7 %	0.7 %
The Bank of New York Mellon	186,210	0.7 %	0.7 %
<b>Total</b>	<b>23,344,057</b>	<b>88.1 %</b>	<b>88.1 %</b>
Other owners (ownership <0,53%)	3,154,583	11.9 %	11.9 %
<b>Total number of shares at 31 March 2025</b>	<b>26,498,640</b>	<b>100.0 %</b>	<b>100.0 %</b>

\* Nominee holder.

## Notes continued

## &gt; 9 Payroll expenses and remuneration

USD million	2024	2023
Salaries (incl. Directors' fees)	<b>(4.7)</b>	(2.6)
Social security tax	<b>(3.4)</b>	(0.9)
Pension costs <sup>1)</sup>	<b>(0.2)</b>	(0.1)
Costs relating to share-based payments	<b>0.1</b>	(1.9)
Other personnel expenses	<b>(0.2)</b>	(0.2)
<b>Total personnel expenses</b>	<b>(8.4)</b>	(5.8)
<b>Average number of employees</b>	<b>7.8</b>	8.0

1) Norwegian companies are obliged to have occupational pension in accordance with the Norwegian Act related to mandatory occupational pension. BlueNord ASA meets the Norwegian requirements for mandatory occupational pension ('obligatorisk tjenestepensjon').

Increased salaries in 2024 due to restructuring cost related to reorganisation. High social security tax is related to the exercise of directors' share options and restructuring cost. The Company's previous Options programme expired August 2024, and BlueNord has no longer any outstanding options remaining. Cost related to share-based payments in 2024 are influenced by adjustments due to leavers.

For further information on remuneration to key management personnel and Board of Directors, please see note 8 in the Consolidated Financial Statement.

## &gt; 10 Write-down of financial assets

USD million	2024	2023
Net impairment loans to subsidiaries	<b>(1.3)</b>	(0.5)
Net reversal of prior years impairments on loans to subsidiaries	<b>–</b>	0.5
<b>Net impairment of financial assets</b>	<b>(1.3)</b>	(0.0)

Write-down of loans to subsidiaries in 2024 consists of impairment of loans in BlueNord Energy UK Ltd and BlueNord UK Ltd. The intercompany loans to the UK investment are impaired to zero.

Write-down of loans to subsidiaries in 2023 consists of impairment of loans in BlueNord UK Ltd. The reversal of previous years' impairment is related to BlueNord Energy Ltd. The intercompany loans to the UK investment are impaired to zero.

## &gt; 11 Tax

Reconciliation of nominal to actual tax rate:

USD million	2024	2023
<b>Result before tax</b>	<b>(49.2)</b>	(10.4)
Corporation income tax of income (loss) before tax -22%	<b>(10.8)</b>	(2.3)
<b>Calculated tax expense</b>	<b>(10.8)</b>	(2.3)
Permanent differences	<b>4.7</b>	1.0
Changes in deferred tax assets – not recognised	<b>6.1</b>	1.3
<b>Income tax expense</b>	<b>–</b>	–

Deferred tax liability and deferred tax assets:

USD million	2024	2023
Net operating loss deductible	<b>142.8</b>	98.1
Interest limitation carried forward	<b>44.8</b>	34.7
Fixed assets	<b>0.0</b>	0.0
Current assets	<b>(64.9)</b>	(24.2)
Liabilities	<b>21.0</b>	34.5
<b>Tax base deferred tax liability/deferred tax asset</b>	<b>143.8</b>	143.1
<b>Net deferred tax liability/(deferred tax asset) (22%)</b>	<b>(31.6)</b>	(31.5)
<b>Unrecognised deferred tax asset</b>	<b>31.6</b>	31.5

## &gt; 12 Other operating expenses and audit fees

USD million	2024	2023
Lease expenses	<b>(0.2)</b>	(0.1)
IT expenses	<b>(1.5)</b>	(0.7)
Travel expenses	<b>(0.2)</b>	(0.2)
General and administrative costs	<b>(0.2)</b>	(0.2)
Consultant fees	<b>(2.7)</b>	(1.8)
Other operating expenses	<b>(0.6)</b>	(0.5)
<b>Total other operating expenses</b>	<b>(5.3)</b>	(3.5)

Expensed audit fee:

USD 1000, excl. VAT	2024	2023
Auditor's fees	<b>(312.5)</b>	(232.7)
Other services	<b>(86.7)</b>	(86.1)
<b>Total audit fees</b>	<b>(399.2)</b>	(318.8)



> 13 Related party transactions

Transactions with related party USD million	2024	2023
a) Allocation of cost to Group companies, Management fee	3.4	3.7
b) Allocation of cost to Group companies, IT expenses	0.8	0.7
c) Purchases of services	–	–
d) Sale of assets	–	–

Interest income and interest expenses to Group companies are presented separately in the income statement.

Services are charged between Group companies at an hourly rate which corresponds to similar rates between independent parties. Allocation of IT and management fee to Group companies amounts to USD 4.2 million for 2024.

**Balances with group companies**

Carrying value of balances with Group companies are stated on the face of the balance sheet and are all related to 100 percent controlled subsidiaries.

BlueNord did not have any other transactions with any other related parties during 2024. Please see the Executive Remuneration Report 2024 for Director's fee paid to shareholders and remuneration to management.

## Independent Auditors' Report

### Report on the Audit of the Financial Statements

#### To the General Meeting of BlueNord ASA

#### Opinion

We have audited the financial statements of BlueNord ASA, which comprise:

- the financial statements of the parent company BlueNord ASA (the Company), which comprise the balance sheet as at 31 December 2024, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of BlueNord ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

#### 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 and the Group as required by 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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 17 years from the election by the general meeting of the shareholders on 25 April 2008 for the accounting year 2008.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Assets retirement obligations

Refer to note 3.2 Critical accounting estimates (section d) and assumptions and note 22 Assets retirement obligations.

The key audit matter	How the matter was addressed in our audit
As at 31 December 2024, the Group has non-current asset retirement obligations of USD 1,110.6 million and current asset retirement obligations of USD 11.4 million.	Our audit procedures in this area included: <ul style="list-style-type: none"> <li>• Assessed management's process to determine the present value of the estimated future decommissioning and removal expenditures required by local conditions and requirements.</li> <li>• We critically assessed and challenged the link between the economic cut-off date for fields for consistency to the reserves estimate, for which a third-party assessment has been obtained.</li> <li>• We assessed and challenged managements expected future costs estimates by comparing these to reports from the operator company and evaluating the historical accuracy of the cost estimates.</li> <li>• Assessed the discount and inflation rate applied with reference to industry practice along with market and Company data.</li> <li>• We assessed the mathematical and methodological integrity of management's valuation model.</li> </ul>
The determination of the asset retirement obligations ("ARO") involves judgement related to the estimation of future costs, the discount rate applied, the economic cut-off date for fields and the related timing of the expected costs.	
Significant auditor judgment is required when evaluating the asset retirement obligations and to determine whether there is sufficient evidence available to support the estimates and judgments made.	We also evaluated the adequacy and appropriateness of the disclosures in the financial statements.

### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group 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 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. We 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 and the Group'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 and the Group'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 and the Group 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 a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

**Independent Auditors' Report** continued

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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements****Report on Compliance with Requirement on European Single Electronic Format (ESEF) Opinion**

As part of the audit of the financial statements of BlueNord ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXGE3C16-2024-12-31-0-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

**Management's Responsibilities**

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

**Auditor's Responsibilities**

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Oslo, 8 April 2025****KPMG AS****Roland Fredriksen**

State Authorised Public Accountant

(This document is signed electronically)



Statement of Compliance

> Board and management confirmation

Today, the Board of Directors and the Chief Executive Director reviewed and approved the Board of Directors' Report and the BlueNord ASA consolidated and separate annual financial statements as of 31 December 2024.

To the best of our knowledge, we confirm that:

- the BlueNord ASA consolidated annual financial statements for 2024 have been prepared in accordance with IFRS Accounting Standards as adopted by the EU, and additional Norwegian disclosure requirements in the Norwegian Accounting Act;
- the financial statements for BlueNord ASA have been prepared in accordance with the Norwegian Accounting Act and Norwegian Accounting Standards;
- that the Board of Directors' report for the Group and the parent company is in accordance with the requirements in the Norwegian Accounting Act and Norwegian Accounting Standard no. 16;
- that the information presented in the financial statements gives a true and fair view of the Company's and the Group's assets, liabilities, financial position and results for the period viewed in their entirety;
- that the Board of Directors' Report gives a true and fair view of the development, performance, financial position, principle risks and uncertainties of the Company and the Group.

Oslo  
8 April 2025

Glen Ole Rødland  
Executive Chair

Tone Kristin Omsted  
Board member

Marianne Lie  
Board member

Robert J. McGuire  
Board member

Peter Coleman  
Board member

Kristin Færøvik  
Board member

João Saraiva e Silva  
Board member

Euan Shirlaw  
Chief Executive Officer

## Alternative Performance Measures

BlueNord chooses to disclose Alternative Performance Measures as part of its financial reporting as a supplement to the financial statements prepared in accordance with International Financial Reporting Standards. This information is provided as a useful supplemental information to investors, security analysts and other stakeholders to provide an enhanced insight into the financial development of BlueNord's business operations and to improve comparability between periods.

**Abandonment spent (abex)** is defined as the payment for removal and decommissioning of oil fields, to highlight the cash effect for the period.

**EBITDA** Earnings before interest, taxes, depreciation, depletion, amortisation and impairments. EBITDA assists in comparing performance on a consistent basis without regard to depreciation and amortisation, which can vary significantly depending on accounting methods or non-operating factors and provides a more complete and comprehensive analysis of our operating performance relative to other companies.

**Adj. EBITDA** is EBITDA adjusted for the cost based on fair value of the share-options programme and Non-payment insurance as these costs are related to the DUC acquisition and not directly related to the operational result for the year.

USD million	2024	2023
<b>EBITDA</b>	<b>353.9</b>	421.4
Non-payment insurance	<b>6.0</b>	6.4
Share-option programme <sup>1)</sup>	<b>2.5</b>	0.0
Restructuring cost <sup>2)</sup>	<b>1.8</b>	–
<b>Adj. EBITDA</b>	<b>364.2</b>	427.8

1) Corrected prior year to only include the share option programme awarded after the DUC acquisition, hence the Long-Term Incentive (LTI) Programme is not adjusted for.

2) Restructuring cost related to reorganisation.

**Cash flow from operating activities before tax** is defined as net cash flow from operating activities excluding tax payments.

USD million	2024	2023
<b>Cash flow from operating activities before tax</b>	<b>383.3</b>	479.7
Tax received/(paid)	<b>(74.8)</b>	(229.8)
<b>Net cash flow from operating activities</b>	<b>308.5</b>	249.9

**Interest-bearing debt** defined as the book value of the current and non-current interest-bearing debt.

USD million	31.12.2024	31.12.2023
Convertible bond loans	<b>(233.1)</b>	(201.7)
Senior Unsecured bond loan	<b>(303.5)</b>	(169.1)
Reserve-based lending facility	<b>(834.3)</b>	(820.8)
<b>Interest-bearing debt</b>	<b>(1,370.9)</b>	(1,191.6)

**Net interest-bearing debt** is defined by BlueNord as cash and cash equivalents reduced by current and non-current interest-bearing debt. The RBL facility and bond loans are included in the calculation with the total amount outstanding and not the amortised cost including transaction cost.

USD million	31.12.2024	31.12.2023
Cash and cash equivalents	<b>250.6</b>	166.7
Convertible bond loan	<b>(247.1)</b>	(228.4)
Senior unsecured bond loan	<b>(300.0)</b>	(175.0)
Reserve-based lending facility	<b>(880.0)</b>	(850.0)
<b>Net interest-bearing debt</b>	<b>(1,176.5)</b>	(1,086.7)
Adjustment for convertible bond loans	<b>247.1</b>	228.4
Include issued letters of credit	<b>(100.0)</b>	(100.0)
<b>Net interest-bearing debt as per debt covenant</b>	<b>(1,029.4)</b>	(958.3)

## Supplementary Oil and Gas Information (unaudited)

In March 2025, the Group reported oil and gas 2P reserves and near-term 2C resources, the report is reported separately from the Annual Report 2024. The Reserves Evaluator ERC Equipoise Ltd ('ERCE') has carried out an independent evaluation of the hydrocarbon Reserves and certain Contingent Resources held by BlueNord Energy Denmark A/S in the DUC Sole Concession area, offshore Denmark. ERCE has carried out this work in accordance with the June 2018 SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Resources Management System ('PRMS') as the standard for classification and reporting.

In line with the Annual Statement of Reserves and Resources, the reported reserves include remaining volumes expected to be recovered based on reasonable assumptions about future technical, economic, fiscal, and financial conditions based on year end 2024 data. The calculations of recoverable volumes are associated with significant uncertainties. The 2P estimate represents a best estimate of reserves.

The reported contingent resources (near-term 2C) are potentially recoverable volumes from known accumulations for which development plans are being matured or further evaluation is under way with a view to development in the near term. This does not include the full portfolio of BlueNord's 2C resources.

**Supplementary Oil and Gas Information (unaudited)** continued**Total 2P reserves and near-term 2C resources as of 31.12.2024**

Field	Hub	Status	Liquids (mmbbl)	Gas (mmbbl)	OilEq. (mmbbl)	Interest %	OilEq. (mmbbl)
Dan	Dan	On Production	52.6	8.0	60.6	36.8 %	22.3
Kraka	Dan	On Production	8.0	0.2	8.2	36.8 %	3.0
Gorm	Gorm	On Production	9.0	0.1	9.1	36.8 %	3.3
Skjold	Gorm	On Production	17.1	0.7	17.8	36.8 %	6.5
Rolf	Gorm	On Production	1.4	0.1	1.5	36.8 %	0.5
Halfdan (incl. Halfdan North East)	Halfdan	On Production	68.4	30.4	98.8	36.8 %	36.4
Tyra	Tyra	On Production	32.2	85.8	118.0	36.8 %	43.4
Valdemar	Tyra	On Production	37.4	19.3	56.8	36.8 %	20.9
Roar	Tyra	On Production	6.8	14.7	21.4	36.8 %	7.9
Harald (Incl HEMJ)	Tyra	On Production	10.7	30.7	41.3	36.8 %	15.2
Lulita	Tyra	On Production	1.8	1.1	3.0	36.8 %	0.8
Halfdan HCA Gas Lift	Halfdan	Approved for Development	0.4	7.9	8.3	36.8 %	3.1
Halfdan Infill (Ekofisk)	Halfdan	One well approved, one well justified	5.5	4.8	10.3	36.8 %	3.8
Halfdan North (Phase 1)	Halfdan	Justified for Development	22.3	3.4	25.7	36.8 %	9.5
Valdemar UC Infill	Tyra	Justified for Development	3.1	3.1	6.1	36.8 %	2.3
Tyra North (Phase 1)	Tyra	Justified for Development	17.6	22.4	40.0	36.8 %	14.7
<b>Total 2P reserves</b>			<b>294.3</b>	<b>232.8</b>	<b>527.0</b>		<b>193.7</b>
Gorm WROM III			3.3	0.4	3.6	36.8 %	1.3
Halfdan Tor NE Infill			1.4	1.0	2.4	36.8 %	0.9
Halfdan North Phase 2			11.9	1.8	13.7	36.8 %	5.1
Tyra North Phase 2			3.4	10.5	14.0	36.8 %	5.1
Valdemar Bo South			18.5	10.0	28.5	36.8 %	10.5
Svend Re-development			11.4	1.7	13.1	36.8 %	4.8
<b>Total 2C resources</b>			<b>49.9</b>	<b>25.3</b>	<b>75.3</b>		<b>27.7</b>
<b>Total 2P reserves and near-term 2C Resources</b>			<b>344.2</b>	<b>258.1</b>	<b>602.3</b>		<b>221.4</b>







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# UN Sustainable Development Goals

The United Nations Sustainable Development Goals ('SDGs') provide a blueprint for achieving a better and more sustainable future for all by addressing global challenges such as poverty, inequality, climate change, environmental degradation, peace, and justice. BlueNord continues to identify our best solutions to contribute to the SDGs as we aim to address various environmental, social and economic challenges facing our world today. Examples of our actions, programmes and the SDGs to which they relate are demonstrated here and throughout this report.

Sustainability impact area		SDGs	2024 focus
<b>People</b>	BlueNord promotes the welfare and rights of employees, communities, and other stakeholders.	   	<ul style="list-style-type: none"> <li>• Ensure safe operations along with DUC operator.</li> <li>• Promote healthy and safe working environment.</li> <li>• Respect Human and Labour Rights.</li> <li>• Foster DEI.</li> <li>• Deliver continuous professional development for our employees.</li> <li>• Create awareness and provide training in HSE and DEI.</li> </ul>
<b>Climate and sustainable energy</b>	BlueNord identifies and invests in initiatives that reduce emissions and ensure secure access to locally produced energy.	   	<ul style="list-style-type: none"> <li>• Reduce GHG emissions (reduce and eliminate flaring, detect and reduce methane).</li> <li>• Improve energy efficiency at DUC operations with pressure loss reductions and increased uptime.</li> <li>• Invest in carbon storage to contribute to Denmark's CCS goals and net zero target.</li> <li>• Ensure access to locally produced, affordable, reliable, and secure energy for EU.</li> </ul>
<b>Environment</b>	BlueNord identifies and invests in initiatives that reduce environmental impact and promote sustainability.	 	<ul style="list-style-type: none"> <li>• Support DUC's ambition to locally recycle obsolete infrastructure.</li> <li>• Produce a Biodiversity Action Plan to evaluate populations of flora and fauna near offshore installations.</li> <li>• Reduce DUC operations' atmospheric emissions by 40 percent in 2030 compared to 2015.</li> <li>• Minimise chemicals and hydrocarbons from produced water discharged to sea in strict adherence with discharge permits and environmental regulations.</li> </ul>
<b>Responsible and ethical business</b>	BlueNord's Board of directors and executives are expected to demonstrate integrity, honesty, and accountability in their decision-making.	  	<ul style="list-style-type: none"> <li>• Promote Board diversity and independence.</li> <li>• Demonstrate ethical leadership.</li> <li>• Maintain transparency in market communication and disclosures.</li> <li>• Comply with local legislations, reporting requirements and standards.</li> <li>• Create shared economic value.</li> </ul>
<b>Partnerships</b>	BlueNord collaborates with DUC's partners, governmental bodies, civil society, businesses, academia, and NGOs to address challenges effectively.	 	<ul style="list-style-type: none"> <li>• Engage with local communities.</li> <li>• Engage with DUC partners and Operator to encourage adoption of best practices; advocating for alignment with Danish and EU regulations.</li> </ul>

BlueNord's contribution to the UN's 2030 sustainable development agenda.

**Appendix 2. Environment – Climate****> Performance status 2024: Atmospheric emissions**

TOPIC	DESCRIPTION
<b>CO<sub>2</sub> emissions</b>	Main CO <sub>2</sub> source is the fuel gas for production. Figure also includes flaring and other fuels contribution.
<b>Fuel consumption</b>	Fuel is consumed primarily by single cycle gas turbine powering generators, gas compressors, and pumps. Diesel generators are being used when power cannot be generated with fuel gas. This is typically the case on drilling rigs, during production shutdown or on platforms without processing capacities and without power supply from adjacent platforms.
<b>Flaring</b>	Flaring of natural gas is occurring on all hubs when required to allow safe operation during production upsets and non-routine operation.
<b>Fugitive emissions</b>	Venting of gas from production facilities is to ensure safe operation. Venting is primarily relevant for systems operating at atmospheric pressure, but it also occurs during facilities maintenance.

TOPIC	DESCRIPTION
<b>NOx and SOx emissions</b>	The operation of gas turbine drives and diesel engines offshore causes emissions of nitrogen oxides and sulphur oxides.
<b>CH4</b>	CH4 and non-methane volatile organic compounds ('nmVOC') come directly from our gas. They can originate from unburned parts of our fuel gas or flare gas (they do not burn at 100 percent efficiency) or from releases, i.e. process vents or tiny leaks that are below threshold limits of our safety detection systems.
<b>nmVOC</b>	CH4 and nmVOC come directly from our gas. They can originate from unburned parts of our fuel gas or flare gas (they do not burn at 100 percent efficiency) or from releases, i.e. process vents or minor leaks that are below threshold limits of our safety detection systems.
<b>GHG emissions</b>	Greenhouse gases that are released to the atmosphere as a result of the operations. Green house gases are gases that trap heat in the atmosphere and are responsible for global warming. The following gases are considered GHG: Carbon dioxide. (CO <sub>2</sub> ), Methane (CH <sub>4</sub> ), Nitrous Oxide (N <sub>2</sub> O), Perfluorocarbons (PFCs), Sulphur hexafluoride (SF <sub>6</sub> ), Hydrofluorocarbons (HCFs), Chlorofluorocarbons (CFCs), nitrogen oxides (NOx).
<b>GHG intensity</b>	GHG intensity corresponds to total GHG emissions in CO <sub>2</sub> equivalent over total production expressed in barrel of oil equivalent.
<b>ETS reporting perimeter</b>	DUC offshore fixed installations are subject to the EU Emissions Trading System. The emissions included in the system are currently limited to CO <sub>2</sub> , which is emitted as a result of fuel combustion (gas and diesel) and flaring.



> Performance status 2024: Discharge to sea

TOPIC	DESCRIPTION
Discharge to sea	Water is produced from the fields together with the hydrocarbons. For the fields Dan and Halfdan, the produced water is discharged to the sea after separation and cleaning. In the fields Gorm and Skjold, the water is reinjected. The water produced is partly formation water and partly injected sea water. In 2023, 25.1 percent of the produced water was reinjected. Oil is discharged to sea as part of the produced water and the efficiency of oil/water separation is a key factor for the oil in water concentration. The increase in concentration of oil in water and the higher discharge from 2022 to 2023 is mainly due to separator issues on Dan. The level of discharge is within the legal limit.
Spills	Spills from closed systems and from handling of various liquids are reported in accordance with environmental regulation. In 2023, fifteen oil and diesel spills and twenty chemical spills were reported, compared with six oil and diesel spills and thirty two chemical spills in 2022. Ongoing efforts are made to minimise the number and level of spills that occur.

TOPIC	DESCRIPTION
Chemical usage	Chemicals are used for various purposes in the oil and gas industry. They are used to drill, complete, stimulate and operate wells, as well as to enhance oil recovery. Some of the chemicals help protect the production equipment and pipelines from corrosion, scaling, souring etc.  Each chemical is categorised with a colour according to OSPAR representing how harmful the chemicals are to the environment.
Chemical discharge	Some chemicals will be discharged to sea with the discharged produced water after separation or unintentionally through spills. The discharge of chemicals is highly regulated through discharge permits and operators must follow regulation and best practices to minimise the environmental impact.

## Appendix 4. BlueNord | Transparency Act Report

### Account of the due diligence assessment

BlueNord ASA ('BlueNord') is committed to respecting fundamental human and labour rights, both in operations and in relations with business partners. At BlueNord, we comply with all applicable laws and regulations, including the Norwegian Transparency Act, entered into force on 1 July 2022. The Act's intention is to promote companies' respect for fundamental human rights and decent working conditions.

We recognise that our activities can cause, contribute, or be linked to negative human rights and other social impacts. BlueNord operates in a low-risk environment regarding human rights abuse, as all our operations are in Denmark. Furthermore, most of our vendors are based in Denmark or other low-risk countries. However, we are aware of potential human and labour rights risks that may occur in our operations or further up or down in our supply chain.

In cases where BlueNord operations might have caused or contributed to adverse human rights impact, we will provide or cooperate in providing appropriate remediation to affected stakeholders.

### Organisation

BlueNord is a material independent E&P company with a 'see to it' duty, meaning an obligation to ensure that the operator carries out its work in accordance with the regulatory requirements while reducing risks and environmental impact to a minimum.

The executive management is responsible for overall risk management with the Chief Corporate Affairs Officer responsible for the work carried out regarding the Transparency Act. This work is included in BlueNord's ESG work. In 2020, an ESG Committee was established to support BlueNord's commitment to ESG and to evolve its contribution in the energy transition. In 2024 the ESG Committee was incorporated into the Audit Committee.

### Guidelines and routines

BlueNord has developed guidelines to prevent violations of human rights, indecent working conditions, damage to the environment, and involvement with corruption. The relevant guidelines are described in Corporate Social Responsibility Guidelines, including the Code of Conduct as well as HSE policy, approved by the Board of Directors.

In October 2022, BlueNord conducted an overall due diligence assessment in accordance with the requirements of the Transparency Act based on a methodology including ISO Standard 31000 for managing risks. The due diligence is an on going risk management process to identify, assess, prevent, and mitigate human rights risks across the entire value chain of the business. This process applies to BlueNord's operation including subsidiaries, where BlueNord has operational control, associated activities within the value chain, and relevant stakeholders e.g., employees, suppliers, and subcontractors. The Company is committed to perform an annual review of the due diligence assessments on these topics to monitor and manage actual and potential adverse impacts on human rights and working conditions.

### Findings as of 2023

BlueNord performed an overall strategic risk assessment including risks associated with its operator. The Company only holds interest in the DUC, which is operated by TotalEnergies.

In the risk assessment, BlueNord focused on the following five categories and related activities in their business value chain: exploration, appraisal, development, production, and abandonment. Business partners who provide the Company with goods and services that are not a direct part of the value chain were also part of the assessment. These non-negligible expenditures are related to acquisition of seismic data, IT and digitalisation services, office services, such as cleaning and canteen services, and professional services, such as insurance, accounting, legal and other commercial or technical advisers and hire of in-house technical specialists.

No negative consequences were discovered during the recent due diligence assessment, given that BlueNord has limited activity in the various categories and operates within strong sector regulations. When prioritising risks while identifying uncertainties, BlueNord highlighted yard activities, input factors used in construction, and dismantling and managing steel and waste disposal when brought to shore, as the most severe risks that may occur.

### Measures

Concrete measures and initiatives have been identified to manage the identified severe risks that may occur. Therefore, BlueNord approves all contractors proposed by the operator with a contract value above DKK 100 million. If the contractor is based outside the EEA or the UK, the operator shall demonstrate the contractor adheres to human rights and working conditions prior to such approval. In addition, BlueNord shall visit the relevant yards when applicable. For the time being, BlueNord is not involved in any activities which was highlighted during the due diligence assessment. In the case of new activities or projects within one of these categories, there will be a need for assessing risks of human rights and decent working conditions.

### Results

BlueNord is constantly working to strengthen our work on human rights and decent working conditions. We aim to review and revise our Corporate Social Responsibility Guidelines in accordance with OECD's guidelines and clarify our expectations to business partners. Furthermore, the measures will help us establish governance documents, routines and instructions related to due diligence processes and our supply chain to ensure that we apply the highest standards of professional and ethical standards in the conduct of our business affairs. In addition, TotalEnergies has in 2023 provided a letter of comfort related to their compliance programme. The main part of the Company's supply chain has been assessed with this.

The operator did not enter any major contracts, i.e. above 100 MDKK, with contractors outside EEA or UK in 2024.

Appendix 4. BlueNord | Transparency Act Report continued

The overview below indicates where to find more relevant information to cover the reporting requirements according to Section 5 of the Act in the Sustainability.

Requirement	Page reference
A general description of the enterprise's structure and area of operations.	2-3
Guidelines and procedures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions.	57-61
Information regarding actual adverse impacts and significant risks of adverse impacts that the enterprise has identified through its due diligence.	25-35
Information regarding measures the enterprise has implemented or plans to implement to cease actual adverse impacts or mitigate significant risks of adverse impacts, and the results or expected results of these measures.	25-35

Oslo  
8 April 2025

**Glen Ole Rødland**  
Executive Chair

**Marianne Lie**  
Board member

**Tone Kristin Omsted**  
Board member

**Kristin Færøvik**  
Board member

**Robert J. McGuire**  
Board member

**Peter Colman**  
Board member

**João Saraiva e Silva**  
Board member

## Information about BlueNord

### ESEF information:

Name of reporting entity or other means of identification  
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period  
Domicile of entity  
Legal form of entity  
Country of incorporation  
Address of entity's registered office  
Principal place of business  
Description of nature of entity's operations and principal activities  
Name of parent entity  
Name of ultimate parent of group

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Oslo  
Oil and gas  
BlueNord ASA  
BlueNord ASA

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NO 987 989 297 MVA

### Financial Calendar 2024

14 May  
07 May  
10 July  
31 October

Annual General Meeting  
Q1 2024 Report  
Q2 2024 Report  
Q3 2024 Report

### Board of Directors

Glen Ole Rødland  
Marianne Lie  
Tone Kristin Omsted  
Kristin Færøvik  
Robert J. McGuire  
Peter Colman  
João Saraiva e Silva

Chair

### Management

Euan Shirlaw  
Jacqueline Lindmark Boye  
Miriam Jager Lykke  
Cathrine Torgersen

Chief Executive Officer  
Chief Financial Officer  
Chief Operating Officer  
Chief Corporate Affairs Officer

### Investor Relations

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**investorrelations@bluenord.com**

### Annual Reports

Annual Reports for BlueNord are available on **www.bluenord.com**.

### Quarterly publications

Quarterly Reports and supplementary information for investors and analysts are available on **www.bluenord.com**. The publications can be ordered by e-mailing **investorrelations@bluenord.com**.

### News releases

In order to receive news releases from BlueNord, please register on **www.bluenord.com** or e-mail **investorrelations@bluenord.com**.

### BlueNord ASA

Org. number: 987 989 297  
LEI Code: 5967007LIEEXZXGE3C16  
Photographs provided courtesy of TotalEnergies, Helena Lopes, Marc Roussel and Tom Jersø





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